

# Challenges and choices for the Netherlands in a divergent world

*Speech on the 40th anniversary of the Policy and Operations Evaluation  
Department (IOB)  
of the Dutch Foreign Ministry*

*The Hague, December 14, 2017*

Dear Joka Brandt, dear Jan Pronk, dear Wendy Asbeek Brusse,

Ladies and gentlemen, *dames en heren* (and that is already almost the full extent of my command of the Dutch language),

First things first: Congratulations, dear Wendy and colleagues: the 40th anniversary of the Policy and Evaluations Department of the Netherlands Ministry of Foreign Affairs is an important anniversary, for a key capability in any nation's foreign policy apparatus.

Because gone forever are the days when foreign and security policy was conceived and executed by a select and secretive priesthood far removed from any kind of public scrutiny. The volatile and disruptive climate we currently find ourselves in has forced 24/7 schedules on all of us; I often hear from my diplomat and policymaker circles that they feel they are living in permanent crisis reaction and management mode. And that was even before the explosive arrival of non-stop public scrutiny and commentary in the form of social media, which works like a daily plebiscite on the decisions and actions of policymakers.

Don't misunderstand me: I neither think we can turn back the clock, nor do I think it is desirable. In fact, some aspects of this permanent public feedback loop are healthy; greater responsiveness to public concerns may add to the perceived legitimacy of foreign policy. But it can also be a distraction which narrows the bandwidth available for making and executing policy. And it seems indisputable to me that, under these circumstances, for institutions to maintain and indeed to protect the ability to process experience and to distill lessons for future policy decisions—and even more for the formulation of grand strategy—is more important than ever. So may there be many more anniversaries!

You have very kindly asked me here to speak on the strategic debates of the day, and the choices we need to make—as Europeans, and as European nations—for the future. Specifically, Wendy has also asked me to discuss the choices before the Netherlands.

Standing at this lectern today, I am both very honored and acutely aware of the pitfalls of this assignment. For a Dutch audience to invite a German to speak to them about the strategic position of the Netherlands in the world today is a tremendous gesture—and quite a challenge. This is essentially asking the gorilla to reflect on what life is like for everyone else in the jungle. These fabulous animals are remarkable for many things, but perhaps not for treading lightly, or for exquisite awareness of their surroundings.

But then our Europe is not a jungle. In fact, we might say the European project embodies the original lesson learnt from disaster. It is a lived and practised utopia (with all the frustrations and disappointments that that entails) that was begun in the ashes of World War II and the Holocaust to enshrine the greatest lesson of that terrible age: We must never again allow might to prevail over right. Instead, we will subject power to law, and protect the small and the weak against the whims, or the heedlessness, of the many and the great. The epochal achievement of the European project is precisely that it mitigates power differentials by containing the large states and leveraging the power of the small ones. It seems to me that this is true of the transatlantic alliance as well—even though unlike the European half-way house it remains an alliance of sovereign states.

Just by way of example: of the thirteen NATO Secretaries General, no less than three have been Dutch—a record in the transatlantic alliance’s nearly eight decades. In the series of European executive institutions from the European Coal and Steel Community to the post-Lisbon Treaty EU, there has been only one president from the Netherlands—but three from even tinier Luxembourg. Small nations, it is clear, are granted a special kind of trust. This gives them extraordinary influence, if they choose to use it.

And of course the Dutch (and all of Germany’s neighbors and partners) have a right not just to question Germany about its intentions, but to ask that it consider the impact of its actions on them. I would even add: to factor it in as a matter of course, and ex-ante. I am not just recommending a therapeutic exercise in empathy here. (Although empathy does help.) My friend Jan Techau, the director of the Holbrooke Forum at the American Academy in Berlin (whose wife, perhaps not coincidentally, is Dutch) has written a book

called *Führungsmacht Deutschland* together with Leon Mangasarian of Bloomberg, in which they develop the concept of *dienendes Führen*, or servant leadership. Their argument is that the European hegemon (reluctant or not) has a special responsibility towards his neighbors. I could not agree more, but I believe that this responsibility *increases* in proportion to the power differential between the leader and the smaller powers in Europe. It is in this spirit, and mindful of these obligations, that I am speaking to you today.

