

## **Oxford University Speech**

Distinguished faculty, dear students, ladies and gentlemen,

Dear Timothy, thank you for inviting me to Oxford. It is a special honour to speak at Saint Antony's.

This College has produced many brilliant writers – and quite a number of Foreign Ministers around the world.

It is a particular honour to deliver the Dahrendorf lecture. Ralf Dahrendorf was an exceptional human being: a politician in both Germany and the UK, and a European Commissioner. A political scientist and staunch defender of open societies.

I have always been very interested in bridging the world of ideas and politics. This is why I enjoy spending time with people who think deeply about what is happening in our contested world. They have more time to think than I have, so I need them to inspire my decisions.

When I look at the world from the privileged position of High Representative, what do I see?

I see more confrontation and less cooperation, and this has been a growing trend. I see a world more fragmented. More polarity, and less multilateralism. I see dependencies becoming weaponised.

The international system we were accustomed to after the Cold War is no longer. In the last decade, America has lost its status as indisputable hegemon. And the post-1945 multilateral order is losing ground.

China has risen to super-power status. In the last 30 years China's share of the world's GDP at purchasing power parity has gone from 6% to 19%, while we European went from 21% to 14%, and the US from 20% to 15%. China is rivalling now the US and Europe not just in manufacturing, but also in military power and in building the technologies that shape our future. And its "friendship without limits" with Russia signals a growing alignment of authoritarian regimes.

At the same time middle powers, such as India, Brazil, Saudi Arabia, South Africa or Turkey are emerging as important actors on the global stage. Whether they are BRICS or not, they have few common features, except the desire for more status and a stronger voice in the world, as well as greater benefits for their own development. To achieve this they

are maximising their autonomy by hedging their bets and not choosing camps.

Geographically, we wanted to build a ring of friends, but we find ourselves at the centre of a ring of fire. There is an arc of instability ranging from the Sahel to the Middle East, the Caucasus and to the battlefields of Ukraine. Thomas Gomart, the Director of the Institut français des relations internationales, has written about the chokepoints of the global economy. Several of them are within this arc of instability – the Red Sea for trade, the Strait of Hormuz for oil and gas, and the Black Sea for grain exports.

And there are two wars where people are fighting for the same land. This shows that geography is back. We were told globalisation would make geography irrelevant, but no, most of the conflicts in our neighbourhood are territorial – they are about land. A land that has been promised to two people, in the case of Palestine, and a land at the crossroads of two worlds, in the case of Ukraine.

At the same time, we see an acceleration of global trends. Climate change is not a future worry, the climate breakdown is already here. The technological transitions – in particular Artificial Intelligence – are bringing changes we have yet to fully grasp. Demography is changing rapidly – in particular in Africa where 25% of the world will live in 2050. And at the same time we see the rise of inequalities and a decline in democracies and freedoms.

The place of both the European Union and the United Kingdom in this new world order is yet to be fully defined. It will largely depend on how we respond to the challenges we are facing today.

From Jean Monnet we know that “*Europe* will be forged in *crisis*”, but now the urgency and gravity of the moments is such that we hear warning that Europe could die.

What do we need to do?

1. We need a **clear-eyed assessment** of the **dangers of Russia** – Europe’s most existential threat. Although not everyone in the European Council will share this view.
2. And we need a strong focus on **principles, cooperation** and **strength**.

First about Russia, under Putin's leadership, Russia has returned to an imperialist understanding of its place in the world. Imperial Russia and the Soviet empire have been rehabilitated as Putin dreams of former size and influence.

Despite Georgia in 2008 and Crimea in 2014, we did not see, or did not want to see, the evolution of Russia under Putin's watch, even though he had warned us at the Munich Security Conference in 2007.

Our European model was based on cooperation and economic interdependence inside the EU – which has been a success. But it made us believe that interdependence and political convergence through trade, "*Wandel durch Handel*" as the Germans called it, would also bring political change to Russia and China.

This assumption has been proven wrong. Faced with Russia's authoritarian regime, interdependence did not bring peace. Instead it turned into dependence, in particular on fossil fuels. Which was eventually used as a weapon.

Today, Putin's Russia is an **existential threat** to us all. If Putin succeeds in Ukraine, he will not stop there. This is now also the thinking of **President Macron**, who had initially warned not to humiliate Russia. Similarly, more and more voices warn of global consequences of a Russian victory, such as the Japanese Prime Minister Kishida.

