# *“Germany and the ‘Far Horizon’”*

## *The Willy Brandt Lecture 2008*

## *by Robert B. Zoellick*

## *President of the Wordl Bank*

## *held at Humboldt-Universität zu Berlin*

## *19 November 2008*

It is a great honor to be invited by the Humboldt University and the Chancellor Willy Brandt Foundation to be the first speaker at a lecture in remembrance of Willy Brandt, at this historic center of learning, a short walk from the Brandenburg Gate.

Almost two hundred years ago, Wilhelm von Humboldt founded a university in Berlin to embody the concept of a “universitas litteratum” – the coming together of teaching and research toward a humanistic education. That wonderful experiment served as an educational model throughout Europe.

But this great university suffered Germany’s ills in the 20th Century.

It became an institution blocked by a wall, physically and psychologically.

Next year will be the 20th Anniversary of the day the Berlin Wall became a gateway.

Today, Humboldt’s reach again stretches around the globe – from its close research and exchange ties with universities in Central and Eastern Europe and Russia, to universities throughout the rest of Europe, Japan, the United States, Asia, Africa, and Latin America. Today more than 10 percent of students at Humboldt are from outside Germany, representing over a hundred different countries.

Whenever I visit Berlin at this time of year, I cannot help but reflect on those days of November, 1989, and the amazing months that followed.

A number of the students here were very young – or not yet born – on that day. So to you, I will just suggest it is hard to re-create – even to imagine – the logic of that era.

The “realities” seemed immutable: the division of Berlin, of Germany, of Europe, the world.

Willy Brandt’s life was marked by those realities. But he also rose above them.

From a higher vantage point, he looked both backwards and forwards. He had lived Germany’s terrible tragedy. He knew the devastation after World War I, the loss of hope, the turn to bitterness, violence, and self-pity transformed into self-aggrandizement and then self-destruction. He viewed Germany from outside, too, in Norway and Sweden, with realistic but also, just barely, hopeful eyes of what might be. He would never give up.

So, having returned to Germany shortly after the war, Willy Brandt could look ahead, even beyond the new Bonn Federal Republic. Brandt detailed this approach in his memoirs. He wrote: "Look to the far horizon, but keep your immediate aims close enough to be approachable." Brandt described this as his "reforming credo."

One American friend of Germany, William Smyser, wrote that Bismarck had chosen Germany's unity over democracy. Adenauer then decided to place priority on Freiheit über Einheit. But Brandt always believed Germany could have democracy and unity, Freiheit und Einheit. Adenauer's decision was largely shaped by political conditions in the 1950s. It remains part of Brandt's great historical legacy that, at a very early date, he sensed the opportunity to overcome the division of Europe and began to prepare the ground.

In preparing for this speech, I asked some German associates what it was about Willy Brandt that most moved them. Interestingly, the responses reflected a central theme: Brandt, they said, enabled people to respect politicians; Brandt, they said, was a political leader who made them proud to be German again.

He did not do that with policy programs or bills in the Bundestag, but through his principles: He resisted Nazism and chose to become a political refugee for more than decade. He demonstrated an inspired courage as Mayor of Berlin, a city both international and German amidst a sea of troubles. And he showed the world in one single moment at the memorial to the Warsaw Ghetto uprising his commitment to reconciliation.

I only met Willy Brandt once, briefly, shortly before he died. It was at a reception in Germany, after unification. But I will always recall those sparkling eyes, that smile, even then the inklings of energy, a bit of mischief, the gems of wit and intelligence. A presence. I also felt a sense of release, of his satisfaction for completing the work of a lifetime, of seeing Germany restored as one, of navigating toward the entrancing port of a democratic and free Germany.

I, in turn, was proud to say to him, on behalf of many, many of my countrymen who had come before, that I was pleased to be present when the United States kept its promise to the people of Germany.

In almost 20 years, we have seen amazing changes. Shortly after unification, I drove through the eastern Laender to see first-hand, in villages and towns and cities, how they were changing. Today, Germany's Chancellor is from the east. Eight of Germany's neighbors in Central and Eastern Europe have joined it in NATO and the European Union.

And yet, at times, in places, with some challenges, we have fallen short, been diverted. This was inevitable, I suppose.

