Thank you very much dear Madam Federal Chancellor, Mr Teltschik, ladies and gentlemen!

I am truly grateful to be invited to such a representative conference that has assembled politicians, military officials, entrepreneurs and experts from more than 40 nations.

This conference’s structure allows me to avoid excessive politeness and the need to speak in roundabout, pleasant but empty diplomatic terms. This conference’s format will allow me to say what I really think about international security problems. And if my comments seem unduly polemical, pointed or inexact to our colleagues, then I would ask you not to get angry with me. After all, this is only a conference. And I hope that after the first two or three minutes of my speech Mr Teltschik will not turn on the red light over there.

Therefore. It is well known that international security comprises much more than issues relating to military and political stability. It involves the stability of the global economy, overcoming poverty, economic security and developing a dialogue between civilisations.

This universal, indivisible character of security is expressed as the basic principle that “security for one is security for all”. As Franklin D. Roosevelt said during the first few days that the Second World War was breaking out: “When peace has been broken anywhere, the peace of all countries everywhere is in danger.”

These words remain topical today. Incidentally, the theme of our conference – global crises, global responsibility – exemplifies this.

Only two decades ago the world was ideologically and economically divided and it was the huge strategic potential of two superpowers that ensured global security.

This global stand-off pushed the sharpest economic and social problems to the margins of the international community’s and the world’s agenda. And, just like any war, the Cold War left us with live ammunition, figuratively speaking. I am referring to ideological stereotypes, double standards and other typical aspects of Cold War bloc thinking.

The unipolar world that had been proposed after the Cold War did not take place either.

The history of humanity certainly has gone through unipolar periods and seen aspirations to world supremacy. And what hasn’t happened in world history?

However, what is a unipolar world? However one might embellish this term, at the end of the day it refers to one type of situation, namely one centre of authority, one centre of force, one centre of decision-making.
It is world in which there is one master, one sovereign. And at the end of the day this is pernicious not only for all those within this system, but also for the sovereign itself because it destroys itself from within.

And this certainly has nothing in common with democracy. Because, as you know, democracy is the power of the majority in light of the interests and opinions of the minority.

Incidentally, Russia – we – are constantly being taught about democracy. But for some reason those who teach us do not want to learn themselves.

I consider that the unipolar model is not only unacceptable but also impossible in today’s world. And this is not only because if there was individual leadership in today’s – and precisely in today’s – world, then the military, political and economic resources would not suffice. What is even more important is that the model itself is flawed because at its basis there is and can be no moral foundations for modern civilisation.

Along with this, what is happening in today’s world – and we just started to discuss this – is a tentative to introduce precisely this concept into international affairs, the concept of a unipolar world.

And with which results?

Unilateral and frequently illegitimate actions have not resolved any problems. Moreover, they have caused new human tragedies and created new centres of tension. Judge for yourselves: wars as well as local and regional conflicts have not diminished. Mr Teltschik mentioned this very gently. And no less people perish in these conflicts – even more are dying than before. Significantly more, significantly more!

Today we are witnessing an almost uncontained hyper use of force – military force – in international relations, force that is plunging the world into an abyss of permanent conflicts. As a result we do not have sufficient strength to find a comprehensive solution to any one of these conflicts. Finding a political settlement also becomes impossible.

We are seeing a greater and greater disdain for the basic principles of international law. And independent legal norms are, as a matter of fact, coming increasingly closer to one state’s legal system. One state and, of course, first and foremost the United States, has overstepped its national borders in every way. This is visible in the economic, political, cultural and educational policies it imposes on other nations. Well, who likes this? Who is happy about this?

In international relations we increasingly see the desire to resolve a given question according to so-called issues of political expediency, based on the current political climate.

And of course this is extremely dangerous. It results in the fact that no one feels safe. I want to emphasise this – no one feels safe! Because no one can feel that international law is like a stone wall that will protect them. Of course such a policy stimulates an arms race.
The force’s dominance inevitably encourages a number of countries to acquire weapons of mass destruction. Moreover, significantly new threats – though they were also well-known before – have appeared, and today threats such as terrorism have taken on a global character.

I am convinced that we have reached that decisive moment when we must seriously think about the architecture of global security.

And we must proceed by searching for a reasonable balance between the interests of all participants in the international dialogue. Especially since the international landscape is so varied and changes so quickly – changes in light of the dynamic development in a whole number of countries and regions.

Madam Federal Chancellor already mentioned this. The combined GDP measured in purchasing power parity of countries such as India and China is already greater than that of the United States. And a similar calculation with the GDP of the BRIC countries – Brazil, Russia, India and China – surpasses the cumulative GDP of the EU. And according to experts this gap will only increase in the future.