But you know as well as I, that there are EU Member States that still do not share this assessment. And in a Union governed by unanimity our policies on Russia are always threatened by a single veto, as Victor Orban proved by delaying our last assistance package to Ukraine. While in the US, political polarisation delayed the military assistance package for half a year.

Putin invaded under the pretext of de-nazifying Kyiv, believing that we would be too dependent on energy imports and too divided to intervene. This was after the fall of Kabul.

I was in the Donbas in January 2022, and Prime Minister Shmyhal asked me: "When they invade us, will you support us? Are you going to provide us with the arms to defend ourselves?" At that time, I was not able to give a clear answer. The European Union had never before provided

military aid to any country at war. But when the invasion happened, we responded with remarkable unity.

Now Putin sees the entire West as his adversary. He made that clear in all his recent speeches, every evening it is being repeated on Russian state TV, and – most importantly - he acts accordingly. Russian disinformation is poisoning our information environment and Russia's industry of lies is attempting to interfere in our democratic processes.

And then, the horrible terrorist attack by Hamas of 7 October and Israel's disproportionate response plunged the Middle East into the worst cycle of violence in decades. Just before, many believed that the Abraham accords had diluted the Palestinian issue. They had not. Jack Sullivan considered that "the Middle East had never been so calm". It was not.

We Europeans were not prepared for the harshness of the world, to which we have finally woken up. But as Ivan Krastev has pointed out "*it is one thing to wake up and another to find the strength to get out of bed.*"

How do we respond to the gravity of the moment, which is a mix of geopolitical, economic and societal threats?

We can sum it up with three words: **Principles, Cooperation and Strength.**

### **1) Principles**

Let me start with Principles. We say we are a Union of value. Those values are enumerated in our treaties. They are everything that's good.

And they are **the principles enshrined in the Charter of the United Nations**. We put them in place to limit the actions of the strong and powerful. They are safeguards against our own worst instincts, after Europeans set the world on fire not once but twice within half a century.

**In the simplest terms**, those principles outlawed "the use of force against the territorial integrity or political independence of any state"

Together with **International Humanitarian Law** - which regulates how wars are fought and safeguards the protection of civilians - those principles are the best **safeguard against the normalisation of the use of force** we see all over the world.

However, to be able to rally the world around those values and principles, **we need to show that we, Europeans, adhere to them** always and everywhere.

**Is that what we are doing? Not to the extent we should.**

And for Europe, that is a problem. Wherever I go, I find myself confronted with the accusation of double standards. I used to say to my ambassadors that **diplomacy is the art of managing double standards**.

But the fact is, People have not forgotten the war in Iraq, even though some key EU Member States did not participate. But some participated with a lot of enthusiasm and other quickly withdrew.

And what is now happening in Gaza has portrayed Europe in a way that many simply do not understand. They saw our decisiveness in supporting Ukraine, and wonder about the way we approach what is happening in Palestine.

We keep trying to explain EU decision making processes. We keep trying to explain the different historical experiences of our Member States. But the perception is that we value civilian lives in Ukraine more than we do in Gaza, where more than 34,000 are dead, most others displaced and where children are starving.

And the perception is that we care less if UN Security Council resolutions are violated by Israel – as they are repeatedly when settlements are built and Palestinians are forced off their land, with an increasing level of violence – than when international law is broken by Russia.

The principles put in place after World War II are a pillar of peace. We all have a stake in their survival. This requires that we are coherent in our language. If we call something a war crime in one place, we need to call it by the same name in any other.

We all agree that Hamas sparked this new cycle of violence with their atrocious attack, but what has happened in Gaza in the last 6 month is another horror. And one horror does not justify another.

This is more and more seen in our societies, as the passionate debate and the many demonstrations show.

## 2) Cooperation

Let me now move to the **second pillar: cooperation.**

Cooperation requires one essential ingredient – Trust. If I trust you, I don't care if I am dependent. But in a world where dependencies are increasingly weaponised, trust is in short supply. This entails the risk of a decoupling with large parts of the world – on technology, on trade, on values.

There are more transactional relationships, but less rules and less cooperation. But global challenges such as climate change, technologies, demographic change and inequalities require more cooperation, not less.

So what can we do?

First, to reduce excessive dependencies. During the pandemic we saw that in a moment of crisis, the market does not provide what we need. We found out that Europe did not produce a single gram of Paracetamol.

We need to diversify our trade links and deepen our cooperation with those who share our values and interests – in short: with those who have our trust.

