<u>Speech: Foreign Secretary's speech at</u> <u>the United States Institute For Peace</u>

In 1898 when Theodore Roosevelt had just completed his tenure as the relatively lowly Assistant Secretary of the Navy, he said: "There comes a time in the life of a nation, as in the life of an individual, when it must face great responsibilities. We have now reached that time...all that we can decide is whether we shall bear ourselves well or ill."

History will surely judge that the United States lived up to Roosevelt's challenge. Thanks to wise decisions made by him and his successors, strong American leadership has put in place a global order that has led to unparalleled peace and prosperity. No small part of that contribution has been made by the United States Institute for Peace and I am privileged to be making these comments here today.

This period in our history has seen not just the defeat of fascism and communism but the emergence of an international order based on the application of law rather than might. And the result? An exponential growth in trade, leading to extraordinary advances in economic and social prosperity across the globe.

This is borne out by virtually every indicator, even if they struggle to capture the headlines.

For example, notwithstanding terrible recent bloodshed in Syria, the number of conflict-related deaths has fallen from 5 per 100,000 people across the globe in 1984 to just 1.2 per 100,000 in 2016.

At the same time average life expectancy has risen from 31 in 1900 to 72 last year.

If you look at the poorest countries you see even more spectacular progress: when I was born in 1966 half of humanity lived in extreme poverty – now it is just 9%, with 137,000 people emerging from this condition every single day over the last 25 years.

It is probably not hyperbole to say this period has been the most productive and successful in the 300,000 years that homo sapiens has existed.

But how confident can we be that this democratic political and economic order which has done us so proud will actually be sustained?

After the fall of the Berlin Wall many assumed we had reached 'the end of history' – that western liberal democracies were so obviously the best way of running a society that no one would ever question their uniquely successful combination of economic and political freedoms. Indeed what we used to call 'Western' values' have in some ways become universal, adopted by citizens in Africa and Asia as much as Europe and America.

But we now know that such unalloyed optimism was misplaced.

Not only is our democratic model declining in attractiveness for too many people but globalisation itself appears in retreat. Whilst in the 30 years after 1970 the number of democracies grew from 32 to 77, in the period since 2006 freedom has been in decline. According to Freedom House, 71 countries suffered net declines in political rights and civil liberties last year – and less than half of UN member states are designated 'free'.

Four developments in particular should give us cause for concern:

Firstly the established rules of international conduct are repeatedly being flouted by major countries like Russia. The seizure of Crimea in 2014 was the first time that territory has been annexed in Europe by force of arms since 1945. But in fact it was not the Kremlin's first territorial incursion in this century, which was the invasion of Georgia in 2008.

At the same time, we have also seen the open flouting of international norms on the use of chemical weapons by both Russia and Syria – in contravention of the Chemical Weapons Convention of 1997 to which both countries are parties.

As a result hundreds have died horrific deaths in Syria. And this March the Russian government even used a banned nerve agent on the streets of Salisbury in Britain in an attempt to assassinate Sergei and Yulia Skripal. One British citizen was tragically killed as a result.

Such aggressive and malign behaviour undermines the international order that keeps us safe. And of course we must engage with Moscow, but we must also be blunt: Russia's foreign policy under President Putin has made the world a more dangerous place.

The second challenge is the changing East-West balance of power.

By 2030 China is forecast to overtake America as the world's biggest economy. 800 million Chinese have lifted themselves out of grinding poverty, surely something everyone should welcome.

By 2050 China and India are projected to account for a greater share of global GDP than the G7 – compared to less than half of that level today.

But with economic power comes political responsibility. And whilst China has been vocal in its support for some features of the existing system, particularly elements that enable it to trade freely with the world, it has been less supportive in other areas, refusing for example to oppose Russia's annexation of Crimea or support measures to strengthen the international ban on chemical weapons. Our hope must be for consistent, strong backing from China for the international rules-based order — and the key will be to get the right balance of competition and cooperation so that we can secure shared objectives wherever possible.

Then there is the third challenge, namely the fraying domestic support for democratic systems in our own countries.

Since the financial crash of 2008, many voters have started to question globalisation and reject political leaders they associate as defending it. This has combined with a sense that attempts to export our own economic and political model to countries like Iraq have ended up as spectacular failures.