There is no reason to doubt that the economic potential of the new centres of global economic growth will inevitably be converted into political influence and will strengthen multipolarity.

In connection with this the role of multilateral diplomacy is significantly increasing. The need for principles such as openness, transparency and predictability in politics is uncontested and the use of force should be a really exceptional measure, comparable to using the death penalty in the judicial systems of certain states.

However, today we are witnessing the opposite tendency, namely a situation in which countries that forbid the death penalty even for murderers and other, dangerous criminals are airily participating in military operations that are difficult to consider legitimate. And as a matter of fact, these conflicts are killing people – hundreds and thousands of civilians!

But at the same time the question arises of whether we should be indifferent and aloof to various internal conflicts inside countries, to authoritarian regimes, to tyrants, and to the proliferation of weapons of mass destruction? As a matter of fact, this was also at the centre of the question that our dear colleague Mr Lieberman asked the Federal Chancellor. If I correctly understood your question (addressing Mr Lieberman), then of course it is a serious one! Can we be indifferent observers in view of what is happening? I will try to answer your question as well: of course not.

But do we have the means to counter these threats? Certainly we do. It is sufficient to look at recent history. Did not our country have a peaceful transition to democracy? Indeed, we witnessed a peaceful transformation of the Soviet regime – a peaceful transformation! And what a regime! With what a number of weapons, including nuclear weapons! Why should we start bombing and shooting now at every available opportunity? Is it the case when without the threat of mutual destruction we do not have enough political culture, respect for democratic values and for the law?
I am convinced that the only mechanism that can make decisions about using military force as a last resort is the Charter of the United Nations. And in connection with this, either I did not understand what our colleague, the Italian Defence Minister, just said or what he said was inexact. In any case, I understood that the use of force can only be legitimate when the decision is taken by NATO, the EU, or the UN. If he really does think so, then we have different points of view. Or I didn’t hear correctly. The use of force can only be considered legitimate if the decision is sanctioned by the UN. And we do not need to substitute NATO or the EU for the UN. When the UN will truly unite the forces of the international community and can really react to events in various countries, when we will leave behind this disdain for international law, then the situation will be able to change. Otherwise the situation will simply result in a dead end, and the number of serious mistakes will be multiplied. Along with this, it is necessary to make sure that international law have a universal character both in the conception and application of its norms.

And one must not forget that democratic political actions necessarily go along with discussion and a laborious decision-making process.

Dear ladies and gentlemen!

The potential danger of the destabilisation of international relations is connected with obvious stagnation in the disarmament issue.

Russia supports the renewal of dialogue on this important question.

It is important to conserve the international legal framework relating to weapons destruction and therefore ensure continuity in the process of reducing nuclear weapons.

Together with the United States of America we agreed to reduce our nuclear strategic missile capabilities to up to 1700-2000 nuclear warheads by 31 December 2012. Russia intends to strictly fulfil the obligations it has taken on. We hope that our partners will also act in a transparent way and will refrain from laying aside a couple of hundred superfluous nuclear warheads for a rainy day. And if today the new American Defence Minister declares that the United States will not hide these superfluous weapons in warehouse or, as one might say, under a pillow or under the blanket, then I suggest that we all rise and greet this declaration standing. It would be a very important declaration.

Russia strictly adheres to and intends to further adhere to the Treaty on the Non-Proliferation of Nuclear Weapons as well as the multilateral supervision regime for missile technologies. The principles incorporated in these documents are universal ones.

In connection with this I would like to recall that in the 1980s the USSR and the United States signed an agreement on destroying a whole range of small- and medium-range missiles but these documents do not have a universal character.

Today many other countries have these missiles, including the Democratic People’s Republic of Korea, the Republic of Korea, India, Iran, Pakistan and Israel. Many countries are working on these systems and plan to incorporate them as part of their
weapons arsenals. And only the United States and Russia bear the responsibility to not create such weapons systems.

It is obvious that in these conditions we must think about ensuring our own security.

At the same time, it is impossible to sanction the appearance of new, destabilising high-tech weapons. Needless to say it refers to measures to prevent a new area of confrontation, especially in outer space. Star wars is no longer a fantasy – it is a reality. In the middle of the 1980s our American partners were already able to intercept their own satellite.

In Russia’s opinion, the militarisation of outer space could have unpredictable consequences for the international community, and provoke nothing less than the beginning of a nuclear era. And we have come forward more than once with initiatives designed to prevent the use of weapons in outer space.

