

"Europe Surrounded Not by a Ring of Friends - But by a Ring of Fire"

Statesman Laureate Lecture

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To start with the obvious - it is a true honour to be invited to deliver a lecture in the name of Zbigniew Brzezinski and to be part of the work of the institute now set up in his name here at CSIS.

Dr. Brzezinski is undoubtedly one of the leading strategic thinkers of the West in our time.

Coming from where he did, it has been natural for him to think both in more classical geopolitical terms about the issues we are facing, but also to see the larger battles of ideas that are so important.

His book on "The Soviet Bloc" was standard reading for students of international affairs when I was in university, and I certainly still keep my copy.

Without any sort of nostalgia for those days, it has become common to note that they - from the purely analytical point of view - were easier.

There was - particularly in Europe - one evil empire. And policy was a question of the containment of and sometimes confrontation with this empire.

Then, to the surprise of much of the analytical community, we saw this empire collapsing under the weight of its own failures and contradictions. And suddenly we were confronted with the task of building what was referred to as a New World Order.

The decades since then have been challenging in many respects, but I would argue that they have been perhaps the best decades that mankind has seen.

Globally - and in Europe.

The European Union undertook an historical enlargement with ten nations and 100 million people that secured open societies and open economies to a half of Europe that had only been able to dream about this.

Our continent finally came out of that long nightmare of wars, destructions, dictatorships and divisions that had started in the fateful summer of 1914.

It was in 2003 that the EU in its first ever Security Strategy boldly stated that "Europe has never been so prosperous, so secure nor so free. The violence of the first half of the 20th Century has given way to a period of peace and stability unprecedented in European history."

That was the mood of those not very distant days. And it wasn't wrong.

It was also in 2003 that the EU set out to develop what it called its European Neighbourhood Policy, or ENP.

Enlargement transformed the countries that had the possibility to become members. But the influence of the Union naturally stretched beyond its immediate boundaries.

In its eastern dimension it sought to prevent the emergence of new dividing lines and to offer the extension of the benefits of economic and political integration also to neighbours in the East.

In view of the subsequent debates it should be remembered that this offer was an offer also to Russia.

But having its Partnership and Cooperation Agreement with the EU since 1995, and wanting a more privileged relationship, it declined to be part of this new policy initiative.

In its southern dimension the policy sought to develop instruments to facilitate reforms, development and integration throughout the entire region of North Africa and the Middle East.

The landmark UN Human Development Report of 2003 had shed new light on how all of these countries were falling behind the rest of the world in important respects.

The absence of reform could clearly spell the risk of revolution. Stability could easily give way to instability.

In the words of the already mentioned Security Strategy, the aim was "to promote a ring of well governed countries to the East of the European Union and on the borders of the Mediterranean with whom we can enjoy close and cooperative relations."

Or, in the words of the then-President of the European Commission Romano Prodi, to seek to help to create a "ring of friends" around the European Union.

But as we look at the situation now, it is difficult to avoid the conclusion that we are surrounded not by a "ring of friends" - but by a "ring of fire."

In the East the rise of a revisionist and reactionary Russia, challenging not only the very basis of the security of our continent, but increasingly also portraying itself as an opponent to our open, liberal and secular societies.

In the South the multitude of economic, political and sectarian challenges that increasingly questions the order across large parts of the Arab world, of which the collapse of Libya, the continued destruction of Syria, the rise of Daesh, the expansion of Al Qaeda-affiliated groups and now also the turmoil in Yemen are manifestations.

The words from 2003 no longer ring true.

Europe has gone from a feeling of security unrivalled in its modern history only little more than a decade ago, to increasingly feeling itself under strain, siege and even threat.

And is, accordingly, struggling to deal with this new reality. To learn the lessons, understand the challenges, and chart the road ahead.

Indeed, the European Neighbourhood Policy is now up for review. And the High Representative has been tasked with presenting a strategic review of our place in this more connected, contested and complex world.

Let me make some remarks on lessons of the past and challenges ahead.

First, in the East.

In this debate one sometimes hears the question whether we have made any mistakes in our policy in this direction during the last few years.

Did we accommodate the fears and interests of Russia?

In my opinion, the mistake that we might have made was to let the crisis of the war between Russia and Georgia in 2008 pass too quickly.

Here, Russia clearly demonstrated that its threshold for using military force against its neighbours was lower than most had thought, and it also started to elaborate a doctrine of a right to intervene militarily in other countries if it considered that the interests of Russian citizens were not sufficiently protected.

