



'THE DISAPPEARING ATLANTIC BRIDGE'

Lecture given by Lord Lothian, Chairman of Global Strategy Forum,

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*There is a tide in the affairs of men.
Which, taken at the flood, leads on to fortune...
And we must take the current when it serves,
Or lose our ventures.¹*

Shakespeare's tide in this year 2012 is running at the flood.

For a start the geopolitical shape of the world continues radically to change. The economies of India, China and South East Asia are already pressurising if not yet overwhelming their Western counterparts. Together the so-called JACIK countries (Japan, ASEAN, China, India and Korea) have a GNP equivalent to if now not larger than the EU. On purchasing parity terms they are now much larger than either the EU or NAFTA and their combined official reserves are bigger than those of the EU and the US combined.

On top of all that since the banking collapse of 2008 the economic certainties of the western capitalist world have been shaken to their foundations, with sovereign debt hanging like a millstone around its neck. If these together are a tide it is hard to know what is.

That however is just the new economic tidal race. In the face of western defence spending reductions and a less than triumphant withdrawal from the arenas of Iraq and Afghanistan it is difficult not to conclude that the days of international hard power politics are effectively over, that the days of western foreign military adventure are behind us; and all this at a time when China's military strength continues to grow. The new security challenges to the West as they develop add to that tide.

Yet this is no moment for pessimism but rather for realism. There have always been seminal moments in history, some sudden and others more gradual, some victories and successes and others disasters and defeats and others just crises, which create a vacuum for momentum where great change can be made to the course of history. One man's black hole is another man's opportunity. That is what Shakespeare meant by taking at the flood.

¹ *Julius Caesar Act 4, scene 3, 218–22*

Thus took the descent of The inception of the Iron Curtain at the end of the Second World War was taken at the flood by bold leaders on both sides of the Atlantic leading to the creation of NATO backed by a steely determination that the West would never bow to the flawed ideology of communism. That same bold vision and leadership led eventually to the collapse of the Soviet Union, creating in turn another substantial tide.

This one to our shame through lack of leadership we singularly failed to take. When we should actively have reached out to the bemused and smarting Russia to recruit them to our democratic cause we sat mesmerised, seemingly rejoicing in the humiliation of the Russian people, until it was too late. Today we look at each other with a sense of mutual suspicion and fear. Rarely can there have been a better example of a failure of both leadership and vision.

The key to taking the flood tide has always been about vision and leadership. Today we have the flood tide but where is the leadership? In an election year here in the States I would not dream of commenting on the quality of leadership on offer. I need not however be so coy about Europe.

In the UK we have a coalition government which by definition is frightened of its own shadow. Coalition is not a recipe for clear leadership but for compromise and *de minimis* action. The result is brave words followed by U-turns and very few deeds. And more widely at a time when fearless leadership is desperately needed in Europe we have a collection of leaders who far from leading look to opinion polls and focus groups before retreating into weak pusillanimous announcements.

I can be frank because I know these people personally. Germany in pole position has Chancellor Merkel who is afraid to take the bold decisions needed to shore up the European Union and the Euro because her pollsters tell her to do so would lose her the coming election. In France decades of command economics and state subsidies and protection which should be dismantled by President Sarkozy will not be because the pollsters predict disastrous electoral consequences if he does. In Italy and Greece democratically elected political leaders have been replaced at the request of Brussels by non-elected apparatchiks who have no need to consider the electoral consequences of their actions; although I fear that the anger of the disenfranchised may still re-emerge on the streets. Leadership today in Europe is a joke. And unless we can shake ourselves out of our seeming torpor it will continue to be. The European Commission will never deliver it; its vast vested interests are stacked against it.

Yet I still have ringing in my ears the words of the last great leader we had in the UK, Margaret Thatcher, when she proclaimed "you turn if you must; the lady's not for turning". Where in Europe or indeed in the West as whole is there such a voice today?

The tide has changed. On your side of the Atlantic there is the realisation that the 'rise of Asia' requires a change of outlook and of orientation. It was perhaps to be expected from the administration of a Pacific born President, and however unpalatable for us on our side of the Atlantic it is understandable. It found expression at the APEC summit in Honolulu last

November when Secretary Clinton said that the 21st Century would be ‘the United States’ Pacific Century’. This was further underlined by President Obama shortly afterwards in Australia when he announced that the Asia-Pacific Region is now a ‘top priority’ of US security and economic policy, that US spending cuts would not affect the Asia-Pacific initiative and that the US is ‘here to stay’.

