



**COUNCIL OF  
THE EUROPEAN UNION**

**S181/09**

## **Ditchley Foundation annual lecture**

**by Javier SOLANA,  
EU High Representative for the CFSP**

***"Europe's global role - what next steps?"***

**Oxfordshire, 11 July 2009**

**FOR FURTHER DETAILS:**

**Spokesperson of the Secretary General, High Representative for CFSP**

**☎ +32 (0)2 281 6467 / 5150 / 5151 ☎ +32 (0)2 281 5694**

**internet: <http://www.consilium.europa.eu/solana>**

**e-mail: [presse.cabinet@consilium.europa.eu](mailto:presse.cabinet@consilium.europa.eu)**

## Europe's role in a globalised world

I am grateful to Jeremy Greenstock for inviting me to deliver the Ditchley Annual Lecture. And I would like to thank John Major for his kind words of introduction.

You have asked me to speak about Europe's global role. About what we are doing and why. About what we have learned. And about what next steps we should take. I am delighted to do so.

Ours is a world in flux. One where big power shifts are taking place. And where the nature of power itself is changing too. Once it was measured in the size of your army and population. Now in terms of GDP per capita, reputation and whether you get to host the Olympic Games.

New powers are emerging, or in some cases re-emerging. All this is a consequence of globalisation which remains the mega-trend shaping our world.

Globalisation makes us richer and allows the poor to escape poverty. It brings people together and enables them to lead longer, better lives. Globalisation is the product of peace. As it spreads, it deepens inter-dependence. The financial crisis demonstrates how much we are inter-connected. It is also accelerating the underlying power shift.

Globalisation also means new issues: climate change, energy security, migration and what might be called the politics of scarcity. One third of humanity is modernising. This is making access to limited natural resources more competitive.

The world is increasingly divided between those who are in the system and the rest. Those outside are either miserable - like much of Africa. Or troublesome - like North Korea and Iran, or both. But China, India, Malaysia, and Dubai among others, have shown that it is possible to join.

So, yes, in a way the planet continues to get smaller. But we are not converging on a single model of development. Chaos and hyper-modernity exist side by side. Inside the system there is a proliferation of political and economic approaches. And there is no automatic link going from global economics to global democratic politics.

The core dilemma of globalisation is that problems are global, but resources and legitimacy remain at the national level. This dilemma manifests itself in nearly all debates on international issues: whether it's the financial crisis, poverty, migration or climate change. In essence, these are problems of collective action. Who is responsible for what? Who defines the strategy? How do you avoid free-riding behaviour and mobilise broad coalitions - including public and private actors?

In this new world, a large part of politics can only be conducted at a continental scale. For us in Europe that means through the European Union.

The only way to tackle global problems is through global solutions. But you need building blocks. For us it is hard to go global without passing through Europe. It is a logical place to organise collective action among a group of like-minded countries.

Besides, the outside world is forcing us to group together. Take climate change. It is the single biggest global challenge. A scientific consensus is forcing the political leadership to address what is really a planetary crisis.

It will not be solved by the US, China, plus Germany, Italy, UK, France, Poland and the rest. Europe, as such, has to be there. It really is that simple: either Europe works together or we become strategically irrelevant.

So here we are: power shift, multi-polarity, new security threats. A world where other narratives and other ways of doing things are gaining ground. This is the geo-political landscape in which Europeans have to live.

The good news is that we have made significant progress in the last 10 years in building the beginnings of a credible foreign policy. Like a person, we have developed. From talking about problems to writing communiqués to taking action in crisis zones helping people.

This is impressive, given where we come from. Essentially, the EU was set up to abolish foreign policy between the Member States. Our organisational culture was geared towards taking legislative action in a slow-moving world. Now we are taking executive action in a fast-moving world.

Our political weight - long our Achilles heel - has increased. We are working closely with the US, UN and NATO. Not everything is perfect. Far from it. But we are making a difference where it matters: in the Balkans, the Middle East and Africa. The trend is up, even if we are not always moving as fast as I would like.

European defence has been a big part of the progress we have made. When we started, the comprehensive nature of our conceptual approach was ahead of its time. We are now present on three continents with a wide range of missions. From Kosovo to Afghanistan. In the Middle East and off the coast of Somalia.

Here, with first class leadership from Northwood, we have reduced the success rate of pirates by half. And we have protected almost every ship that has followed our directions. I did not think ten years ago that the EU would one day be responsible for thirteen frigates in the Indian ocean.

We try to offer tailor-made solutions to complex problems. And the demand for our engagement continues to outstrip supply. All this remains work in progress. That is why we need the continued investment from our Member States: with people, ideas, capabilities and money.

This very much includes the UK. The European Union needs you. We cannot have a credible foreign policy of the European Union without the UK. You have something which only very few other EU countries have: a global mindset.

But it works the other way around too. The new world I described is also your world. A world of big trends and big problems. In this context, playing national cards has only limited reach. I note the conclusions of the recent IPPR Security Commission - including Jeremy Greenstock. They point to the "dangerous fantasy" of national self-reliance and argue that "European co-operation is the only way forward". I fully agree.

