

**Carl Bildt**  
**Remarks at The Network Conference**  
**Stockholm, March 11, 2004**

Last year was undoubtedly one of the worst years in the trans-Atlantic security relationship in our generation.

On the streets of Europa – old and new – we have seen expression of a deep mistrust of US policies, primarily as related to Iraq.

And throughout the public discourse of the United States, attitudes towards Europe have bordered on outright contempt. For a time it sounded as if Europe was little more than just three runways in Fairford, Ramstein and Sigonella where one could refuel before going on to do real things in other parts of the world.

As we try to repair and rebuild the relationship, we must acknowledge that mistakes were made on both sides of the Atlantic.

On the US side, there was the belief that everything that needed to be done in order to handle the new challenges in our world could be done by pure power alone. On this side, there was a tendency to believe that very little needed to be done at all.

Today, I believe that we are seeing attitudes shifting on both sides of the Atlantic in these respects.

The key to repairing the trans-Atlantic relationship lies to a large extent in repairing two other relationships – the one across the English Channel over here, and the one across the Potomac over there.

If the cross-Channel disputes can be resolved, and if the cross-Potomac rifts can be healed, I believe we will see the trans-Atlantic relationship improving almost automatically.

The United States will see that not everything can be achieved by US power alone, and the European Union will recognize that we need far more of a robust policy to deal with the new threats and challenges.

We have already seen some of these changes.

When the United States sought a more active role for the United Nations in handling the rapidly mounting political challenge of regime building in Iraq, there is no doubt that it represents a significant change. And when the European Union just before Christmas adopted the common European Security Strategy, there is no doubt that this as well represents a most important change.

More will come.

In its approach to common foreign and security policies, the European Union has now firmly moved from trying to address Henry Kissinger's old question on the telephone number - towards trying to decide what to actually say in case anyone calls.

Slowly but surely, we are moving from the hardware of institutions to the software of policies in order to eventually get the entire thing to work.

This being said, I believe it is important that we understand that the dominating agendas on the respective sides of the Atlantic are – and will remain – different.

For more than a generation, the dominating agenda on both sides of the Atlantic was essentially the same. It was the agenda set by Joseph Stalin in 1948 with the coup in Prague and the blockade of Berlin.

We were forged together by a common threat in a common alliance – or semi-such in the case of Sweden - with a common perspective.

But since 1989 and 2001, it's all very different.

For Europe, the dominating agenda will remain for years to come the one set in 1989. Step by step, we are building peace by the sharing of sovereignty in a region of more than 30 nation states, with approximately half a billion people and an appalling record of strife, war and horror.

You don't have to go to Sarajevo to understand the importance of that task. It's enough to feel impact of history in Riga, Warsaw, Berlin or Budapest.

The task is by no means an easy one.

This year will see the enlargement of the institutions of intrusive integration of the European Union to no less than 25 member nations after being endorsed with vast majorities in nine referendums last year.

We will have elections to a common parliament that will represent app 450 million people – in terms of the number of people it represents the second most significant democratic assembly in the world after India.

We will start setting the financial framework for our cooperation until the year 2013 – with research and development most probably being the big winner, and export subsidies in agriculture in all probability the big loser.

We will select the leaders of our common institutions for the rest of this decade – already today, Brussels is a city of people planning to move out, and people starting to move in.

We will in all probability agree on a Constitutional Treaty replacing all the previous agreements since and including the founding Treaty of Rome of 1957..

We will have to take the momentous decision on whether to open negotiations for membership with Turkey or not – a decision that, the one way or the other, will define what we mean by Europe and its mission for decades to come.

Nothing of this is ordinary politics. This is truly trying to shape the future of our continent.

My reasonably informed guess is that approximately a third of the time of any Prime Minister in any European country is now taken up by tasks directly or indirectly associated with this huge undertaking of shaping our future by the sharing of sovereignty across Europe.

It affects virtually every aspect of our society. The big issue on the domestic agenda of Sweden this very day is what effect an open labour market for close to half a billion people will have on our so cherished so called welfare state.

The answer – in the short term, very little; in the long term, radical indeed. .

But across the Atlantic, perspectives are different.

Each and every day, the President of the United States starts his day by perhaps half an hour of information on the numerous different threats that are there against American citizens and interests across the globe.

It is hardly surprising that this is the perspective that colours the actions of his day.

The dominating agenda will remain for years to come the one set in 2001 by September 11.

While we in Europe are trying to build peace by sharing sovereignty on a regional basis, the United States seeks security by exercising what it considers its sovereign right at self-defence on a global scale.

There is no way back to the trans-Atlantic relationship as it was before 1989 and before 2001.

We must recognize the difference in dominating agendas that are there, understand and respect the respective priorities, and exercise statesmanship in showing that these two dominating agendas – different as they are – are not necessarily contradictory, but over time will be more and more complementary and mutually reinforcing.

Increasingly, see that our policies are coming together in trying to handle the vast challenges of our relationship with the Muslim world. It is here – towards our Southeast – that the European agenda of 1989 and the American agenda of 2001 will have to come together.

Again, there are obvious differences. For Europe, this is an issue of our internal stability as much as of our external security. There are more than 50 mosques in Berlin. In Londonistan the number seems to be well above 200. There are two million Muslims in Moscow. The number of Muslims inside the European Union is larger than citizens of the Nordic member states.