Are we surprised; no. Are we dismayed; it is hard not to be. For a start it must radically change the trans-atlanticist approach which has been the foreign policy hallmark of the US in the last and early part of the current century, hence the title of my talk ‘the Disappearing Atlantic Bridge’. For centuries that Atlantic Bridge has been the nexus through and around which world events have been developed and actioned. It was across that bridge that US armed forces in two World Wars played such a crucial role in defending and preserving European democracy – and indeed continued to do so in the long years of the Cold War as well. It was across that same bridge that the then Secretary of State George Marshall resourced and rescued the shattered economies of post war Europe and helped again to keep communism at bay.

Are we challenged by America’s Pacific reorientation; certainly. It will reduce the use of that metaphorical bridge both in security terms and those of economic support as well, neither of which can be welcomed in Europe. From a UK point of view it is a little different, in that there is a special relationship between our two countries based on shared values in general and shared intelligence in particular, and there is no reason why that at least should not continue. But that alone will not minimise the dangerous security deficit which will soon loom.

Any American withdrawal would leave a regional mess of major proportions in the Middle Eastern Region. Israel/Palestine in suspended animation, Syria on the brink of sectarian civil war, Iraq itself heading back into its Islamic confrontations, Egypt teetering on the brink of a failed revolution, Yemen and the Horn of Africa ready to explode into conflict, the instability of the wider Arab Awakening across the whole of Asia Minor, and nuclear-armed Pakistan toying with anti-democratic insurrection.

Of course the harsh truth is that the time has come for the Region backed by its neighbours in Europe to take up the strain; but not quite yet. At this time of specific Iranian threats, it is unconscionable that the American Fifth Fleet would withdraw from the Gulf. But if the US’s reorientation is to be believed that time will come and Europe better believe it.

All this could not be happening at a worse time for Europe which is currently in no position to pick up the pieces of projected hard power which the US would lay down. Ignore the European political rhetoric; the reality is very different. On the military side France and Britain were just able in Libya to produce an aerial campaign and even that without an aircraft carrier was hard for the UK. Boots on the ground, other than Special Forces, would have arguably been impossible. Since when continued defence cuts have reduced manpower further.

Let's not beat about the bush. Europe today is a mess; organically, politically and economically. Until it gets its own house in order it will be in no shape militarily, economically or politically to play an effective role.

Organically a mess because the single-minded proponents of 'ever closer union' and the ultimate 'Project' of a fully integrated European Union have for too long dominated the corridors of Brussels to the exclusion of other more measured views. Doubters have been treated as heretics or small-minded chauvinists. Yet the truth has always been that the European Union could never be the United States that its proponents longed for it to be. It had no common language; it had distinct nations with distinct histories and distinct cultures which were never going suddenly to metamorphose into a European nation with a European history and a European culture. Flags and anthems certainly weren't going to do it. Our economic interests and traditions were and are different. Enforced conformity, as we have seen over the last generation, created resentment rather than harmony. Yet the more all this became obvious, the more determined became the Eurocracy to fly in the face of it, and the more what needed to be done was cast aside, leading inevitably to where we are today.

I know that many on this side of the Atlantic hoped to see a Europe of one voice emerge. It was never there and now for the first time in forty years we are reading headlines in serious previously pro-EU newspapers asking if it can survive at all. I believe it can but not in its present form. For the moment its potential is effectively neutered.

Politically a mess precisely because it has yet to decide what it should be. Democracy on hold in Italy and Greece. Germany and France playing politics before their approaching elections. At a time when political unity of purpose is of the essence national political interests are ensuring disunity. Not so much a European Union but a European Disunion. What a far call from the illusory European Constitution of eight years ago described by former French President Valéry Giscard d'Estaing as Europe's 'moment philadelphique', succinctly encapsulating the dangerous misunderstandings about the differences between Europe today and the United States two and a half centuries ago. Europe may have tried to talk the talk; it was never going to walk the walk.