Today I would like to tell you that we have prepared a project for an agreement on the prevention of deploying weapons in outer space. And in the near future it will be sent to our partners as an official proposal. Let’s work on this together.

Plans to expand certain elements of the anti-missile defence system to Europe cannot help but disturb us. Who needs the next step of what would be, in this case, an inevitable arms race? I deeply doubt that Europeans themselves do.

Missile weapons with a range of about five to eight thousand kilometres that really pose a threat to Europe do not exist in any of the so-called problem countries. And in the near future and prospects, this will not happen and is not even foreseeable. And any hypothetical launch of, for example, a North Korean rocket to American territory through western Europe obviously contradicts the laws of ballistics. As we say in Russia, it would be like using the right hand to reach the left ear.

And here in Germany I cannot help but mention the pitiable condition of the Treaty on Conventional Armed Forces in Europe.

The Adapted Treaty on Conventional Armed Forces in Europe was signed in 1999. It took into account a new geopolitical reality, namely the elimination of the Warsaw bloc. Seven years have passed and only four states have ratified this document, including the Russian Federation.

NATO countries openly declared that they will not ratify this treaty, including the provisions on flank restrictions (on deploying a certain number of armed forces in the flank zones), until Russia removed its military bases from Georgia and Moldova. Our army is leaving Georgia, even according to an accelerated schedule. We resolved the problems we had with our Georgian colleagues, as everybody knows. There are still 1,500 servicemen in Moldova that are carrying out peacekeeping operations and protecting warehouses with ammunition left over from Soviet times. We constantly discuss this issue with Mr Solana and he knows our position. We are ready to further work in this direction.
But what is happening at the same time? Simultaneously the so-called flexible frontline American bases with up to five thousand men in each. It turns out that NATO has put its frontline forces on our borders, and we continue to strictly fulfil the treaty obligations and do not react to these actions at all.

I think it is obvious that NATO expansion does not have any relation with the modernisation of the Alliance itself or with ensuring security in Europe. On the contrary, it represents a serious provocation that reduces the level of mutual trust. And we have the right to ask: against whom is this expansion intended? And what happened to the assurances our western partners made after the dissolution of the Warsaw Pact? Where are those declarations today? No one even remembers them. But I will allow myself to remind this audience what was said. I would like to quote the speech of NATO General Secretary Mr Woerner in Brussels on 17 May 1990. He said at the time that: “the fact that we are ready not to place a NATO army outside of German territory gives the Soviet Union a firm security guarantee”. Where are these guarantees?

The stones and concrete blocks of the Berlin Wall have long been distributed as souvenirs. But we should not forget that the fall of the Berlin Wall was possible thanks to a historic choice – one that was also made by our people, the people of Russia – a choice in favour of democracy, freedom, openness and a sincere partnership with all the members of the big European family.

And now they are trying to impose new dividing lines and walls on us – these walls may be virtual but they are nevertheless dividing, ones that cut through our continent. And is it possible that we will once again require many years and decades, as well as several generations of politicians, to dissemble and dismantle these new walls?

Dear ladies and gentlemen!

We are unequivocally in favour of strengthening the regime of non-proliferation. The present international legal principles allow us to develop technologies to manufacture nuclear fuel for peaceful purposes. And many countries with all good reasons want to create their own nuclear energy as a basis for their energy independence. But we also understand that these technologies can be quickly transformed into nuclear weapons. This creates serious international tensions. The situation surrounding the Iranian nuclear programme acts as a clear example. And if the international community does not find a reasonable solution for resolving this conflict of interests, the world will continue to suffer similar, destabilising crises because there are more threshold countries than simply Iran. We both know this. We are going to constantly fight against the threat of the proliferation of weapons of mass destruction.

Last year Russia put forward the initiative to establish international centres for the enrichment of uranium. We are open to the possibility that such centres not only be created in Russia, but also in other countries where there is a legitimate basis for using civil nuclear energy. Countries that want to develop their nuclear energy could guarantee that they will receive fuel through direct participation in these centres. And the centres would, of course, operate under strict IAEA supervision.
The latest initiatives put forward by American President George W. Bush are in conformity with the Russian proposals. I consider that Russia and the USA are objectively and equally interested in strengthening the regime of the non-proliferation of weapons of mass destruction and their deployment. It is precisely our countries, with leading nuclear and missile capabilities, that must act as leaders in developing new, stricter non-proliferation measures. Russia is ready for such work. We are engaged in consultations with our American friends.

