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Chairman & CEO of Total

Volker PERTHES, Chairman and Director of *Stiftung Wissenschaft und Politik (SWP)*

Thank you. I hope that whoever is going to be the Republican Presidential candidate will take your advice, but I am not so sure on that matter. As one of two Europeans here, I think that it is clear that we, as Europeans, cannot afford to have just a focused geostrategic approach to the Arab world, because we are neighbours. We have security, economy and development interests and we probably even have social/cultural and cultural interests. It seems clear that the European Union, with its political and transformation toolboxes, will concentrate on those countries that have chosen a path towards democracy, particularly Tunisia and Egypt at present. However, the role of European business is related to the entire region, from Morocco to Saudi Arabia – or from Morocco to Oman, if you prefer. Christophe, could you tell us a little about what you think the role of business is in these Arab transformations or springs or revolts?

Christophe de MARGERIE, Chairman & CEO of Total

Thank you, Volker, and my thanks to Thierry for inviting me here once again. First of all, I have the same problem as most of the speakers about the Arab Spring, firstly because we are already in winter and I am waiting for the next spring, which is a message in itself. Secondly, all my Arab friends know that none of us likes to talk about Arabs as people who are just a common entity when we know that all countries are different, from Syria to Tunisia, Saudi Arabia and Egypt, of course, and I always prefer to talk about spring in one of the countries or in all of them, but certainly not spring as a whole.

The second point that I would like to make – and then Thierry will comment, as the last time, in Marrakech, I did not follow too closely the strict discipline regarding what I was to talk about – is that this year I promised my team, especially on this sensitive subject and particularly due to the presence of Total in all these countries, that I would keep more to my paper and speak, if possible, in French. You know that I usually do not like to follow advice, except when it is good advice, and I think that this is good advice so if you do not mind I would like to speak in French, not because it is not important, as Thierry said before, but because it is very sensitive and I think that you sometimes speak more from the heart when it is your own language. If you do not mind, therefore, I will switch to French. If you do mind, I will keep talking in Esperanto/English.

These events, the things that have happened with these so-called Arab Springs, for me have actually prompted very complex and very mixed feelings. The first one – simple it's true – is real respect and admiration for all these people who, often risking their lives, even losing them, have managed to challenge the powers that be. I am proud of them. Then, a real affinity with their aspiration for more freedom and justice and I prefer these words liberty, equality – I would withhold fraternity for now – rather than democracy. Democracy is a word whose meaning I have some difficulty understanding from time to time; especially as I think that all countries cannot have the same form of democracy. That would be a debate in itself. Then clearly – and I would hope without complacency – always that satisfaction at seeing the back of leaders who had really lost all legitimacy.

The least obvious aspect is a certain perplexity over the new political balances that are, I hope, emerging in the aftermath of this period, a period however still of great uncertainty and turbulence. And my second big perplexity is the danger of excessive interventionism by foreign countries, which is doubly complicated. Because I think that these countries in question need assistance – I will come back to the economic aspect – and at the same time need to be respected and to be helped, not on the basis of our own views or interests, but theirs first and foremost. That is why I find, in this debate today on the “Arab Spring and World Governance”, that the expression “world governance” almost



carries more weight than “*Arab Spring*”. Since this is not a problem of the Arab world, it is a much more widespread problem. And I would say that we, especially having experienced the crisis in the Ivory Coast, clearly see some similarity between the Ivory Coast and the “*Arab Spring*”.

Yet the Ivory Coast is not an Arab country. I would have liked to have summed up, with Thierry and Volker, by saying that for me there are three parts: before, during and after. That is to say: before, did we see things coming? The answer is clearly no. During, are we governing well? Are we governing according to what these people expect or is it not that we are governing according to what we want them to do? After, and this, in my opinion, is much more important, how are we to organise real help without encroaching on their responsibilities, on their cultures, on their citizenship while at the same time bearing in mind that they do really need us. By us I mean Total. It is clear that initially neither I nor anyone else saw things coming, at least not as quickly as they did.

I must say that Tunisia, in particular, to be very brief, was not a surprise, but a shock. A surprise, no, because I well expected this to happen one day, but a shock in the form it took and the speed, and above all a shock that it was that country. Quite honestly, I didn't think it would be the first to move. Now, and it's here that I don't like the expression “Arab world”, contrary to what has been said in many western countries, these countries also wanted freedom. They wanted to participate. Is that democracy? I don't know. There is a kind of belief that the culture is different and that the desire for freedom in the Arab countries or the Middle East could be different from our own. Me, I think that it is fundamentally different, but not different in the sense that there was no common need. That, I think probably made us, or at least some of us, me included, look the other way to some degree and perhaps made us miss a starting point.

