

The Balance of Power and Diplomacy – speech by Gunnar Hökmark, MEP and leader of the Swedish delegation to EPP-ED, at the Tel Aviv University on October 31, 2006.

Check against delivery

Ladies and Gentlemen,

Sometimes in history as well as in politics the most important things that happen are those that do not happen. The problem for us all to learn from that is that because they do not occur we cannot remember them as we have nothing to remember and therefore nothing to learn from.

This is true in our personal lives as well as in international politics. And it tells us also how difficult it is to judge and value the different parameters of Power as well as of Diplomacy. There is in this respect a certain asymmetry between those two concepts. The achievements as well as the failures of power are visible and also have an unmistakable impact in history and in politics. At the same time success or shortcomings of Diplomacy sometimes are not visible at all and moreover they are more difficult to trace back to the efforts made or not made.

Two years ago a big European country was catastrophically close to civil war. It would have had an enormous impact on European security as it would have involved one of the strongest powers in the world. It would have led to a huge number of people killed in war, civilians as well as those fighting the war and that would have led to a large number of refugees. These consequences would have been widely known in Tel Aviv, but even more so in Stockholm, Brussels and other European capitals.

But due to diplomacy and the use of soft power Ukraine never fell into civil war. Instead it got a new start for democracy, with hopes and aspirations to become part of the West, of Europe and of the open societies of the world as the main driving force. So we have nothing to remember except big demonstrations outside the Parliament in Kiev, songs by the Eurovision contest winner 2004 Ruslana, and the psychological fight of power between the old regime with Russia their side and the leadership for a new time with Europe and the West on the other side. And as we all know, the struggle for democracy in Ukraine goes on and will go on for quite some time.

Right now we witness another battle, with some of the same pretexts, in the outskirts of Europe, bordering to Asia. In Georgia we see how Russia tries to erode the democracy and stability, supporting separatist claims in South Ossetia and in Abkhazia, with military presence inside Georgia and with the ever present threats to block exports of gas to Georgia at the same time as Georgians in Russia are being expelled or mistreated. It is a process that could lead to the use of military force with the reaction in the international community and international opinion being one of the restricting factors for Russia.

The interest and the commitment from the EU and the US to secure a peaceful development with the full respect for Georgian sovereignty is an explanation to what so far has not happened and hopefully will not. But whatever happens in the future we will never have the opportunity to state categorically that this was the shortcoming of diplomacy, because it might

be that diplomacy would not have been enough. In case of a victory, it might be that it was not diplomacy that was the main reason for a peaceful settlement.

I remember from the end of 1989 how one of the leading personalities in the Estonian independence movement told me: “Gunnar, I long for the day when Estonia is just as dull as Sweden” meaning when Estonia would not be in the daily headlines because of the conflict about Estonian claims for independence and the Soviet occupation. Now, nearly 20 years later Estonia is a reasonably dull country in this context. It is embedded in the European Union as a member, it is part of NATO and it is not subject to occupation or direct threats of military force.

It has during a period of nearly 20 years transformed from a part of the a Soviet Union to an independent and sovereign state recognized by the international community, from a planned economy to a leading and vital market economy, from a dictatorship to a full fledged democracy. This transformation has been an integral part of the transformation of Europe as we have seen it in country after country. The European Union of today is the result of a peaceful fight for democracy and freedom which never lead to the use of military force, neither between countries nor in civil warfare.

This could have easily been the outcome in the Balkans, which in the beginning of the 1990-ies was erupted by cruel and brutal warfare, shattered by civil war, ethnic cleansing and mass murder of civilians. And when the war had broken out it called for military forces to put an end to it, and still today the military presence of the EU and NATO is a precondition for stability and peace in the region.

What are the lessons learned from all of this? Well, the first lesson is that diplomacy and soft power can be quite successful but without the presence of power and military resources these instrument lack credibility. The second thing to learn is that soft power and diplomacy is not enough when hatred and tensions overtake reason and rationality. And, as we see also very clearly in Iraq, hard power and military resources can be enough to win a war but are not enough to establish peace.

