



# RICHARD HAASS

President of the Council on Foreign Relations

## Thierry de Montbrial, President and Founder of the World Policy Conference

Thank you, Jean David. It is a natural transition now to Richard Haass. However, let me just emphasise two points. Firstly, on the Monroe Doctrine, I would like Richard to comment on that, but it is exactly why in my introductory speech this morning I said that the new world order, if there is one, should not be the division of the world into spheres of influence. I think that is something that we need to discuss, not only today but also over the next three days. Secondly, on the US, we are going to listen to Richard Haass, but we also have a lunch debate tomorrow where Richard and Joseph Nye will talk about the issue of American leadership or lack of leadership. Additionally, on Wednesday, we will have Bob Gates, the former Defense Secretary of both President Bush and President Obama and there will be a one hour discussion with him. There will therefore be several opportunities to turn these issues around.

Richard, the floor is yours.

## Richard Haass, President of the Council on Foreign Relations

During the 20th century, Europe was the central theatre of international relations and it was all too interesting, bringing us two World Wars and a Cold War. The good news, with one exception now and some potential exceptions later, is that Europe will not play nearly as dynamic or central or turbulent role in the 21st century. That is a good thing. When I worked for President Bush Sr, I used to describe one of my jobs as trying to make the Middle East normal and boring. Needless to say, I failed miserably. However, I think that people who have worked on Europe have, for the most part, succeeded. The reasons for this, and this gets into some of the differences with Asia, is that there have been several things that explain European success, in addition to one other thing which is more uncomfortable to talk about, which is exhaustion, and the exhaustion of the two World Wars and, to some extent, the Cold War. Nevertheless, one reason was Franco German reconciliation.

At the core of modern Europe was the Franco German relationship and there was then this chain of institutional developments with the Coal and Steel Community and the European Community, leading to the European Union. I simply point this out because there is nothing that is in any way parallel in Asia. There have not been even the basic elements of Japanese Chinese or Japanese Korean reconciliation. Whereas a lot of European history was also about territorial disputes, be it Alsace Lorraine or other issues, in Asia virtually every major country has territorial disputes with other major countries to this day, including but not limited to those things that have received a lot of attention recently over islands and so on. Japan and Russia have still not dealt with their World War II legacy and China and India still have border issues, and on and on it goes. There has therefore been nothing like the diplomatic reconciliation or dealing with the past in Asia that there has been in Europe. It really is fundamentally different.

On top of that, there has been a degree of institutionalisation in Europe, be it the EU, NATO and what was originally the Commission for Security and Cooperation in Europe (CSCE) and then the OSCE. There has been a degree of institutionalisation that is unprecedented and unparalleled. While there has been a degree of institutional development in Asia Pacific, it has been much less, for many reasons. Their geography is much more complicated and it is therefore harder to design systems, and there have not been some of the same impulses. However, the fact is that it is a much less institutionalised region.

Europe now has very low levels of defence spending, with virtually none of the NATO partners spending even 2% of their gross domestic product (GDP) on defence. That is not a 'problem' in Asia. Europe has elements of nationalism, but that is mainly now right wing populist nationalism, resulting, I think, from the current economic difficulties, whereas



the rise of nationalism in Asia is something that is very different and much more profound. I do not believe that it is simply a reaction to economic stagnation, but has much more to do with the emergence of strong nation states.

The immediate security challenge to Europe is not one that we thought that we would be talking about 25 years ago this year is the 25th anniversary of the coming down of the Berlin Wall and the effective end of the Cold War - which is the question of what to do about Russia. However, I would simply say that parallels to the Cold War are dramatically over drawn. I do not think that they are accurate in any way. Russia poses security challenges, but not to Europe's core; rather, I would say, to what you might call Europe's periphery, where Europe's periphery overlaps with Russia's periphery. There is also the question of what, if any, special influence Russia has in that area. The outlines of a response to Russia are clear. On the one hand, NATO and the core of Europe need to be made strong so that Russia has neither the temptation nor ability to challenge its independence and stability. On the other hand, the purpose of Western policy should not be to isolate Russia but to integrate it, including, but not limited to, Ukraine.