It is no secret that we consider the UK a very close partner. We share the same values and have convergent interests on almost all major geopolitical questions. Any area where we can cooperate closer, could be a win for both of us.

But none of the global challenges of today can be addressed without cooperation with **China**. This brings me to my **second point**, we need to **find ways to work also with those who do not necessarily share our values and interests.**

We need to accept that if we want to build broad global alliances on climate change, pandemic prevention, poverty and artificial intelligence, the cooperation of the future will be more fluid than in the past. We will also need to work with countries that we consider not like-minded or at least not aligned with us on every issue. Without that, there is no solution to the global problems. China is burning more coal than the rest of the world combined. How could we solve climate change without engaging with China?

**Third**, we need to be clear that even in cooperation among equals, there are **different responsibilities**.

There is a lot of **resentment in lower income countries** who are suffering the consequences of problems they did not cause. Take climate change: We Europeans emitted almost 25% of the cumulated global CO2 emissions since 1750, when steam powered our industrialisation. Sub-Saharan Africans or South Americans account for just 3% each.

And even now, **the richest 1%** of the world's population produce as much carbon emissions as the 5 billion people who make up the poorest 66% of humanity.

Or take the Covid-19 pandemic. In December 2021, when it was a question of life and death, rich countries had already used 150 doses of vaccines per 100 inhabitants. Lower income countries just 7. Foreign leaders told me *“During the pandemic, I wanted to buy vaccine from Europe, but you did not sell. So I went to Russia and China.”* This has not been forgotten. We can claim that we have been the biggest exporter and donor of vaccines, much more than Russia and China, but at the critical moment, we were not there.

If we want to tackle the challenges facing humanity in the 21<sup>st</sup> century – first among them the existential threat of climate change – we need to understand that the **current tools are not enough**.

In 2009, in Copenhagen, developed countries pledged an annual \$100 billion in climate finance.

Certainly, the EU, its Member States and the European financial institutions are already the largest contributors of public climate finance to developing economies. However, the needs are substantially higher: according to the UN, developing countries (excluding China) need **\$2.4 trillion** annually to fund clean energy and climate resilience.

**We need an unprecedented increase in global solidarity.** We should seriously look into all options, including how we tax wealth on a global scale. An initiative by the economist, Gabriel Zucman, to fund climate action is currently debated at the G20 under the Brazilian presidency. It proposes:

- to raise the minimum tax on corporations that was fixed at 15 per cent in 2021, to 18%. This could provide about \$200bn a year.

- a 2% wealth tax on the world's richest 3,000 billionaires. This could generate another \$300bn.

But as billionaires could easily shift their wealth to low-tax jurisdictions to avoid taxation, international cooperation is necessary to make such a levy effective by countering the use of tax havens.

This is a bold idea. But climate change is an existential question for humanity. Our ambitions should be equal to that challenge, but once again not everyone agrees with those priorities.

### **3) Strength**

#### **Finally: strength.**

There is nothing authoritarian regimes admire so much as strength, and there is nothing for which they have less respect than for weakness.

This is a lesson we Europeans had forgotten. I touched on the reasons earlier – but also because we could rely on the security umbrella of the United States. But this umbrella may not be there forever. We cannot make our security dependent on US elections every four years.

As High Representative I am also in charge of the EU's Security and Defence policy. I did not expect this part of my portfolio to take up so much space when I took office.

We have started to rebuild our own defence capabilities, our defence budgets are rising and our defence industry is rebuilding capacity. We need the capacity to act and the capacity to defend ourselves by building a strong European pillar inside NATO.

In the past, the European pillar within NATO has been portrayed as a step towards weakening NATO. Today, even the Americans encourage us to forge ahead.

This European Pillar of NATO could also be a bridge for closer cooperation on security and defence between the EU and the United Kingdom. We share the same threat assessment – first and foremost on Ukraine, where we are working together closely, and where the UK was ahead of most of us in its early response.

In the EU, defence is of course not a community policy – it is among the most intergovernmental of all – it is not part of the EU budget, not governed by the European Parliament and the Court of Justice. This



means that this cooperation with the UK will likely also come through bilateral agreements, like the French-British Lancaster House treaty.

But strength is of course more than defence and military means. It also comes from superiority in crucial high-tech sectors, such as artificial intelligence. In all these domains, Europe is falling behind.

Once again we face the question of finance. How do we pay for our security needs? Can public finances really be an argument when we face existential threats?