I propose to address three specific questions:

*One:* the shifts in the global strategic landscape, in the United States, and in Europe

*Two:* my take on current German debates

*Three:* Implications for the Netherlands

### **Shifts in the global strategic landscape ...**

The foreign and security policy tribe normally prides itself on a certain *sang-froid*: when things get hot, they go cold. This is a necessary quality in diplomats and policymakers, because the issues they work on are literally questions of war and peace, and they owe it to themselves not to let their judgment become clouded. But if we're honest with ourselves, our working lifetimes in this field have also been a rollercoaster of strong emotions. For my generational cohort, the defining moment was the fall of the Berlin Wall, which led to the dissolution of the Warsaw Pact and the Soviet Union, and the enlargement of the European Union and NATO—a cascade of events so miraculous that it seemed like a complete reset of global affairs and the transatlantic alliance, and all this accomplished in our formerly war-torn continent.

The feeling was all the more intense for those of us who have memories of the Cold War's unreal mixture of leaden stability and the looming threat of nuclear annihilation. Not to mention our parents' and grandparents' experience of real world war, which we have inherited as part of our memory DNA, whether we like it or not—psychologists have told us that trauma and fear can be inherited and passed on for several generations. With this kind of historic memory in our bones, we may be forgiven for wanting to believe that 1989 truly was—in the words of Francis Fukuyama—the “end of history,” the beginning of a worldwide convergence of values, norms, and perhaps even of the operating systems of nations.

And that is what makes it so difficult to contemplate what is now happening to the world with equanimity. My Brookings colleague Thomas Wright, in an excellent [essay](#) on the July G-20 summit in Hamburg points out that the assumption behind the G-20 model was that all major powers were converging on a shared vision of a peaceful and liberal international order, underpinned by economic integration whose benefits would be more or less equally distributed around the globe, with former adversaries becoming “responsible stakeholders” (in the words of World Bank President Robert Zoellick) and perhaps even liberalizing their domestic political systems. The apex of this convergence assumption was reached in late 2008, when—at the height of the global financial crisis—the U.S. convened the first G-20 leaders’ summit. These were also the first months of President Barack Obama’s tenure. At the time, the American satirical paper *The Onion* ran this unforgettable headline: “Black Man Gets Worst Job in America.”

“Since then,”—my colleague writes—“the geopolitical story has been the dissolution of this global consensus—convergence replaced by divergence. In recent years, a rising Russia and China have come to see the liberal order as a threat and pushed back against it, both domestically and internationally. Globalization went from promising prosperity for all to representing stagnation and outsourcing. Hopes of progress in the Middle East faded after the Iraq War and the failure of the Arab Awakening. Starting in the Obama years, Americans began to question whether they should bear the brunt of the burden of global leadership.”

This is a compelling depiction of the fraying of the liberal consensus. But I think it needs to be taken even farther on six points. *Firstly*, the vacuum left by what is looking more and more like a retreat of the West from upholding the liberal order it created has consequences. Some erstwhile members of the G-20 consensus—Europeans, but Asian nations as well—are hedging their bets, or bandwagoning against unreliable partners. *Secondly*, very large authoritarian challengers like Russia and China, but also middle powers like Iran and Turkey, are flowing into the open spaces we leave behind: in Eastern Europe, in the Balkans, in the Middle East. *Thirdly*, they are increasingly probing our resilience at home as well: whether by Russian influencing attempts on our social media, or China buying up strategic assets. *Fourthly*, they are finding new allies within our societies: populists on the right or the left who exploit the grievances and fears created by the unequal impact of globalization. *Fifth*: in at least two EU member states—Hungary and Poland—these forces are in government.

*Sixth* and finally: we have no cause to take comfort from the fact that this is not (yet?) the case in the twenty-six other member states. It is true that in the string of elections that took place in Europe throughout 2017—from the Netherlands to France, Austria, and finally Germany—, voters appear to have reverted to the mean. This happened despite the fact that the Front National, the AfD and others (perhaps encouraged by the example of the U.S. election and goaded on by international alt-right networks as well as Russian propaganda efforts) threw off all pretence of moderation and reverted to full-throated extremism.

Yet we should not be lulled by this into a false sense of security, because this is at best a partial and temporal reprieve. Our political systems are undergoing profound changes, as are the traditional institutions that mediate between the representatives and the represented: religious communities, unions, parties, and the media; it's safe to assume that we will see a lot more volatility and unpredictability in our domestic politics. The Italian elections might see a return in force of several populist groups on the right and the left. In Germany, the AfD is clearly planning to be a disruptive force, despite the fact that all centrist parties have excluded working with it. And indeed we saw in the Dutch elections how tempting it is to attempt to take the wind out of the populists' sails by adopting some of their positions.