And economically a mess. While not all the members of the EU let alone of European countries are part of the ill-fated Euro, its problems affect us all. It was always a disaster waiting to happen. As many of us warned it could never succeed without a single fiscal policy, itself a non-starter. Yet such was the misguided euphoria surrounding its launch that all risks and weaknesses were buried under the belief that with cooperation it could overcome these deficiencies. In that same fit of euphoria Greece was allowed to join when all genuine economic analysis argued against it. Deficits were allowed to grow uncontrolled - until it was too late. Greece, Ireland and Portugal found themselves with their feet to the fire. Italy and Spain were soon to follow. Despite increasingly desperate EU rhetoric the situation continues to deteriorate; last week seeing the credit ratings of 6 Euro countries' including France downgraded, Italy to BBB+ and Portugal declared a junk rating. Talks in Greece have broken down again and there are few banks in Europe immune from the implications.

My own view is that Greece will soon default and leave the Euro, and that the Euro itself is unlikely to survive in anything like its present form if only because the political ability let alone will to impose the degree of fiscal unity and discipline required is simply not there. Recently summit has followed upon summit, declaration upon declaration - followed in turn by inaction as a result of which the perceived lifeboat, the EFSF (European Financial Stability Facility) bail-out fund is now itself in danger of capsizing and indeed yesterday had its credit rating downgraded too.

Because we never joined the Euro nor subscribed to the project of full integration the United Kingdom has to an extent been able to observe all this from the sidelines; but we have no reason to be complacent. We are highly vulnerable to a euro recession and collapse. I have long argued for a more flexible and varied European Union which I believe is still the only answer to the present crisis. It was described to me the other day as not so much a European Union as a European Onion, multilayered with a tightly bound core, becoming looser layer by layer as you move towards the outside but where individual members can select the layer they want to be part of. It would be Europe within which - if it still seeks membership - Turkey could be in the outer layer alongside say the United Kingdom, able to act as bridges to the outer world in each of our neighbourhoods.

It would be an Association of associated states with different levels of conformity and agreement between the different levels, bound together by mutual self interest, ready to cooperate and trading freely one with the other wherever within the onion they found themselves. It would be better placed to operate within our increasingly flexible network world. It would be able selectively to deploy specialised hard power from those associated members who were still able to provide it. It could encompass the whole of Europe in a way that the current EU is increasingly not going to be able to do. And it would stop the current EU from disintegrating except in a measured and beneficial way. It would hopefully with determined leadership allow Europe in due course to play a full international role again; if not for some time.

In the meantime the change of US emphasis towards the Pacific raises inevitable questions again about the shape, purpose and use of NATO. In our modern world the Article 5 mutual security guarantee has to my mind become questionable. As Western security on both sides of the Atlantic contracts it becomes ever less conceivable that there could again be a realistic invocation of Article Five in the event say of an incursion into one of the previous Warsaw Pact countries in Eastern Europe.

Moreover the whole perception of NATO as a defensive organisation was undermined first by its aggressive and illegal deployment in Kosovo and more recently by its involvement in the Libyan adventure where once the weasel words of the UNSCR relating to the protection of civilians are cut through the Organisation quite simply took sides in an out-of-theatre civil war with no element of defence of NATO members involved.

It is now clear why the US played such a detached role. Uncle Sam's mind was already elsewhere. It is therefore vital that the implications for NATO should be swiftly considered

and its whole future urgently assessed. NATO without whole hearted US involvement would be a much diminished asset and whether there could be some European variant is highly doubtful given the dangerously low levels of security and defence commitments by most members of the European Union.

A European Defence Force might in time be an option but it could never begin to replace the security blanket or guarantee that lay at the heart of the NATO concept. Whether also Europe without the US should ever be envisaged as being able to project hard power out of theatre except on the most limited scale is at least for the moment highly questionable.

America's change of emphasis will certainly require Europe as a whole to look more closely at its own security capacity and needs. No longer can Europe's default defence policy be that of the US, nor the traditional if unspoken European security belief that where they themselves were lacking the US would always fill the gaps.

For all this the vacuum left by America's new Pacific outlook will need to be filled. In this era of a network world it need not be by hard power but by soft power and commercial interests backed up only where necessary by targeted and incisive hard power in the form of special forces. Europe must have a role to play in this, but not exclusively. There are problems within much of the geographical area in question that for too long have been treated as international when they would probably have been more effectively treated as regional or local.