Disenchantment is so bad that according to one poll one in ten people in Europe – and one in six in America – think it would be a good thing for 'the army to rule'.

Added to which are basic challenges to the plumbing of our systems. The heart of any democracy is freedom of expression, which allows citizens to access independent information to help decide who to vote for. But the ubiquity of fake news, social media targeting and foreign attempts to manipulate elections have undermined confidence that this can actually happen.

The result is cynicism about both democratic systems and the elites who run them, a cynicism that would be fuelled further if companies with a global reach such as Google were to accept censorship as the price of entry into the Chinese market. The result is that those of us – myself included – who strongly support the basic tenets of the post-1945 international order find we are not just having to make the arguments for it abroad, but at home as well.

We should never be complacent about one further challenge, namely the continuing threat from Islamist-inspired terrorism. This continues to use distorted religious dogma to reject the entire basis of the international order — including the modern state system itself which they would like to replace with a so-called Caliphate.

Since the dark days of 9/11 in New York and 7/7 in London we have made great military progress towards defeating extremist organisations. But truthfully we have made far less progress in understanding why those movements arose in the first place so we can prevent their re-emergence. Nor have we successfully reassured our own peoples that such ideologies will never be allowed to threaten our own open culture.

So how should we respond to these challenges? I want to suggest three things in particular.

1. Firstly we need to rebuild the strongest possible alliances between countries that share the same values.

The visible advantage that won NATO the Cold War was military capability. The invisible weapon was a rock-solid alliance of like-minded nations that sat behind it.

Those shared values meant no opponent was ever in doubt about our red lines.

Henry Kissinger, who I am privileged to be meeting in a couple of days in New York, said that "credibility for a state plays the role of character for a human being. It provides a guarantee that its assurances can be relied upon by friends and its threats taken seriously by adversaries." But instead of building up our credibility, we have been weakening it.

A limp response to Russia's intervention in Georgia in 2008 can only have made the 2014 annexation of Crimea more likely.

Our failure to respond to Assad's use of sarin gas in 2013 must be at least part of the reason why he chose to use chemical weapons again in 2014, 2015, 2017 and in April this year.

Not every hostile action constitutes the crossing of a 'red line' and we will always need a graduated menu of responses. But the strengthening of our credibility in support of a rules-based international order must become a central goal of foreign policy.

Those who do not share our values need to know that there will always be a serious price to pay if red lines are crossed — whether territorial incursions, the use of banned weapons or — increasingly — cyber attacks.

And part of that credibility comes from unity.

We showed that this year with a strong, united response from 28 allies to the use of chemical weapons in Salisbury. 153 Russian intelligence officials were expelled including 60 who were removed by the United States — more than any other country — and the US has since gone further by announcing sanctions. Combined with the decisive US military response to Assad's use of chemical weapons in Douma in April — joined by Britain and France — we can see that the red lines on chemical weapon use have started to regain credibility.

And today the United Kingdom asks its allies to go further by calling on the European Union to ensure its sanctions against Russia are comprehensive, and that we truly stand shoulder to shoulder with the US. That means calling out and responding to transgressions with one voice wherever and whenever they occur, from the streets of Salisbury to the heart of Crimea.

We need to remember the importance of unity as we face, not just on this issue — whether it is halting the malign influence of Iran, ending the conflicts in Syria and Yemen, denuclearising the Korean Peninsula or fair burden-sharing within NATO, where President Trump is surely right to urge higher defence spending by European allies as Britain is doing.

Making compromises for the sake of unity will always be necessary. We should never forget Margaret Thatcher's words: "It is in a country's interests to keep faith with its allies. States in this sense are like people. If you have a reputation for exacting favours and not returning them, the favours dry up."

And one of the biggest threats to European unity would be a chaotic no-deal Brexit. Britain would, of course, find a way to prosper and we have faced many greater challenges in our history. We will always be a dependable ally for the US and all countries that share our values. But the risk of a messy divorce, as opposed to the friendship we seek, would be a fissure in relations between European allies that would take a generation to heal – a geostrategic error for Europe at an extremely vulnerable time in our history.