### **Shifts in the United States ...**

The most startling aspect of our new situation, surely, is that speaking about shifts in the global strategic landscape today also compels us to include the United States. One of the few things we can probably all agree on is that this first year of the Trump administration has been uniquely unnerving. It has also been confusing. Some observers argue that we can all relax, because the worst has not happened: no war with North Korea, no cancellation of the Iran agreement, no punitive tariffs on China or Germany. The President himself has reversed himself on some of his more spectacular pronouncements (“NATO is obsolete”). Some of the most notorious “disrupters” have left the White House; instead, policy is being made by professionals like James Mattis or H.R. McMaster. The states, the courts, and civil society are all defending *ur-*American principles and values like the separation and balance of powers, political pluralism, and the protection of minorities.

But this line of reasoning, while accurate, is incomplete. It is also too fixated on the short-term. In the long run, institutions and citizens can be coopted, bullied, and exhausted. It also fails to address the darkest and most disruptive

elements of the Trump administration's world view. Simply put: Trump is the first postwar American president to question *the liberal order as such*. Nor is he alone. Some of you will remember the now-legendary oped published by national security adviser McMaster and the president of the national economic council, Gary Cohn: it asserted that, far from having reversed itself on NATO, the administration had made a "strategic shift" with regard to its allies: "the world is not a ,global community' but an arena where nations ... engage and compete. Rather than deny this elemental nature of international affairs, we embrace it." That is tantamount to redefining America's international role from collaborative stewardship of the international order to an exclusive focus on America's status as the strongest actor in a zero-sum world.

We should be even more concerned about this administration's fundamental critique of globalisation. Tellingly, its hardliners refer to it as "*globalism*"—as though it were a wrong belief, or a false consciousness. This—not the administration's views on NATO or the EU—, is the real wedge that could drive the transatlantic alliance apart, and destroy the West. For only one country has the natural barriers, strategic resources, huge internal market, as well as the population reproduction rates and the research and innovation capacity to unlink itself from globalisation: the United States. Not so Europe. With our indefensible borders, our negative demographics, and our absolute dependence on trade and strategic resource imports, decoupling ourselves and pulling up the drawbridges would be suicidal.

Few countries in Europe know this as well as the Netherlands, one of the most globalised countries in the world.

So this is the deepest divide between the hardliners of this administration and mainstream Europeans: the question of our relationship with the rest of the world. Do we want to be connected, or disconnected? Should our societies be open, or closed? Should they be plural, or homogeneous?

I want to be very clear here: I am *not* suggesting that all of America shares the worldview of the Trumpian disrupters, or even that it will have a permanently transformative effect on American foreign policy. What I *am* saying is that we need to understand that the existence of this worldview is itself a political fact; it exists in American politics well beyond the inner circle of the president; and we need to realize just how far it deviates from the foundational ideas of the Western liberal order, and of the European security order. I am also saying that even if much of this thinking remains in the domain of reckless words (or tweets), if it never becomes policy—it can still have two nefarious effects: it

can heighten the risk of strategic miscalculation, and it may further nudge America's allies to hedge against it.

### **... and in Europe**

Europeans have so far gingerly tried to embrace the new American administration wherever possible—but they have also visibly begun to hedge. As German chancellor Merkel famously said in a May campaign appearance in a Bavarian beer hall: “The times in which we could totally rely upon others are to some extent over ... we Europeans really must take our fate into our own hands.” France's president Emmanuel Macron, too, rode into power on the force of a full-throated endorsement of greater European autonomy. This year's EU defense reform actions are intended to build on this momentum; and based on the number of member states that have signed on to permanent structured cooperation, or PESCO—twenty-five by this week's count (and excluding only Denmark, Malta, and the UK)—the ambition for greater defense and security integration is very real.

At the same time, we should be under no illusions that the European project continues to face huge challenges: our internal populist rumblings, the eurocrisis, the refugee crisis, Brexit, illiberal constitutional reforms in Hungary and Poland, Catalan separatism, terrorism, our increasingly fraught relations with Turkey, Chinese influence-buying and espionage, and Russian aggression and meddling. As if all that were not enough to worry about, we seem to be divided not just by our threat perceptions or our attitudes to government debt and joblessness, but by our take on basic rules of domestic constitutional order. All of these challenges involve a host of complex policy and political conundrums—too many for me to tackle here today. I want to focus instead on some even more basic questions behind them.