For nearly 50 years the presence of Power was the crucial factor safeguarding peace in Europe. It was the balance of terror, the balance of conventional military forces and the awareness of the fundamental threats that kept the West together and kept peace and freedom in Europe. And it was by all means quite successful. The cold war remained cold for half a century in spite of the fact that the world had never seen such a big number of military troops confronting each other day after day along the borders of the Iron Curtain. Neither did we see the actual use of military power in Europe or the use of nuclear weapons. So far hard power achieved something that could never have been achieved by diplomacy. The threats from the communist empire were contained and countered.

The military conflicts in other parts of the world were many but in Europe there where none. In Europe where the core and the origin of the conflict between East and West was established after World War II in the shape of the Iron Curtain, peace prevailed due to military power. And the war that everyone feared would come never did.

And even if the conflicts in the rest of the world were many they were never allowed to spread and to emerge as global conflicts. They were regional and they were kept regional, may that have been in Korea, Vietnam, Mozambique, Angola, or the Middle East. Even if

they were part of a global pattern they remained regional. Due to a balance of power and diplomacy the world succeeded to uphold world peace, at the cost of peace in some of its non-European regions but still, in contrast to the threats to global stability that were reality.

Today we see the opposite, how regional conflicts threaten to develop into global conflicts because they are not contained in a global framework and because they are not defined by their regional context. They are defined by a conflict that is less geopolitical, less defined by geographical borders and less transparent than the conflicts of the cold war.

There are a number of reasons why things today are not as simple as they were for decades, if simple can be used as a description of a global context where the whole world was the hostage of nuclear deterrence and terror balance.

The first is the emergence of asymmetrical warfare and the use of weapons of mass destruction.

The second is that, due to the absence of one single global conflict, the thresholds between different forms of warfare have been reduced.

The third is that the world is multi polar and not bipolar any more.

The fourth is that the main conflict of the modern world of today cannot be defined in geopolitical terms, with clear geographical borders; it is a conflict of ideas that is taking place everywhere.

The fifth is that in a globalized world problems and conflicts becomes global, however regional they are from the beginning.

This does also change the role and balance of diplomacy and power, the relation and dependence between soft power and hard power.

While the point of departure during the cold war was the military power, which gave room for diplomacy and soft power where possible and where results could be achieved, the point of departure in the multi polar world will be soft power and diplomacy.

But while it was quite easy to formulate the policies and the strategies of hard power and military conflicts it is by definition much more difficult to do the same for diplomacy and soft power. This is true in spite of the fact that multi polarity and the complexity of relations between countries have increased and calls for more consistence in policy development. The challenges of today cannot be met by military power only and military power will not be sufficient and enough in order to meet and contain the threats that we are facing.

That is very much true for the Iraq that we see today, for the development in Afghanistan and for the Israeli experience in southern Lebanon.

You can put it like this; it is difficult today to tell how the world looks. That was not the case during the cold war. And it is even more complicated to foresee and forecast how the world will look in the future.

We are still so used to the simple and transparent political pattern of the cold war. The enemies were on the other side of the borders. And the borders were geographical and easy to define. Behind them were dictatorships and planned economies, societies that were more or less closed to us and closed for their citizens.

Trade, cultural contacts, political contacts and all contacts between our societies were matters of controlled and administrative decisions on the preconditions of the dictatorships. It was us, them and the others living in the so called undeveloped world where poverty was combined with political weakness.

This was the divided world that once gave way for the concept of the Third world which presumed the existence of a Second world and a First world.

And we were the First world, unchallenged regarding political strength and economic dominance, only challenged by the Second world regarding military force and capability of destruction.

Today there is only one world and we are all in the middle of it, wherever we are. This means that wherever we are, we are exposed to the competition, the knowledge, the science and the production of global goods and services, at the same time that we can reach the whole world from wherever we are.

Some parts are wealthy, and some less so. Despite these differences, poverty is not a function of a divided world but of our ability to reach other parts of the world.

The impact of the change is tremendous. Regions formerly dominated by poverty have today won the war against misery and have reduced the ratios and numbers of poor. Development of science, research or products in China, India or Brazil does not take place in another world - it is a part of our world. None of us are acting in a closed world on own preconditions anymore. We are all acting at the same level, with the same opportunities and restrictions. And with that as a background I think we can define three trends that are of great importance.

The first has to do with the globalisation and its economic consequences.