In general, we should talk about establishing a whole system of political incentives and economic stimuli whereby it would not be in states’ interests to establish their own capabilities in the nuclear fuel cycle but they would still have the opportunity to develop nuclear energy and strengthen their energy capabilities.

In connection with this I shall talk about international energy cooperation in more detail. Madam Federal Chancellor also spoke about this briefly – she mentioned, touched on this theme. In the energy sector Russia intends to create uniform market principles and transparent conditions for all. It is obvious that energy prices must be determined by the market instead of being the subject of political speculation, economic pressure or blackmail.

We are open to cooperation. Foreign companies participate in all our major energy projects. According to different estimates, up to 26 percent of the oil extraction in Russia – and please think about this figure – up to 26 percent of the oil extraction in Russia is done by foreign capital. Try, try to find me a similar example where Russian business participates extensively in key economic sectors in western countries. Such examples do not exist! There are no such examples.

I would also recall the parity of foreign investments in Russia and those Russia makes abroad. The parity is about fifteen to one. And here you have an obvious example of the openness and stability of the Russian economy.

Economic security is the sector in which all must adhere to uniform principles. We are ready to compete fairly.

For that reason more and more opportunities are appearing in the Russian economy. Experts and our western partners are objectively evaluating these changes. As such, Russia’s OECD sovereign credit rating improved and Russia passed from the fourth to the third group. And today in Munich I would like to use this occasion to thank our German colleagues for their help in the above decision.

Furthermore. As you know, the process of Russia joining the WTO has reached its final stages. I would point out that during long, difficult talks we heard words about freedom of speech, free trade, and equal possibilities more than once but, for some reason, exclusively in reference to the Russian market.

And there is still one more important theme that directly affects global security. Today many talk about the struggle against poverty. What is actually happening in this sphere? On the one hand, financial resources are allocated for programmes to help the world’s poorest countries – and at times substantial financial resources. But to be honest -- and many here also know this – linked with the development of that same donor country’s
companies. And on the other hand, developed countries simultaneously keep their agricultural subsidies and limit some countries’ access to high-tech products.

And let’s say things as they are – one hand distributes charitable help and the other hand not only preserves economic backwardness but also reaps the profits thereof. The increasing social tension in depressed regions inevitably results in the growth of radicalism, extremism, feeds terrorism and local conflicts. And if all this happens in, shall we say, a region such as the Middle East where there is increasingly the sense that the world at large is unfair, then there is the risk of global destabilisation.

It is obvious that the world’s leading countries should see this threat. And that they should therefore build a more democratic, fairer system of global economic relations, a system that would give everyone the chance and the possibility to develop.

Dear ladies and gentlemen, speaking at the Conference on Security Policy, it is impossible not to mention the activities of the Organisation for Security and Cooperation in Europe (OSCE). As is well-known, this organisation was created to examine all – I shall emphasise this – all aspects of security: military, political, economic, humanitarian and, especially, the relations between these spheres.

What do we see happening today? We see that this balance is clearly destroyed. People are trying to transform the OSCE into a vulgar instrument designed to promote the foreign policy interests of one or a group of countries. And this task is also being accomplished by the OSCE’s bureaucratic apparatus which is absolutely not connected with the state founders in any way. Decision-making procedures and the involvement of so-called non-governmental organisations are tailored for this task. These organisations are formally independent but they are purposefully financed and therefore under control.

According to the founding documents, in the humanitarian sphere the OSCE is designed to assist country members in observing international human rights norms at their request. This is an important task. We support this. But this does not mean interfering in the internal affairs of other countries, and especially not imposing a regime that determines how these states should live and develop.

It is obvious that such interference does not promote the development of democratic states at all. On the contrary, it makes them dependent and, as a consequence, politically and economically unstable.

We expect that the OSCE be guided by its primary tasks and build relations with sovereign states based on respect, trust and transparency.

Dear ladies and gentlemen!

In conclusion I would like to note the following. We very often – and personally, I very often – hear appeals by our partners, including our European partners, to the effect that Russia should play an increasingly active role in world affairs.

In connection with this I would allow myself to make one small remark. It is hardly necessary to incite us to do so. Russia is a country with a history that spans more than a
thousand years and has practically always used the privilege to carry out an independent foreign policy.

We are not going to change this tradition today. At the same time, we are well aware of how the world has changed and we have a realistic sense of our own opportunities and potential. And of course we would like to interact with responsible and independent partners with whom we could work together in constructing a fair and democratic world order that would ensure security and prosperity not only for a select few, but for all.

Thank you for your attention.