One: the problems I have just listed prove that the forces operating on a global scale—tribalisation, the rejection of norms, the erosion of solidarity, the search for “control” and identity—do not stop at the borders of Europe. On the contrary, they are gnawing away not just at the European project, but at our national polities themselves.

Two: globalisation has changed the meaning of power in fundamental ways—and in ways that are particularly relevant for Europe. It has reduced the relative and absolute power of all states—including even that of the sole remaining global superpower. It makes *all* powers a little smaller, and made us all more vulnerable. Moreover, it has reduced the value of hard power, and put a

premium on what Joseph Nye has called “smart power” and what I would call the ability to solve problems, both at the national level and beyond it.

This does not *necessarily* put small powers at a disadvantage. Smallness, as you know very well, can be a distinct advantage. Singapore—and indeed the Netherlands—prove that it is possible for very small countries with very small militaries to harness many of the advantages of globalisation, and punch above their weights, including in relations with larger and more powerful countries.

However, it also makes them uniquely vulnerable: to being buffeted by the worldwide winds and tides of globalisation, but more particularly to the behavior of large power centers in their neighborhood. For the Netherlands, it seems to me there are at least four of those: the UK, France, Germany, and the EU itself. (If we look a little farther abroad, we should probably include Turkey—because of your high Turkish migrant population; and Russia, because of the significant Dutch corporate interests in the Russian economy.)

What consequences follow from these shifts in Europe for our strategic posture, on the European and on the national level?

I’ve already said that I believe we Europeans do not have the choice of opting out of globalization, and of retreating behind walls or borders—and I am going to assume we are in broad agreement here. To put it more starkly: the world is our destiny.

Yet I want to go one, or rather two steps farther—because this fact has profound consequences both for our domestic constitutions and our foreign and security policies. Firstly, we Western Europeans have tended to take our postwar domestic orders for granted, as an unspoken correlate of the “end of history idea”: not only would the rest of the world want to be like us, *we would always be us*. We are now learning that this is not the case: when people feel exposed to the elements and at risk, authoritarian solutions suddenly develop an immense appeal.

The first, and most urgent order of the day, therefore, is for us to look to the health and resilience of our own domestic orders: our representative democracy; our markets; and our social contracts. Do our institutions work as they should—do they solve the problems they are supposed to solve—or are they struggling to cope? Are our markets open enough to be vibrant and competitive, and regulated enough to be fair? Do our social contracts offer the right balance of obligations and rights to our citizens? Yes, we also need to

protect borders; but many of today's threats to our way of life easily transcend physical barriers, because they are transported across them as ideas, as emotions, or in bits and bytes. Some of our adversaries have realized that it's a waste of energy to hack machines when they can hack emotions. And that, indeed, is where our defenses need to begin.

This question of problem-solving capability has a national and a transnational aspect. My own take on this is both profoundly pragmatic, and profoundly voluntarist: I believe in intergovernmentalizing or federalizing solutions to common European problems if that is necessary; conversely, if it's not, I don't. But I do believe that three issue areas lend themselves to further Europeanisation: the management of the Eurozone, the management of migration, and defense and security.

My second step concerns our, and Europe's, relations with the rest of the world. The fact that our prosperity and security depends so completely on globalisation turns the traditional logic of the Western alliance on its head. It means that we have an even *greater and more existential* interest in maintaining and protecting a peaceful international order than the United States. And I believe it forces us to have a far more forceful and forward-leaning foreign policy—especially in our Southern and Eastern peripheries, but also vis-à-vis-great power challengers and global order issues. I do not see how we can achieve that without far greater European coordination.

Still, even in our most hyperbolic dreams of European greatness, we are never going to replace the United States as the guarantor of this order. And that means that our interest in maintaining a productive alliance with the U.S. despite the current turbulences is *also* existential. Simply put: the burden is on us to make it work. This will require a highly challenging mix of creative engagement, hedging, and (where necessary) constructive confrontation. But it is delusional to think we might be able to decouple ourselves from this alliance.

### **Germany: what kind of hegemon?**

Let me now turn briefly to my own country: the gorilla that thinks it's a meek, medium-sized herbivore. I sympathize with you if you feel it's hard to decipher goings-on in Germany right now; I struggle with the same problem, and so, I suspect, do many other Germans.

Some of you may have seen an oped on the topic which I wrote—in a somewhat snarky mood—for Tuesday's *Financial Times*. I said that watching

Germany right now is like unpleasantly waiting for a glacier to calve: you keep hearing loud cracks, but nothing seems to be moving. Except that you know it will, and then nothing will be where it was before.