In 2040 China will be the world's biggest economy. In 8 years time 800 million people will be middle-wage earners in the so called BRIC-countries alone, that is Brazil, Russia, India and China. They will be middle-wage earners measured by our standards, not by their own.

This presents a picture of the change and of the magnitude of the change that we are now facing. It is not very much a question of the future, but rather of present or even of tomorrow. It is shifting the balance of the global economy away from us and the transatlantic economy in the direction of the emerging economies. And this is really not a problem, only a challenge for the vitality and dynamics of our economies. Never has the world seen such big consumer markets being opening up, and never have we seen such an enormous increase of labour supply on the global market. And we can benefit from both of these phenomena if we keep up the change.

The transatlantic economy provides us with the opportunity to take the lead in this global development, without having to fear open markets and competition but with readiness to share our knowledge, our products and services with others.

The second trend is a little bit more problematic and underlines the necessity of the transatlantic relations. It is taking place under the surface of globalisation. It is the fact that dictatorships and grey-zone democracies will also enjoy economic growth due to globalisation of a kind that their own political systems couldn't create.

Globalisation makes it possible for dictatorships and non-democratic regimes to meet the efficiency of market economy and free trade without having the free and open society as a fundament for the economic development.

And in countries that do not wholeheartedly apply the rules of market economy, rules of law and respect for human rights, there is a threat that the wrong forces make use of the economic growth, accelerating corruption, undermining democratisation and letting growing prosperity be misused for other purposes than for the best of the citizens.

It will mean that the global dominance of democracies, thanks to their leading economic role of today, will be weakened and that the economic role of dictatorships will be strengthened, all others equal. And we do see that Chinese influence in Africa is increasing, with an impact not only to the standing of Europe or the US at this continent but also to the standing of human rights and democracy.

So it is not only the economic balance that is shifting in the world, we can also foresee a change of the balance between democratic ideas and dictatorships if we cannot manage to support democracy even more in the parts of the world where it is questioned.

Dictatorships will otherwise be a stronger part of the world economy than ever and grey-zone economies, with the instability they bring about, will play a more important role. Surely this is weakening the ideas of democracy and undermining the world from moving towards further democratization.

This is even more problematic due to the third trend, where we can see totalitarian Islamism emerge as a threat to open societies all over the world and as a destabilising force to peace and security.

It is clearly visible in the Middle East, in Iran as well as in southern Lebanon, in the West Bank as well as in the streets of the capitals of the Arab world. The Muslim Brotherhood in Egypt, the Taliban's in the valleys of Afghanistan, the Madras schools in Pakistan and Indonesia, the Hamas in Damascus, in Gaza and Ramallah, the Hezbollah in the Lebanese government, the demonstrations outside Western embassies in the Middle East and corresponding movements trying to make their way in Turkey as well as into Bosnia.

It is a totalitarian movement, not a religious one, calling for oppression and denial of human rights, expressing hatred against Western nations and open societies, hailing violence and martyrdom through suicide bombings. We can see the consequences of their beliefs and hatred in endless murders and blind violence in Baghdad, terror strikes in Bali, Madrid, London and Ankara as well as in Tel Aviv and Haifa. It is an extremist movement, similar to the emergence of Nazis or Communists with very much the same aim, using hatred and confrontations in order to impose totalitarian rules on their own people as well as on others.

There is, if I may phrase it so, a Totalitarian Veil falling down over some of our civilizations'

most ancient cities like Teheran, Damascus, Baghdad, Beirut, Bethlehem and Cairo. However, it also casts its shadows over cities like London and Madrid and it covers the light of democratic ideas in the suburbs of most of our European cities.

Under that veil the ideas of oppression and dictatorship emerge. Terror and threats, censorship or self-censorship, hatred and violence foster, as well as a state where no one knows who is a friend and who is an enemy. This veil is not dividing societies or countries from each other but it is dividing people. It has no geographic borders and cannot be seen as an outcome of either Arab, Iranian or Muslim civilization, not more than Communism was a consequence of Western civilization and Nazism a European identity. It is emerging in the Muslim world and has its core in Iran, the West Bank and in Southern Lebanon. And it can suddenly, by an overturn of old regimes enlarge its dominance in other countries.

It is destabilising the security of all parts of the world where it covers countries or where we can see its shadows, either by threats of terror or by the threats of the overturn of regimes.