#### The Middle East: the imperative of action.

Let me move from this macro picture to some specific areas. First, the Middle East. The "core issues" in the Arab-Israeli conflict have not changed in the last 50 years. But the context in which we discuss them, has.

There are many new elements. Others have taken on a different quality. The role of Iran; non-state actors as strategic threats and transnational terrorism; deficits of governance; the rise of political Islam.

A central new development is President Obama's Administration and his agenda for change. This is immensely welcome. In this context, what should be our guiding philosophy?

First, a comprehensive approach to the different issues. Focussing only on one while neglecting the others will not work. Managing this complexity is the main challenge of our policy.

Such a comprehensive approach demands as much attention to method as to substance. The new approach should be parallel rather than sequential, creating mutually reinforcing effects. And it should be inclusive, involving all the players including Turkey and, ultimately, Iran.

Secondly, switch from crisis management to conflict resolution. An enormous amount of time has been wasted on trying to solve specific, limited problems. Sometimes without success. No wonder. For they are inscribed in a wider picture and cannot be isolated.

Let me say a word on the Israeli-Palestinian conflict as such. It remains central to a more stable and peaceful Middle East. Its resolution is key to solving the other issues.

When questioned on the so-called Iran first approach, President Obama said: "If there is a linkage between Iran and the Israeli-Palestinian peace process, I personally believe it actually runs the other way. To the extent that we can make peace between the Palestinians and the Israelis then I actually think it strengthens our hand in the international community in dealing with a potential Iranian threat".

I fully agree. Solving the Israeli-Palestinian conflict is also a fundamental European interest. Because of the impact it has on our direct neighbourhood - and our own inner-cities. The only way out is the two state solution. Prime Minister Netanyahu must be praised for finally generating an Israeli consensus around this principle. Maintaining the status quo is not an option. We have to act now. The key question is: how can we get a political solution? The parameters are well known: the Clinton Parameters, Taba and even the Geneva Initiative.

Dear friends,

A state is not only a set of well functioning institutions providing security and services to its citizens. The Palestinian Authority is working hard in that direction. President Abbas and Prime Minister Fayyad have to be praised even if much remains to be done. A state is essentially a geographical space over which a legitimate government has control over population and natural resources.

So we must first define the space. This means borders. And if we insist so forcefully on the need to freeze Israeli settlements, it is precisely because their continuing expansion is an obstacle to the design of this physical space. Settlements not only cast doubts on the viability of any Palestinian State. They add, in their day-to-day lives, to the frustration of the Palestinian people.

Let me give you some figures. In 1993, when the Oslo agreement was reached, there were 75.000 settlers in the West Bank. In 2008, there were 290.000 of them. In 2008, the Israeli population inside the Green Line grew 1,6%. The number of settlers increased by 4,9%.

In addition, the situation in Gaza is unacceptable. Changing the realities there is a pre-requisite for re-uniting the land and the people that will form the future Palestinian state. Whether we like it or not, Hamas will have to be part of the solution. I want to thank Egypt for their work on that.

Defining the borders would solve the issue of territory, control over water resources and a good part of the equation for Jerusalem. And it will help tackle the question of settlements. Because it will establish on which side each various population centres will be.

The point of departure are the 1967 borders. Territorial exchanges can be negotiated between the parties, on the basis of the 1967 line. The various territorial offers fluctuate between 6 and 2%. It should not be impossible to find a figure. The parties can negotiate within this margin, not outside. Nobody rejects the 1967 borders as a basis for negotiation. The Arab League accepts them. The EU has said the same. The United States have also made clear its attachment to them.

I have spelt out the broad coalition which is behind this effort. There will be no solution without an active Arab contribution. The Arab Peace Initiative is key. Maybe it has to be made more operative. Its binary character - all or nothing - has to be nuanced. But having the Arab countries reacting in a positive way, with concrete actions, to every step will contribute immensely to success.

The next ingredient for success is a real mediation. The parameters are defined. The mediator has to set the timetable too. If the parties are not able to stick to it, then a solution backed by the International community should be put on the table.

After a fixed deadline, a UN Security Council resolution should proclaim the adoption of the two-state solution. This should include all the parameters of borders, refugees, Jerusalem and security arrangements. It would accept the Palestinian state as a full member of the UN, and set a calendar for implementation. It would mandate the resolution of other remaining territorial disputes and legitimise the end of claims.

International monitoring will then be crucial. As will be guarantees and contributions offered by the international parties regarding security, economic aid and refugees. We all will have to make deposits to that end. Arab states would immediately establish full diplomatic relations with Israel.

I strongly believe the time has come to, finally, bring this conflict to an end. The international consensus is there. But time is of the essence. The second half of this year is crucial if we want to offer a real choice to the Palestinian people when they vote in January 2010. Something radically different from a choice between violence and desperation.

"Reaching an agreement over a peace process in the Middle East will eliminate several groups' justifications for existence. It will save lives." These are not my words. They are General Petraeus'.

I would add that if the Palestinian question is resolved many groups will turn to democratic struggle to find their justification for existence. And we will be able to deal with Iran from a much stronger position. Never before have we had such a common line. We cannot afford wasting this opportunity. It is time to act.