I believe, clearly, or at least I hope, because I'm no longer completely sure, that what started the ball rolling, particularly in Tunisia at the beginning, was not an ideology. At least I hope not. It was not driven by religious motives alone, because there is always a tendency just to put it all down to religion. It was not oil-related, at least not always, and not directly. And when you look at Tunisia, it is quite clear because, as you know, unfortunately they have no oil. On the other hand, they aspire to genuine values of individual freedom. They truly aspire to more equality, particularly in the distribution of wealth. Of this I am absolutely convinced although I don't think it is our model they want. Let's stop believing that they want to copy our model. Indeed, I would like to know what our model actually is, and I am still not sure that it should be copied. In any case let them copy us in what we do well and not in what we don't do very well.

The real issue, and I'm not going to spend too much time on this because it would be a theme in itself, is precisely what Volker said just now: “What happens if, in six or seven years, the youth of today still have no job when they have completed their studies? I hope that that is going to enable them to do even more, but the result will be that they will be even less understanding if eventually things do not develop in the way they want”. Yet at the same time we ourselves know full well that a revolution and a change have a cost. In the first place, and I don't need to explain this to our Egyptian friend, tourism was the first to be affected. Tourism is the main source of income and, out of fear, often unwarranted, I may add, tourists are not travelling there any more. My first reaction is that this is going to have quite a negative effect on the economy.

At this moment, in a time of crisis, it could make quite a good topic: just because we have a problem with the Euro and Europe, should we forget about the rest? Certainly not. Quite clearly they are waiting for us. They are waiting for us now and they will not wait for us until the Euro has become a strong currency again. I am not going to start this debate because it would take far too long. Quite clearly we need to move quickly now if we want that to change. And what is happening today in the Ivory Coast is a more “mature” issue because one has the impression that it has ended, but in fact it hasn't. There is after all an elected President. They are going to have new elections. This will create new problems. Above all, the economy is not doing well. And if we don't help them quickly then everything that has been done there, while it certainly may not have been done for nothing, will need to be done all over again and at the cost of more lives, more suffering. I believe it is our responsibility to prevent that.

So, to cut short all the other things I have to say to you, I certainly do think that we should speak today about business. Business leaders can no longer remain silent or if they do remain silent then they should go away. That is to say, things cannot simply be left up to politicians. This is not out of a lack of respect, but we do have our part to play. We have our responsibility and we must make ourselves heard. Politicians do not always like to listen to us. Of course they do like to hear us when they ask for more money, more taxes. Then they like us a lot. But, they do not always like us



when we go to tell them: “You know, Syria, maybe we know it a little better than you do. It may be that the embargos are necessary, but maybe there are other ways of doing it than by imposing everything and anything. In particular, when we develop a gas plant only for a domestic market where you have no access to foreign currencies, if you cut off the gas then you have no electricity any more. Should we go beyond that?”

After that, it is a domestic decision, but it is also up to us to explain what is happening in these countries. When we live there and we claim that we are genuinely interested in the people and not just in our money and our investments, we cannot fail to do that. It is not looked upon very well, I can tell you, and it is even seen as being: “They do that for their money. It’s a policy for shareholders, for dividends, etc.” I assure you that working today in Syria is neither a policy for shareholders nor a policy for dividends. What counts in the end is being able to take on our responsibilities when a priority arises and ensuring, and this is the most important thing, the safety of our employees who are generally mostly all people from these countries. That is why I tend to say: “Total is not a uniquely French company; in Libya it is a Libyan company and pretty much everywhere it is a company of the countries we are in”. That I can say from my own experience.

I think we have much to do, our companies, Total in particular. It is an absolute duty. There is in these countries an extraordinary expectation to see us either remain or come back. In Syria, you would be surprised to see that it is not only the regime that is asking us to stay, but also the people we work with. Now if there is an embargo we will not be able to do that. In Libya, we were among the first to go back, to take some risk in speaking out before the NTC was recognised, but that was part of our duty. We will continue to do so cautiously. Just as I like to use conventional forms of words from time to time, but ones that live on, we must stay relatively neutral as we are not really, as a company, citizens of all of these countries at the same time. But, it is a type of neutrality that I would call committed and even more committed than neutral. Because at the same time, we cannot ignore things when we know that maybe they can be made a little better. No one is necessarily right, but again as a player and a player in all of these countries, we are entitled to have our say. But we also need to listen and then afterwards, together with the politicians, try to find the best possible solution.