It is a threat to world peace. It hinders open dialogue and transparent policies. It is by definition opposing enlightenment and is instead fostering of hatred, racism and violence.

The impact of Iranian development of missiles, the exports of weapons to its agents in Lebanon and other places, its financing of terror, and the threat to eliminate a nation is a sign of what could be coming. The development in Iraq, Afghanistan, Lebanon and Syria is alarming, the worries in Egypt, Saudi Arabia, Indonesia and Pakistan demand a new era of containment, not in a geographical sense but in an ideological.

As once the Iron Curtain was directed against the people behind it, the veil is hindering development, dividing societies and reducing individuals to objects for others aims and visions.

It calls for a new era of cooperation between democracies based upon the transatlantic economy, with consistent policies and continuous economic growth. We need to influence in order to ensure that the road to prosperity is used for the democratisation and stabilisation of open societies. To succeed we need to be strong economically as well as politically. The voice of democracy in the world must be coherent and consistent, setting the standards for democratic countries, drawing the borders for dictatorships and facing the totalitarian challenge.

A strong democratic world, with prospering economies, a strong growth and cutting-edge innovations can take the lead in a globalized world and put increased strength to the values of an open society and democracy.

It can put pressure on dictatorships and it can promise more than totalitarian movements, it can offer better opportunities for the development of prosperity and independence than terror organizations, it can strengthen democratic forces in oppressed countries and it can weaken the appeal of dictatorships.

It can engage countries to engage in trade and cooperation, institutional reforms, development aid, innovations, science, education, political stability and peacekeeping. The European union does have a number of opportunities in this respect in its neighbourhood policies as well as within its enlargement policy.

A Europe where Turkey is a member of the European Union will be a much more credible partner for partners in the Middle East. This will be a Europe much more disposed to call for democratic change in Moslem countries.

By using the economic strength to ensure that the rules of the WTO and rules of competition that we more or less share we can contribute to the separation of business and industry from state, securing the deepening of sound market economies in countries like China or Russia.

Russia is, for example, a society that would prosper from the competition rules of the EU applied on the gas- and petroleum industry. Such rules would benefit democracy and a Russian market economy as well as Russia's relations with Europe. It would contribute to the independence of Russian business life from the Russian state. And a Russia that is developing towards democracy will be a much better partner facing the threats of totalitarian Islamism as well as a country like Iran.

Although we must stand firm defending free societies against terror and violence our main challenge is how to develop the soft power of the democratic world and the transatlantic economy, the power of innovations, of trade, of open societies and of leadership in a globalized world in order to strengthen the ideas of democracy and freedom. To lift up the veil and cast light and hope over all people that today live their lives in its shadows and in darkness.

At the same time Europe must be more ready to contribute to peace operations where they are needed. We cannot claim that we should share the political agenda with US if we cannot contribute with military resources for peace and stability that will be needed. In order to use soft power to contain threats from terrorism and totalitarian movements we must be able to balance it with a consistent foreign policy drawing the line against those who undermine democracy and who threaten with use of military force and terror.

The threats of totalitarian Islamism and the development of economical strong dictatorships that do not want to draw the line against totalitarian movements and rogue states are calling for action. We need to increase the relative strength of democratic market economies, to defend the leading role of the transatlantic economy, to make its achievements more attractive, to make its institutions more inspiring, and to set the ground for its rules in economy and its division between state and business as global as possible.

We should aim to be so strong that the examples of democracy, freedom of speech and distribution of power will influence the emerging economies of today to be the democracies of tomorrow. That would be a contribution to the containment of totalitarian ideas wherever they reside as well as to stability and peace.

This cannot be done by Europe alone, it cannot be done by the US alone and it will not be done by those regions and countries of the world where democracy is not in the fundament of society. It must be done by democratic nations, based on an understanding that on the one hand military power is not enough to achieve peace and stability, but on the other, war cannot be avoided without asset of military power.

That is the balance of Power and Diplomacy that a new time requires. I want the European Union to be a credible and successful partner in this respect as it has unique opportunities and

resources at hand. However, the EU requires a consistent and decisive strategy on foreign policy as well as allies who safeguard values as freedom, human rights, democracy and open societies.