We considered the Euro crisis an existential threat, and we found creative ways past the treaties.

We considered the pandemic an existential threat, and we collectively borrowed money on the financial markets to shield Europe's economy from its consequences.

If we agree that Europe faces an existential threat – Russia - and a dangerous loss in competitiveness in key technological sectors, we need to be clear that a large injection of public money must be part of the solution.

This is what the US and China are already doing.

Ladies and gentlemen,

I have spoken a lot about the challenges ahead of us. But let me end with a message of hope.

Just two days ago, we celebrated the 20<sup>th</sup> anniversary of the EU's big Enlargement. I remember that at the time, in 2004 – as President of the European Parliament – I opened the first plenary session with the newly elected members from the 10 new member states by saying that we were bringing to an end what Milan Kundera once described as '*the kidnapping of one half of the West*'.

This reunification of Europe has been a historic success.

Today, most of the cities once located behind the metaphorical Iron Curtain – Warsaw, Prague, but also Bucharest, Sofia and Zagreb – are capitals of EU member states. They are free and increasingly prosperous. Over the last 20 years, the GDP of the EU's new members went from 52% to 80% of the EU average.

We have also lost a member. But I'm pleased that our relationship with the UK is gaining strength again – the Windsor framework allowed us to rebuild trust. The UK has already re-joined Horizon Europe, our flagship scientific research programme, and Copernicus, our space programme. The new legal framework of our relationship is proving its worth. But I hope to also see more exchange between students on both side of the channel.

Dear students,

We are facing significant challenges, but in many ways you are graduating into the freest Europe there has ever been. This is something worth defending.

The economy of free and democratic Europe is more than 10 times that of Russia, and even our combined defence spending is 4 times higher – even though it is still too fragmented.

We should be more conscious of our strength and leverage it to our advantage. We have agency and can shape the future.

We should not fall into the trap of accepting the Russian propaganda that their victory in Ukraine is inevitable. It is not.

The military aid passed by the US Congress has created a new dynamic. We Europeans must double down on this dynamic and deliver what Ukraine needs to turn the tide: ammunition, air defence, F-16s, but also the tools to weaken the military infrastructure that sustains the Russian war machine: their airports and their launch sites.

A Ukraine that prevails against Russia is the best security guarantee for Europe and that should guide our thinking and our actions. I know this assessment is also shared in the UK.

Let us also not fall into the trap of believing that peace in the Middle East is impossible. We have to stop letting the extremists on both sides define the narrative.

In 1967, Egypt and Jordan have been Israel's sworn enemies. Today, they are not only peaceful neighbours, but engaged in finding solutions to today's conflict.

Israelis and Palestinians could equally live side-by-side in peace and security – but the prospects for that have never been so bleak. There has never been so little empathy on either side.

And yet, we have to try. I have just been to **Saudi Arabia** and met many regional leaders. There is now a widening consensus that only an approach that defines **the two-state solution as the only possible end game** can succeed.

This was the major shortcoming of the Oslo process. The two-state solution, or Palestinian statehood were never defined. This time, we need to reverse-engineer and start from there. And we need to define concrete steps within a clear timeframe.

It has also become clear that the **strategy of leaving it entirely to Israelis and Palestinians to negotiate the final status has failed**. If we want to contribute to peace, the international community needs to get actively involved in the process.

**A renewed Arab peace plan** is an important step in that direction. Several Arab States are working on that. It is good that leadership comes from the region.

We Europeans and like-minded countries should support these efforts. Including by organising a **preparatory peace conference** to bring together all parties able and willing to contribute to making the two-state solution a reality.

Peace has never looked further away, but we need to try.

If we Europeans have learnt anything from our history, it is that peace – and even friendship - between former enemies is possible. This is our greatest achievement.

Also in Northern Ireland, peace seemed completely impossible at the height of “The Troubles”. But years of patient negotiations, with strong EU support, brought the Belfast / Good Friday Agreement, and with it peace and prosperity.

Europe is about geography, common values and interests. Today, the European Union is the backbone, the vertebral column, of security, prosperity and democracy on the whole continent – of its Member States and the 10 countries knocking at its door. Only with the EU at its core will

Europe be able to project influence to the rest of the world and become the third pole in the multipolar and dangerous world we live in today.

It is good that with the **European Political Community** we have a new format that brings all of us together and I'm looking forward to being back here – at Blenheim Palace - for the EPC summit in July.

Thank you.