So, as I have been saying to European governments, now is the time for the European Commission to engage with an open mind with the fair and constructive proposals made by the Prime Minister.

For all of us – the United States, the EU and the UK – the strategic choices we make on these issues will have a profound impact on the solidity of our democratic and economic systems. In the face of these new challenges now is surely the time to rebuild the unity of purpose we know is essential.

2. The second response to the challenges we face will take longer – but is even more important. We need to regain the economic momentum that ultimately lies at the root of political power.

Power follows money. If we want to project our values, we need competitive economies.

Professor Paul Kennedy of Yale University defined the "process of rise and fall among the Great Powers" as being the result of "differentials in growth rates and technological change, leading to shifts in the global economic balances, which in turn gradually impinge upon political and military balances."

Britain of course knows this well.

In the 19th century, thanks to the Industrial Revolution and the invention of steam-powered mass production, we eclipsed all of our rivals and became the first truly global power in history.

Of course as poorer countries develop, their share of global wealth will increase – and we should welcome that.

But we also need to stay in the game. Recent improvements in US growth are encouraging, but all of us need to play to our strengths.

Free and open societies are not just the best hedge against the corruption that disfigures and constrains economic growth in so many countries. They are also the natural incubators of innovative technological advances that power modern economies. As John Stuart Mill put it: "Genius can only breathe in an atmosphere of freedom." Of the top ten countries in this year's Global Innovation Index, nearly all are liberal democracies. Britain is fourth, the US comes sixth – and those two countries account for 19 of the world's top 20 universities.

China's astonishing march into AI and robotics show that our leadership in creativity and innovation is not unchallenged. We in Britain are responding with a modern industrial strategy, focused on the fourth industrial revolution and including major education reforms along with the biggest investment in rail since Victorian times. But there is much more to do and we must all prove in this new era that free, open, capitalist values are still the key to economic renewal and prosperity. Free trade is a critical too and that the United Kingdom warmly welcomes the support from the US administration for a UK/US free trade deal.

3. The final response to the challenges we face must be to get our own house in order.

Dissatisfaction with the way society works is nothing new – although social media can make it spread like wildfire. But we are putting our heads in the sand if we think we can blame social media by pretending that some of the causes of that resentment are not real – whether caused by the decline in real incomes for many Americans and Europeans, dislocation caused by changes in technology or the identity concerns of many voters caused by immigration.

To reject those concerns as being held by a minority of voters with illiberal views is to make a dangerous mistake. In Britain the 52% of our country who voted to leave the EU cannot be dismissed as far-right extremists. Nor the many who seek change in the US.

Our two histories share a common thread of the benefits of freedom and prosperity progressively being shared with more and more of our peoples. But if our electorates believe that such benefits are no longer being shared fairly between political elites and the people they represent, then resentment boils over. Expressing such resentment is an affirmation and not a rejection of the core democratic instinct that a society must work for all its citizens — so the sooner we address those concerns the stronger our democracies will be.

Part of that must be to address concerns about the basic functioning of our democracies. Given the importance of the online world for political communication, the rules governing online activity in the run up to elections should surely be as strict as those elsewhere — and modern electorates should be given confidence that the results cannot be influenced by the cyber activities of other countries.

At the same time, we need to restore confidence in the multilateral institutions whose job is to protect the stability of the international order and the values it depends on. No-one understood the importance of this task better than Kofi Annan, a humane and principled leader who embodied the best of the UN during his ten years as Secretary General and whose death last Saturday we all mourn. But he would have been the first to acknowledge that all too often these institutions are seen as talking shops with little capacity to engineer real change. Given they sit at the heart of the international rules-based order the UK and US must continue to make common cause to progress bold and necessary reforms.

These are just three of the many possible responses to the challenges we face.

But if the issues seem daunting, history also tells us that nothing is inevitable.

The progress we have made did not happen by accident – but rather as the result of extraordinary endeavour and difficult choices made at critical moments. I started with Teddy Roosevelt so let me finish with his formidable niece Eleanor who said that in working for the dignity and freedom of the

human race "to stand still is to retreat". Just as others before us, now is the time to move forward, with clarity and purpose.