The politics of the Greater Middle East is thus being played also out in the midst of our societies.

What for Americans is the GWOT – the Global War on Terrorism – is for Europeans the struggle between the forces of reform and reaction inside this vast Muslim world that increasingly stretches right into our own societies.

It's primarily a struggle of ideas, where it's the winning of hearts and minds rather than the conquering of square miles that will be decisive, but where the presence of the forces of fundamentalism and religious terror forces us to radically increase our commitment to the security of our homeland through police and intelligence collaboration.

Important parts of the Al-Qaida structures might have been disrupted or destroyed. That's important. But all signs are that recruitment is up, motivation remains strong, and reorganisation is ongoing. Last year was the most active year for Al-Qaida related attacks ever.

In the struggle for the hearts and minds of the vast Muslim world, we have not been winning, but massively losing, during the past two years.

There is no underestimating the magnitude of this challenge.

Throughout this vast world from Londonistan over Istanbul and Baghdad to Tashkent, Karachi and Djakarta, we will be engaged in a struggle of ideas that might turn out to be as profound as that Europe went through in the centuries of the Reformation with its intense disputes, violent upheavals, brutal wars and profound political transformations.

In the weeks and months to come, we will see an intensified dialogue between the United States and Europe on these and other issues related to what in the US is often referred to as the Greater Middle East. And it is worth nothing that Washington is in a listening mood, actively searching for ideas also from its European partners.

It's all supposed to come together when the leaders of the G8 meet in Georgia, the leaders of NATO in Istanbul and the leaderships of the US and the European Union in Dublin – all in the hectic month of June.

Much will centre on the monumental twin task of state building at hand in the Fertile Crescent – the setting up of some sort of functioning and representative Iraqi state, and the setting up of some sort of functioning and representative Palestinian state. And they are linked.

If the liberation of Iraq from tyranny is not followed by the liberation of Palestine from occupation – contributing also to the security of Israel - the tactical victory in Mesopotamia might easily turn into a strategic defeat in the wider Middle East and Muslim world.

These efforts at state building are only part of the tasks of this sort we are increasingly being confronted with.

If in the past we were primarily threatened by strong states, we are now in many cases more threatened by weak states. When areas, states or regions descend into disorder and chaos, our security will sooner or later be at risk. There are no longer any far-away regions of which we can afford to know very little.

In our age of modern technology, ancient hatreds anywhere tend to be a danger everywhere.

Accordingly, we see – from the high plateaus of Asia to the jungles of Africa and the islands of the Caribbean - how the international community is involved in different efforts at nation- or state building in order to create the structures of order that keeps the forces of disorder, chaos, fundamentalism and terror at bay.

I believe that these tasks are as fundamental to our peace and security in the new international environment as the tasks of nuclear deterrence were in the old one. But they have yet to receive the same either intellectual attention or political commitment of resources or resolve.

These tasks are of course related to the important task of trying to stop the spread of the technologies of mass destruction.

We do not feel particularly threatened by the tens of thousands of nuclear warheads still in the arsenals of Russia, the United States, Britain, France or even China. Some might add even Israel – undoubtedly a nuclear power – to this list.

But we have every reason to be deeply concerned with shadowy networks spreading the knowledge of colossal destruction to areas, regimes and groups that are so determined to put it to use that they will never be deterred by the policies that worked in the past.

If these technologies of destruction continue spreading, there is no doubt that we will see them used sooner rather than later. And it's anyone's guess where and when that might happen.

Only much reinforced and inclusive international cooperation – with business entities even more becoming part of it – has even the chance of handling these challenges.

After a pause during the past few years – the burst of the dotcom bubble, the corporate scandals, the war over Iraq – we now see the process of globalisation picking up speed again. Even a person with more limited insight in boardrooms than each one of you here sees that investment decisions that once were local or perhaps regional are now very rapidly becoming very global.

This should be applauded and welcomed. Globalisations have lifted hundreds and millions from Shanghai to Sao Paulo out of misery and despair not least during the 1990's. We need much more of globalisation if the goals collectively set by the members of the United Nations for improvement of the human condition shall be met. Hunger and poverty, disease and despair, are long-terms threats to us as well.

But globalisation is also a force for disruption. Cultures feel under threat. Economies can feel under siege. And politicians can be tempted to react – as we see in the lurch towards lunacy on these issues among the Democrats in the US debate right now.

The rise of China and India as global hubs of manufacturing and outsourcing is as important as the rise of Slovakia or Estonia as the new economic tigers of Europe.

With flat rate taxes of 26 and 19 percent respectively, increasingly impressive infrastructures, well-educated populations and the secure legal positions of members of the European Union, their rapid development will be disruption for us if we are not able to change and improve.

We live in a world of increasing volatility. Perhaps those are right that speak about a fundamental transformation of the entire international system – the gradual emergence of a post-Westphalian world. Increasingly, it is not state-to-state issues that we have reason to be preoccupied with, but increasingly important non-state actors, disruptive and dangerous internal state issues and vastly challenging transnational and global issues.

The business of business – and the business of politics - is simply not what it used to be.