#### Balkans: the need for good politics.

Let me now turn, more briefly, to the Balkans. The handling of our periphery is essential for our credibility in international politics. The key question is: can we stabilise our own neighbourhood? My answer is: we cannot afford not to.

It is where European Union foreign policy was born. And while we have been drawn into other regions and issues, our job in the Balkans is not yet over.

There is a striking difference in perceptions. We feel and treat them as if they are half-way in. The mantra we keep repeating is the European perspective, of eventual accession to the EU. But perceptions in the region are different. There is a sense of a lack of progress and a drifting away from the enlargement goal.

It is true that nearly ten years after the end of Milosevic, Serbia still has no Stabilisation and Association Agreement. Croatia is locked in a stalemate with its neighbour Slovenia. The same is true for Skopje and Athens. And Bosnia is held hostage by the narrow, nationalist calculations of some of its leaders. We have invested too much to allow the countries of the region to slip away from the EU's power of attraction. And it will be harder and costlier in 5 years time.

Some said a couple of years ago that the dilemma the EU was facing on the Balkans was "go for enlargement, or become a protectorate of sorts". We chose enlargement as the guiding paradigm, conditioned on reform. That is still the right strategy.

#### Five lessons and five next steps:

Dear friends,

There are many other regions and issues I could mention: Eastern Europe, Afghanistan and Pakistan, non-proliferation and nuclear disarmament. I am happy to answer questions on any issue or region. Before that, allow me to try to identify some lessons of the past ten years and also suggest some next steps. I have five in each category:

- First, the solution is always political. Civil wars, inter-state conflicts; problems with energy, climate change or non-proliferation: all require a political deal which takes account of the interests and power of all involved. Power is not just military or financial muscle; legitimacy is important too. In the end, it is the most important element.

- Second, foreign policy can be incredibly difficult. Paradoxically, it is mostly about domestic politics. But the politics are those of others. Domestic politics matter because they limit what is doable in the negotiations (say how much CO2 reductions or tariff cuts in trade). Or because the heart of the problem is a dispute over the control and legitimacy of the state. Take the DRC or Iraq.

As an outsider it is only when you get your hands dirty with domestic politics that you are going to be effective. But keep in mind: however you intervene with money or with force it must serve a political strategy. And beware: the moment you intervene, the clock starts running - at home as well as locally.

The aim of crisis management is to create a space for functioning politics to work. But functioning politics is the one thing that foreigners cannot provide; only the locals can do that. As T.E. Lawrence (of Arabia) said: "better to let them do it imperfectly than to do it perfectly yourself. For it is their country, their ways and your time is short."

Of course outsiders can help. They can buy time. They can give support, to help the people concerned get through the "valley of tears". They can strengthen those who see politics as a way to forge national consensus and accept the "good" compromise.

Not compromise as something nobody wants but everyone can accept. But compromise as a way of forging a national consensus. Sacrificing short-term interests for long-term progress.

- Third, we can do much more than 10 years ago. But we cannot do it alone. We need regional and global partnerships. This means working with others who, by definition, have their own ideas and interests. Building partnerships often slows things down. But there is no short cut around it. Sometimes you do need government by committee - even though it is slow and painful.

- Fourth, we are operating increasingly in faraway countries. Often these are countries that we do not understand well. This puts a premium on good analysis. It is important that we do this together, as Europeans, rather than each on our own. The thing to avoid is that all of us are scratching the same bit of the surface.

- Fifth and finally, I am more convinced than ever before that the objective of diplomacy is to create agreed rules. Rules on political participation, the demarcation of borders or movements of military equipment. Rules to tame the passion of states and individuals, to end conflicts within or between states. Rules to help us address the mega-issues of our time.

The accumulation of rules, procedures and institutions sounds like dreary work. But this is what global civilization is made of. Agreed rules make states secure and people free.

#### What are the next steps?

- First, our primary responsibility is to make Europe function. And then to enhance our collective ability to handle global crises. The entry into force of the Lisbon Treaty would be a significant step forward.

- Second, we need more capabilities for crisis management; more sensible budget priorities and more sophisticated political analyses. All three are within reach.

- Third, EU foreign policy cannot function if it's only seen as service agency for particular concerns of the member-states. An EU where everybody seeks more money and engagement for "their" priorities and clients, while disengaging from other files, will not work. We need solidarity. Not just in financial but also in political terms. We should back a Member State if it has a particular problem or need.

But this is a two-way street. You also need to be interested in other people's problems. And we should be strict on any unreasonable use of the unanimity rule. The un-written maxim of the Union is: "thou shalt negotiate" - and hence, not just sit on your position.

- Fourth, we should build a foreign policy fit for the problems of the 21st century. We should not re-create at the level of the European Union what does not really work at the national level. So we must make it integrated, wide in scope and geared towards mobilising networks.

- Fifth and finally: Yes, we should take a bit more calculated risk-taking. There is little of value in political life that is accomplished without taking risks. Some say that a ship is safest when it's in the harbour. But that is not where ships are meant to be.

Thank you very much.