The Arab Awakening, with all its nuances and complexities, is essentially a regional event in which influences outside the region should ideally play no part. Right from the beginning when the West gleefully gave it the sobriquet of the Arab Spring the failure of that same West fully to comprehend what was happening has made developments more difficult than they might have been. Our naivety over the events in Cairo last February led to a misreading of the situation which has proved unhelpful to many on the ground. We are in danger of making the same mistakes in Syria. These events all stem from different forces at play within the region which in the end can only resolve themselves and where foreign intervention, diplomatic let alone threatening, can distort outcomes further even than they might otherwise have been.

Similarly we have for too long seen the Israeli/Palestine conflict as an international problem. It is first a regional problem, but at heart it is a Mediterranean problem between two Mediterranean peoples living on a strip of land on the Mediterranean coast, just as in the end the Cyprus problem is a Mediterranean problem. There is and should be nothing to prohibit international mediation if it is asked for, but the perceived taking of sides by great powers over many years in this conflict has in the end prolonged rather than resolved it.

Africa too is on the verge of finding its feet and is increasingly ready to emerge to play its part in the politics and economics of the world. It will require support and investment, and it should be a matter of concern to the West that at present much of that is coming from China. There are however now signs that there is increasingly room for less exploitive and more

cooperative involvement and for a new sense of understanding that Africa is a sleeping giant which with mutual cooperation can be assisted to awaken.

It's troubles are great not least in terms of climate but its resources are enormous and its potential virtually unlimited. It will not all be plain sailing. There are too many failing or failed states in Africa today where some sort of military intervention will almost certainly be needed. Somalia and South Sudan spring readily to mind. The UN has generally proved inadequate to the task and we must look for other more effective means of response.

All this comes back to leadership and vision. If Europe today is not ready or able to take on the yoke then we need to look for other ways. There are possibilities. Turkey has for some time been playing an active role both in the Middle East Region and towards Iran and central Asia. We should encourage her to build on that, aware always of her need to avoid accusations of neo-Ottomanism which would swiftly undermine her. The UK may not be in a position yet to play a major role, but it has a particular part which it too can increasingly develop.

We are an active member of the potentially most effective networking organisations the world has ever seen, namely the Commonwealth. There is often a tendency to pigeon-hole it as a remnant of British colonisation. Nothing today could be further from the truth. It comprises 53 independent countries on every continent representing 1.8 billion people, 30% of the world's population, covering almost every main ethnic and religious element, bound together by a simple common belief in the promotion of democracy, of good government, of human rights and of economic development. Along with the UK it includes South Africa, Australia, Canada, Malaysia, and above all India. It has a very substantial African component as well as in the West Indies. Today countries which have had no historic association with the Commonwealth are applying to join, Rwanda being one of the most recent.

It has no military arm, in fact at the moment to be blunt it is both toothless and underfunded; but it has the potential to develop teeth and weight if we collectively have the vision and leadership to seek it. It is already an organisation of increasing networking influence and through it a determined UK could not only help to fill the void left by the US alteration of emphasis but even more importantly could persuade India to take a leading role in it not least in countering the growth of Chinese influence. In a network world it is well placed to become a major tool and within it the UK can play an important part. If and when Europe re-emerges in a more flexible form, we can be that bridge to Europe and the Commonwealth, and indeed to the US as well, to ensure that any vacuums of necessary influence are effectively filled.

Which brings me finally back to leadership and vision. We live in times when the tide in the affairs of men indeed runs strong. Much of the turmoil which has given strength to the current can be ascribed to failure of leadership and vision in the West. That can change and must be changed. Today there is gradually emerging a vision of a world influenced by the US, by Western Europe and I hope increasingly by the Commonwealth, each in their new spheres of influence and involvement, where the essential values of democracy in their

broadest forms, of human rights at their most essential and of the general rule of law can be pursued. It will not just happen. It will take a force of political will directed by strong, confident and determined leaders to bring it about, each in our different parts of the world. And when we can achieve that and give hope again to our despairing peoples then is when in Shakespeare's words we will finally win 'our ventures'.