Perhaps you, those who will determine Germany's future, can be like Willy Brandt: you can rise above, respecting the past, but looking ahead to the far horizon for the work yet to do.

After all, the work of German unification, as Brandt knew instinctively, was about so much more than Germany. That was a message of his speech at Tutzing Academy in 1963. That was the message of a speech I helped prepare for Secretary of State James A. Baker, III, on December 13, 1989, here in Berlin.

Our view then was that the unification of Germany needed to take place within a new architecture, with changes in old structures fused with new. Germany's unity relied on a Europe whole and free. We saw the then-EC as helping draw together the West while serving as an open door to the East. NATO, with a united Germany at its heart, would serve new collective purposes. The then-CSCE would, we hoped, offer a political framework to encourage human rights, democracy, markets, and a broader concept of security from Vancouver to Vladivostok.

So how are we doing?

For Central and Eastern Europe, the international understandings of 1989-91, the peaceful outcome of a great conflict, were in fact the third "peace settlement" of the century. The first settlement, of 1918-22, was marked by revolution and counterrevolution, punitive peace and seething resentments, economic turmoil, and an occasional attempt at legitimate resolutions through plebiscites sponsored by the League of Nations. The second settlement, of 1944-49, was a political-military partition, leaving Central and Eastern Europe as divided ground in a Cold War.

The settlement of 1989-91 tried to apply lessons learned from the past. Again, Willy Brandt had seen the way ahead, through his petition in 1968 to accept Germany's eastern border on the Oder-Neisse and falling to his knees at the Warsaw Ghetto Memorial in 1970.

The countries of Central and Eastern Europe were "The Lands Between," the evocative title of a history written by Alan Palmer. To prosper in peace, these countries needed a secure place, not just between Germany and Russia, but in Europe, within a trans-Atlantic community.

Our hope in 1990 was that the new democracies of Central and Eastern Europe, including the Baltic states, could be built on peaceful self-determination. The new, stable Berlin Republic would be their democratic partner in Europe. Their democratic governments with limited powers and vibrant private sectors would, we believed, be more successful than either the "total communist state" or "white" dictatorships of their pasts. As new, relatively small states, their participation in larger structures was to give political and economic security and support.

In general, these strategic hopes have been borne out – but not completely. In Yugoslavia, a creation of the Versailles settlement, some Serbs resisted self-determination that severed old authorities. That reconciliation still lies ahead, but beyond the rocks and cliffs, the pathway to accomplish it is visible.

Elsewhere in the Balkans, new democracies must still overcome criminalities and deep-rooted antagonisms that took advantage of the breakdown of the old Soviet system.

Now some of Germany's newer EU neighbors face financial and economic dangers. They are caught up in an economic whirlwind. Yes, some created their own vulnerabilities, but can't that be said of all of us?

I hope Germany will work with other EU members to be supportive of those neighbors. You know better than others how economic travails can spark political embers, flaming into social conflagrations. The inflation of the Weimar era left deep scars in the German psyche about prudent finance. During the Cold War years, Germany's economic miracle reinforced its appreciation of the value of sound money, first the Deutschmark, and then the Euro. Yet it would be hard for me to believe that Willy Brandt would have viewed the economic perils of Germany's neighbors just through a budgetary lens.

Moreover, I hope your generation, like Brandt, will keep its eyes on the far horizon. While the great settlements of 1989-91 seem fundamentally sound, the worldwide economic trauma suggests a need to update them. We now need reinvented global frameworks to reach our potential, to weather storms of economic changes or climate or insecurity.

This challenge is even in sharper evidence further east – in Ukraine, Moldova, the Caucasus. The foundation for each new country needs to be the rule of law, good governance, and development, all connected to security and building legitimacy as sovereign states. Joining with its European partners and multilateral institutions, Germany can help these countries withstand today's financial and economic storms.

Willy Brandt, like Germans over the centuries, recognized the importance of Russia to Germany, as he demonstrated through his development of Ostpolitik.

To most of us, the collapse of the Soviet Union, coming on the heels of German and European unification, was a startling surprise. During the rest of the 1990s, the European Union and the United States scrambled to create a new place for a reborn Russia within the peace settlements of 1989-91. But it was incomplete and disappointing. Amidst economic, social, territorial, and even demographic upheaval, Russians feared disintegration, and developed a sense of victimization. They turned to a restoration of the power of the state and wanted to return Russia to its great power status.