But by soon going back to business as normal in our relations, to which was added the reset initiated by the incoming Obama administration, we might inadvertently have sent the signal that we were ready to tolerate a Russian behaviour along these lines.

It should be remembered that this was a period when we were seeking to deepen our engagement with Russia.

We had initiated the Eastern Partnership with six countries of Eastern Europe and Southern Caucasus in 2008, and in late 2009 we started to elaborate a "partnership for modernisation" with Russia that, if you just read what it said, was hardly less ambitious in its approach.

This was - that should be remembered - the period of President Medvedev.

But then things started to change.

Prior to his 2012 reelection as President of Russia, Vladimir Putin had started to elaborate his concept of a Eurasian Union, and soon it became apparent that this was his grand design for the region for the coming years.

The negotiations with the European Union on a so-called New Agreement de facto came to a halt as Moscow suddenly announced a customs union that ran contrary to the concept of free trade between Lisbon and Vladivostok that up until then had been the far aim of these talks.

Ukraine had in the meantime in 2011 concluded its negotiation with the European Union on an association agreement and what came to be called deep and comprehensive free trade.

Two things should be noted here.

The first is that at no time did Russia bring up any objections or concerns over this during the summits that were held twice a year between the EU and Russia.

The second is that this agreement was of course perfectly compatible with the existing free trade agreement between Russia and Ukraine. And in no way negatively affected the interests of Russia.

You can make the comparison with Mexico being both a part of the NAFTA zone and having a free trade agreement with the EU.

I have never heard anyone here claim that the latter agreement hurts the interests of the United States.

On the contrary - a more prosperous Mexico is in the economic as well as security interest of the United States.

And the same goes for the effects of a free trade agreement between the EU and Ukraine.

But from the summer of 2013 the Kremlin initiated a brutal trade, economic and political offensive against Ukraine concluding this agreement with the EU, and it was very clear that the ultimate aim was to have Ukraine enter into the Kremlin-centric Eurasian Union that was then beginning to take form.

The rest is, as they say, history.

The Kremlin escalated its economic pressures, it initiated a virtual political campaign against the course that Ukraine had decided upon, and it then also resorted to first military aggression to take Crimea, and then destabilisation and renewed military aggression in Eastern Ukraine.

A year ago, the aim was clearly not only to incorporate Crimea into Russia - that had already been done - but to establish a Novorossyia statelet along the entire Black Sea coast to and including Odessa, with the rest of Ukraine then being reduced to some sort of Greater Galicia.

Indeed, you can see the clear hints of this in the triumphant March 18 speech of President Putin.

But this policy failed.

Ukraine, weak as it was, conducted democratic presidential elections, mobilised resistance, and in August of last year the entire Russian endeavour was close to collapse, and regular Russian battalion battle groups had to be ordered into Ukraine to save the separatist adventure from complete collapse.

Since then we have something like a fragile stalemate, codified in the Minsk agreement in its two incarnations.

The sanctions decided against Russia after the occupation of Crimea and following also the shooting down of MH17 are, in comparison with other sanction regimes, relatively mild.

But with the combination of the structural problems that the abandonment of the reform road was starting to expose, and the decline in oil prices, there is little doubt the Russian economy has entered a more difficult period.

Yegor Gaidar was one of the most brilliant minds that Russia has produced in modern times.

In his majestic "Russia: A Long View" he wrote in 2008, a year before he tragically died, about the problems ahead.

"It is not hard to be popular and have political support when you have ten years of growth of real income at 10 percent a year. When the real income, influenced by vacillation in world markets, stops growing, unemployment increases, and the situation in the depressed regions grows volatile, the regime has alternative strategies. The first is to increase repression against the opposition. That is the tempting but suicidal strategy."

Those were Gaidar's words of warning already in 2008.

And the structural weaknesses of the Russian economy are indeed very real.

During the next 15 years or so its labour force will decline with a million people every year. Life expectancy for men is still at levels more associated with Africa than with Europe. And Russia's share of international patents is 0.2%, which I understand is roughly the same as the state of Alabama.

But for all the problems this entails, I think it would be unwise to expect these in themselves to force the Kremlin to change the policy course it has embarked on.

And even if there is a weaker Russia, this might not help much if there is an even weaker Ukraine. Power is a relative concept.

It is certainly important that sanctions are kept in place as long as the conditions that caused us to decide upon them haven't changed.