I have just come from a couple of days in Berlin, and it seems to me that three or maybe even four things are going on in Germany at the same time:

- Eighty days after the election, Angela Merkel is still trying to put together a government. (Although I realize that the Dutch, who waited for 209 days, are unlikely to be impressed by this.) It's still an open bet whether we'll have a third *Große Koalition*, or a tolerated minority government. And we might not have a government before March or even May. Speculation in Berlin is that the chancellor is also trying to buy time to insure a controlled succession that preserves the centrist, modernizing course she imposed on the CDU;
- *Within* several of the parties, challengers are sensing an opportunity to replace the old guard and/or realign their parties: CDU, SPD, Greens; the first to go this week was Horst Seehofer, leader of the CDU's Bavarian sister party CSU. He won't be the last;
- Extremist parties and movements on the right and the left of German politics (the AfD first and foremost) are attempting to disrupt and force a much larger realignment of German politics along the pro- and anti-globalization divide. This is visibly a temptation for some established political forces—such as the Liberals, but also conservatives in some of the Länder—watch the elections in Bavaria, Hessen, and Saxony over the next 18 months;
- In the foreign and security policy community, there is of course a debate about what the global and European shifts I've described mean for Germany. Some of you may have read or watched Foreign Minister Sigmar Gabriel's [speech](#) at the Körber Forum in Berlin last week. It was a highly deliberate trial balloon, and is well worth parsing carefully. Unfortunately, the more often you read it, the more layered and contradictory its messages become: pro-Western and post-Western; pro-alliance yet post-NATO; pro-American and post-American; pro-European and pro-German national interests; pro-power and post-power; and with some fairly distinct nods to China and Russia which in the end amount to some quite old-fashioned Social Democratic triangulation and equidistancing. The speech got a lot of—well-deserved—criticism; but it

is also very useful as an articulation of the tensions German foreign policy finds itself under.

In sum: My sense is that this is a between-eras time for Germany. It's confusing, and worrying for those who expect clarity and leadership from the European hegemon. But it's also a time of self-questioning, and a certain openness to new ideas and advice.

### **What does this all mean for the Netherlands?**

I confess that I am most uncomfortable trying to offer any advice on what all this means for you, my hosts. But since you've asked me, here are some very general ideas.

1. Under conditions of globalization and openness, reinforcing resilience at home is key. For a hyper-globalized country like the Netherlands, it would seem to be absolutely crucial. That includes mitigating the unequal distribution of the benefits and burdens of globalization. It also includes seeking to manage its impact—for example by managing immigration.
2. "Atlanticism" is not over—on the contrary. But we need to reinvent it.
3. The choice between "Atlanticism" and "Europe" is a false dichotomy. We, and you, need both. (That said: the French insistence on "strategic autonomy" rather than greater European self-reliance needs to be resisted.)
4. The question of "how much more" Europe is posited by external pressures and shocks like the eurocrisis, the refugee crisis, and external aggression—but its answer is by no means foreordained. If I'm correct, however, that we have a first-order strategic interest in a much more forward-leaning and engaged foreign and security policy, then I don't know how we achieve that without much greater defense integration.
5. Brexit is on the surface a blow against the Anglo-Dutch-Nordic axis that favors free trade and opposes French-Spanish-Italian notions of federalism. Even more than that it is an object lesson in how domestic social, economic, and political tensions can be manipulated—using social

media and direct democracy—to a highly damaging end. But, as yesterday's decision in Parliament showed, this isn't over.

6. The German-French axis is overrated—and far less legitimate in a Europe of 28. I don't in fact see a new power-center or political equilibrium forming. This gives smaller powers in Europe a great deal of freedom of maneuver in coalition-building or influencing.
7. Strength, power, impact, influence—or whatever you want to call it—for any country in Europe today means the ability to solve problems rather than to impose or control an outcome.
8. That ability has two key components: cognitive capabilities (new ideas, thinking ahead, flexibility, creativity), and the skills to follow through.
9. The current tensions running through the EU (and the transatlantic alliance) on social, cultural, economic and security questions require a phase of careful and responsible diplomacy, bridging, and consensus-building.
10. In sum: I believe we are currently living through a phase in global and European politics which puts a premium on the intangible aspects of power—aspects for which size is irrelevant. This is a considerable opportunity—if you want to seize it.

Thank you for your attention, and again for the invitation to speak to you.  
And now for the rest of my Dutch:

*Bedankt!*

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