Brandt understood that a great nation must not define itself around resentments. That is too thin an identity. Today, Russia has far outgrown the status of a victim. President Medvedev has spoken of Russia's need to build a rule of law society – and his own task to develop "civil and economic freedoms."

Russia will also be determining the nature of its relationships with neighbors. In the 19th Century, large powers often wanted weak neighbors they could dominate. In the 21st Century, however, the European Union, the United States, and perhaps even China have recognized that weak, unstable neighbors export trouble: economic problems, emigrants or refugees, narcotics and crime, and a host of other difficulties. This is why the European Union used the attractiveness of its institutions and prosperity to pull up the prospects of its neighbors.

I hope relations with Russia will be guided by a far-sighted vision that can create durable, peaceful, mutually beneficial ties that accord with and evolve the settlements of 1989-91. As the financial crisis has shown, we need more than the Group of Seven to address today's 21st Century problems. Rising economic powers such as China, India, and Russia must be part of the solution. Relations with Russia have been strained in recent years. There is a need to improve them. Today's financial crisis could be an opportunity to develop sounder economic relations that might be a foundation, with Russia's help, to build cooperation in solving common problems.

Here again, it is worthwhile to recall the range of Brandt's vision. While at times he disagreed with European or American colleagues on approaches to policy, his views were grounded in the importance of ties with the Western democracies. He also was alert to the sensitivities of Germany's smaller eastern neighbors. Once he had helped a democratic Germany come to terms with a terrible past, he did not suggest Germany should retire in penance or shrink from responsibility: Instead, he strode forward into the fray, into the contest of ideas, to wrestle in the arenas where victory meant practical compromises.

From my present vantage point at the World Bank, I see Willy Brandt standing astride an even larger landscape.

In 1977, World Bank President Robert McNamara suggested creating an independent commission on international development issues, and asked Brandt to serve as Chair. McNamara sought to break the impasse in discussions between developed and poor countries related to economic development. Brandt, once again, wanted to ask bigger questions. He saw the work of the Commission as addressing humanity's common future and the prospects for human survival in the 21st Century.

The economic conditions of the 1970s differed from those of recent years, but nevertheless there are uneasy parallels: volatile and higher energy prices; the breakdown of the Bretton Woods exchange rate system; stock market crashes and bear markets; and anxieties about the prospects for developing countries.

The main thesis of Brandt's report was the common interest of developed and developing countries, no matter how profound the differences in their conditions. The report explained that the world was increasingly beset by problems that affected all of humankind.

The Report recommended action on mutual interests in the areas of energy, including alternative and renewable sources; hunger and malnutrition, including increased production in developing countries; the economic advancement of women; open markets for trade; reforms in the international financial system; and, vitally, increased investments and aid to poorer countries.

Willy Brandt's own introduction to the report speaks directly to us today, 28 years later:

> If reduced to a simple denominator, this Report deals with peace. War is often thought of in terms of military conflict…. But there is a growing awareness that an equal danger might be chaos—as a result of mass hunger, economic disaster, environmental catastrophes, and terrorism."

Brandt also recognized that confronting these problems would require a broader range of partnerships. "The world is a unity, and we must begin to act as members of it who depend on each other." Given my years of work with China, I note with special interest that Brandt, in 1980, just two years into Deng Xiaoping's initial reforms, called for China's greater involvement in international affairs, especially with development.

Today, the global economy is marked by the rise of emerging economic powers, China and India, Brazil and Mexico, and others. Some of these countries already offer multiple poles of growth, adding balance to the world economy. But they are also buffeted by the present economic storm. They will need to be part of any solution. One of the challenges of this era is how to integrate these major developing economies as responsible stakeholders in the multilateral system.

When the Brandt Report was published, it received considerable attention – but little action from governments. Brandt was disappointed by this. In his introduction to the Report, he acknowledged that many might consider a time of recession and insecurity to be the worst moment for advocating bold, far-reaching changes – just as some say that today's global financial crisis should take all our energy and focus. But Brandt believed that "it is precisely in this time of crisis that basic world issues must be faced and bold initiatives taken." Brandt understood that in times of crisis we should not just overcome the problems of today, but lay the groundwork for a better tomorrow.