This is a matter of credibility - also in view of what might happen in the years to come.

We must not repeat the mistake of 2008.

But even more important is that we do whatever we can to strengthen Ukraine.

It will be the will and the ability of the nation of Ukraine that at the end of the day will decide the outcome.

The actions of President Putin have changed the nation of Ukraine for generations to come.

It is sometimes said that the nation of Finland really came together after the civil war that its independence in 1917 was associated with, in the trenches of the Karelian isthmus when Stalin attacked it in 1939.

And the same might well be said in the future about Ukraine as a result of the aggressions of Russia in 2014.

Invading countries is not a good way of making friends.

But Ukraine needs our support and our help to succeed.

Its economic reforms require the support of the package of the IMF as well as the other measures of the EU as well as of individual nations.

It will go through a valley of tears as these are implemented, but with strong political leadership and support from friendly countries there is no reason to believe that they will not succeed.

And full implementation of the agreement with the EU on deep and comprehensive free trade is also of critical importance.

Independent studies suggest that the simple implementation of the agreement would bring benefits of +6% of additional GDP over the medium run and +12% in terms of increased welfare for the Ukrainian people.

And much more can be expected if Ukraine genuinely implements the reforms foreseen by the Agreement, as they would improve the business climate and help to attract foreign investments and technology transfers.

But in creating space for the economic reforms and political talks it is also important to help Ukraine in blocking the military option for Russia.

Whether this is done through more direct assistance with training and weapons to their defence forces, or whether the deployment of some sort of international peacekeeping or monitoring force along the so called touch line is a better option must be discussed carefully.

But to do neither is to risk sending the signal that the military option is a relatively easy one for the Kremlin. And that will, of course, undercut our efforts to seek a political solution.

If we look at the situation as it might develop over the next few years I believe we can see two broad alternatives.

The first is that there is a stabilisation and strengthening of Ukraine, facilitated also by deep economic reforms, and that the conflict in its easternmost parts that is initially frozen is gradually and over time given a political solution.

The holding of local elections, according to the standards of the OSCE and probably with significant international participation, could pave the way for some sort of interim special status for the region if that is what is desired.

The question of Crimea will remain on the table, and can probably only be addressed in a longer time perspective, but this scenario should facilitate more open relations between Russia and the West and should also, in my opinion, inspire reforms and changes in Russia itself.

The second possibility is that Ukraine fails and perhaps fractures and descends into a zone of continuous confrontation and conflict for years to come.

This would be profoundly dangerous.

Not only do I fear that it will drive a further militarisation of the politics of Russia, but also that the likely war-mood of its regime could then drive it into adventures also in other areas, perhaps leading to direct confrontation or even war with NATO.

Thus, it is imperative that we invest as heavily as we can in the first option.

Its success or failure will decide not only the immediate fate of Ukraine - its success or failure will decide the fate of peace in Europe for the years to come.

In a couple of weeks - on May 21st - the countries of the European Union will meet with the countries of the Eastern Partnership at the summit meeting in Riga.

It is important that we are then clear that we stand by all of our commitments to them, and that we now are prepared to give primarily Ukraine, Moldova and Georgia concrete help in implementing their ambitious agreements with the EU.

The question of membership in the EU is clearly not on the table now. We should be honest in saying that road ahead is a long one.

But we should also be clear that Article 49 of the EU Treaty has an open door for every nation of Europe - there are no exceptions.

And the lighthouse guiding reforms and transformations that this represents - however distant - must not be shut down.

As we chart the road ahead, it is of course necessary to have as clear a picture as possible of where Russia might be heading.

This is far from easy. President Putin has made Russia an unpredictable country. This is a danger in itself.

That we are dealing with a revisionist Russia is by now accepted by almost everyone. It no longer accepts the principles of the post-Cold War order in Europe.

But we are also dealing with a reactionary Russia.

In the same way as its revisionism seeks inspiration from its history, we see a Russia reverting to a modern version of the reactionary guardian role of Alexander I as he sought to fight the forces of modernisation and popular will in the decades after the Napoleonic wars.

Today's Russia sees itself as a bulwark against Western societies that it describes as too secular, too tolerant and too open also to other cultures and ideas.

We see it trying to paint a picture of a muscular East versus a decadent West - "we have the guns, you have the gays." We see it trying to play on nationalism across Europe.

A revisionist and a reactionary Russia - a critical question is of course whether it is also a reckless Russia we are confronted with.