I therefore think that this is still a diplomatic challenge and one of the interesting questions, amongst other things, is whether the sharp drop in oil prices, which I believe will be lasting, and the weakening of the rouble and so on, much more than the sanctions, provide a context in which diplomacy can actually flourish. It has the potential to flourish but it obviously depends a great deal on Mr Putin. However, again, the challenges for the foreseeable future to Europe's stability and security are limited and are largely at the edge, which is all very different from what we see in Asia.

As I said, Asia is a much more complex geography than Europe with much less institutionalism and it is much more about territorial and other kinds of disputes and much less about dealing successfully with the past. If we look, for example, at the German experience of dealing with the past and then what is happening in Japan, there are significant differences. There are several geopolitical challenges in Asia that are much more urgent and difficult, one of which Jean David alluded to, which is the rise of China. However, I would simply say that I think that a lot of the analysts get it wrong. I am at least as concerned about Chinese weakness as I am about its strength and how China can cope with its many internal challenges and what the consequences are of dealing with those internal challenges from much lower levels of economic growth. There are the demographic challenges, the environmental challenges, what to do about corruption and the shifting of the economic model from an export model to a domestic demand model. What will be the consequences of this for Chinese external behaviour? It is, therefore, not simply the rise of China that I believe is a consideration but it is also, in many cases, the tribulations of China and what that means for Chinese behaviour in the region.

Secondly, there is the divided Korean peninsula, which is an anomaly. I thought that the emphasis that the President made this morning on reunification was both right and noteworthy, although, again, I believe that this brings us back to China. I am not an enthusiast in my predictions for North Korea giving up its nuclear weapons, as much as I would like to see that. North Korea does not have much other than nuclear weapons so why would it give up its principal piece of leverage? You would have to be an optimist to believe that. The real question for North Korea is much more fundamental - how do we foster diplomacy that brings about the end of the division of the Korean Peninsula? This brings us back to Beijing. China may not have control over North Korea but it has more influence over the country than anyone else, especially given North Korea's trade patterns. The real question is what would it take for China to see the division of the peninsula as not serving its interests and what could people in Seoul, Tokyo and Washington say to people in Beijing that would persuade China that the current situation is potentially more threatening to Chinese national security than a unified peninsula? I believe that that is the strategic challenge. We can continue to throw diplomats at the challenge of de nuclearising North Korea but, again, I am not wildly optimistic about that. I believe that we need to attack the fundamentals of the divided peninsula.

I will just talk about one or two other things very quickly. We need to think creatively about institutions in this part of the world and, again, this is not about taking what worked in Europe and thinking that it can be simply applied in Asia. It needs to be adapted and some of it needs to be re thought. However, while this part of the world has developed a great deal in the way of economic institutions, it has not developed diplomatic or political military institutions in any way that is adequate in terms of the challenge. Many people here do not work in government and I believe that one of the challenges for outsiders is to be creative. What would an Asia Pacific security architecture look like? What is feasible and desirable for this region? If there are parallels to pre World War I Europe, the answers are not to be found in



Europe or the Middle East, which has its own issues, as it were, but are to be found in Asia. I believe that the diplomatic architecture, as it were, is inadequate.

Lastly, there is the question of my own country, the United States, which we will perhaps talk about tomorrow. I am uneasy with the parallels to the Monroe Doctrine. That was developed at a certain time in a certain geography and the idea that it is any way applicable to China and Asia or to Russia and Europe leaves me extremely uneasy. I would therefore not suggest it as a useful way to go. The issue does get at questions of spheres of influence or what kinds of rights of assertion and preference we might give to countries such as China and Russia. What is a realistic degree of respect and what is the *droit de regard* for what they want would go too far? Again, that that is a legitimate question.

Finally, I would agree that neither of these regions, neither Asia nor Europe, is self organising, and I hope that this does not sound arrogant, each of them needs the United States. The United States has every reason to be involved because it has powerful interests in both. I therefore do not think that the task, intellectually or for diplomacy, is to devise post American systems but to evolve systems in both regions that continue to include the United States. The goal should be to make sure that Europe does not become interesting again and that Asia does not become all too interesting as we move forward.