As in the past, at any time of economic crisis, the poor are the most vulnerable. Over the course of the past year, high prices for food and fuel pushed some 100 million people back into utter poverty. Forty-four million more people are suffering malnutrition. And this was before the events of September and October pushed developed countries into recession.

The Brandt Report saw overcoming hunger and disease as a calling of humanity. Many developing countries are now at a dangerous tipping point. They need support.

The financial rescue needs to be complemented by a human rescue. We were making progress toward the UN Millennium Development Goals for poverty, malnutrition, health, education, gender. We must not slip back.

As we have seen in Asia, growth, social development, and open trade can lift hundreds of millions up from poverty.

The same is possible in Africa. When I visit the continent, I am struck that the message from Africans is like that of Europeans 60 years ago: they want infrastructure, energy, regional integration linked to global markets, and a dynamic private sector, especially for small business. They do not want to be wards of the developed world; they want opportunity, growth, and hope.

Brandt also recognized this, and said his Report was not concerned with "praiseworthy acts of charity, but with structural changes to enable the developing countries to stand on their own feet in the future."

In Afghanistan, Liberia, Haiti, and other countries struggling to come out of conflict and overcome fragility, I again hear echoes of Willy Brandt's words. The dangers of war – of conflict – are in part military. But security and development must be partners, combined with good governance, to build sustainable legitimacy. Frankly, all of us have a great deal to learn to better secure development, to embed stability and peace with roots deep enough to break the cycle of fragility and violence.

As we survey the human and economic tragedy wrought by the global financial crisis, some will blame globalization and markets as the source of all ills. In today's world, globalization is a fact, and both globalization and markets can offer great benefits, opportunities, and openings for closed societies. They fail when they do not reach out to the poorest, help people adjust to change, and address global concerns such as environmental degradation and climate change.

Only an inclusive and sustainable globalization, in which all parties can participate and benefit, will fulfill the promise of this new era of interconnectedness.

Last weekend, leaders from 20 of the world's largest economies met in Washington to discuss the world financial crisis. This will be the first of many meetings. I think Brandt would have agreed that now is the time to lay the foundation for a better future. It would, therefore, be an error of historic proportions if developed countries put in place policies, structures, and norms that undermined or excluded the interests of developing countries. Many governments in developing countries have taken courageous steps over the last years to put their own houses in order. This crisis is not of their making. They should not have to pay for the errors of the developed world.

Todays global challenges require global solutions. We need to modernize multilateral systems to bring in important developing country voices and to connect them to issues as diverse as finance, trade, energy, development, and climate change. We need a network that maximizes the strengths of interconnected actors, public and private.

Willy Brandt spoke about many of the topics I have touched on tonight. Although a man of day-to-day politics, he could rise above the daily debates, to seek a longer view. He was grounded by realities while pointing beyond them.

Of all his ideas, though, let me close with just one, his greatest love: Germany.

At times, it has been fashionable among German intellectuals – from Richard Wagner to Oswald Spengler to Thomas Mann – to argue that the German bourgeoisie, with its materialism, was not capable of inspiring the German people to national purpose and greatness.

Yet consider what Germany's "greatest generations" – that of Adenauer, Brandt, Schmidt, and Kohl – have achieved. By any measure – peace, unification, democracy, increased life expectancy, humanity, technology – Germans have accomplished great things. They contributed to building an historic European Union in peace, the first since Charlemagne. They have helped integrate the countries of Central and Eastern Europe into that Union and into the trans-Atlantic security of NATO.

These achievements were the products of commitment, confidence, competence, courage, and creativity of millions, not just of one Chancellor.

To some, the Germany of today may seem absorbed by economic concerns or constrained by the complexities of coalition politics.

Yet I believe – as Brandt did – that Germany can aspire to much, much more. It needs to be on the frontlines of issues in the world, some of which we have touched on tonight.

This is not just a matter of political leadership, although as Willy Brandt's life made clear, leaders matter.

Willy Brandt believed in a Germany of the German people. He believed in tapping their greatness, their ingenuity, their sense of community in millions of individual ways. And then he wanted to broaden their vision across Europe, to America, and to the developing world.

And this is also my wish.