Perhaps - but probably not. I rather see a regime in the Kremlin that seeks to divide, that looks for weakness and that certainly can be ruthless in exploiting opportunities.

The days and weeks after the collapse of the Yanukovich regime in Ukraine was clearly an opportunity, and it was ruthlessly exploited.

That there was a certain disarray and confusion in the West is also part of that picture.

But if we manage to preserve the unity of the West - the unity of the European Union and the unity over the Atlantic - and if the elected leaders of Ukraine manage to preserve the fundamental unity of their country, such opportunities should simply not be there.

But two important caveats should be added to this.

First - the risk that the Kremlin will miscalculate. It already did so a number of times during this crisis. It might well happen again. And then it might be far more dangerous.

And, second, that we must understand that this is an issue that will play out over years.

A new U.S. President will be elected in 2016. There will be key European elections in 2017. President Putin might well have himself reelected in 2018 for a new period stretching to 2024 - when there might well be yet another U.S. President in the White House.

On the issue of Ukraine, strategic patience will not be enough. . What will be required is strategic determination over a prolonged period of time.

This is the key to the security of Ukraine and the stability of Europe.

But it is also the key to the eventual emergence of a Russia that can be a true partner for modernisation and for cooperation and integration from Lisbon to Vladivostok.

Few things are more important.

If we turn our attention to our Southern neighbourhood the challenges are even more complex.

The thousands and thousands risking - and in many cases losing - their lives crossing the Mediterranean is just one of the signs of the challenges we face.

We face a crisis wherever we look.

The immediate challenges in Libya or Syria or Yemen or Iraq. A Gaza heading towards its next explosion. The belt of terrorist organisations that we see from AQIM to Boko Haram and Al Shabab and AQAP to Daesh and related organisations.

The issues are both separate and related.

And if you look at the broader picture I fear that we might well be facing the Arab world's equivalent to what happened in Europe nearly half a millennium ago in the Thirty Year's War.

It was a period of religious turmoil and profound sectarian strife. It was a period of economic hardship, social turmoil and violent rebellions. It was a period of power politics and proxy wars. It was a period of failing rulers and faltering states.

And the very complexity of this pattern of interwoven conflicts made it exceedingly difficult to find a settlement and secure some sort of stability.

Look at the structural issues throughout the region.

In very many cases regimes that lack true and genuine legitimacy. And in most cases regimes that can't deliver the social and economic developments necessary. A feeling of injustice and humiliation that causes many young people to fall for the lure of fundamentalist calls.

A region of nearly 400 million people has non-oil exports no larger than those of Belgium. Unemployment rates are the highest of any region in the world. Also in the best of countries no more than a quarter of the women are employed.

Every year 650,000 persons enter the labour force of Egypt. And with its population growing fast, Egypt - one river through the desert - will within a few decades have more people than a Russia spanning eleven time zones.

And the challenge is mounting. The region's approximately 400 million people will be nearly 50% more by 2050.

The IMF has calculated that the region would need continuous growth of more than 7 percent just in order to prevent unemployment from rising further.

That's more than double the rates during past decades. As things stand today the chances of this happening are very slight indeed.

As we try to shape our policies, we must focus not only on the short-term obvious challenges of the day, but also on these long-term structural challenges of the region.

We must use all the means we have to advocate more open governments and more open economies, and we must do whatever we can to promote trade, entrepreneurship and economic development in order to prevent rising despair from leading to even more turmoil and even stronger totalitarian temptations.

And this must go hand in hand with an active policy of conflict prevention and conflict resolution.

My hope is that the U.S. should be ready to join other countries in having the UN Security Council lay down the clear parameters for a just and viable and secure two-state solution for Israel and Palestine.

My urge is that the EU uses the opening with Iran that the nuclear agreement will give to promote an active diplomacy in order to seek a responsible Iranian behaviour from Herat to Homs.

And my conviction is that our concern for the stability of the day must not block our urge to respect the human rights that in the long run are an essential precondition for the stability that we are seeking.

There is little doubt that Europe has entered a more challenging period in terms of its security.

The thunder of the guns by Donetsk, and the cries for help in the Mediterranean, are bringing home a new reality to ordinary Europeans.

Hard power is back in business. Geopolitics is challenging globalisation. The cohesion of Europe and the West is under threat.

It's only by working together - in Europe as well as across the Atlantic and with other partners sharing our interests and values - that we can handle the new challenges of this more dangerous and demanding time.