

“The Foundations for Partnership”

The Right Honourable David Miliband MP’s Speech to the Two Kingdoms Dialogue

Your Royal Highnesses, Your Excellencies, Ladies and Gentlemen,

It is a huge pleasure to be back in Saudi Arabia and to be participating in the Two Kingdoms Summit with HRH Prince Saud. As the G20 Summit in London last week made clear, the partnership of the UK and Saudi Arabia now extends from bilateral trust, understanding and commitment to multilateral engagement that is of widespread benefit. Gordon Brown and I are determined to take further the work of our two countries.

At the time of the last ‘Two Kingdoms’ summit in London October 2007, the global economy was booming, and oil prices were high and rising. Today, however, we meet in the midst of a global recession more severe than any we have seen for seventy years. What began as a financial crisis in the US quickly spread across the world.

The foreign policy implications of this crisis have yet to play out. What is clear though is that the crisis has created a tension between the forces of protectionism and nationalism and those of cooperation and multilateralism. Those who believe that globalisation has gone too far are emboldened. Their demands for national governments to act to protect national industries and to limit flows of people and capital have been strengthened. Yet at the same time, there is a growing recognition that if we want markets to be our servant not our master we need more global political cooperation not less. We need to renew international financial institutions such as the IMF and the World Bank so that they can better manage the risks of a global economy. We need global economic leadership not just from the great economies of yesterday and today, but the powers of tomorrow, which is partly why last week’s London Summit was so important. And we need collective action if we are to tackle the wide range of shared challenges we face – from climate change to conflict, or nuclear proliferation to terrorism.

The foundations of effective multilateral cooperation are of course strong bilateral relationships. Effective partnerships between countries like ours that are outward looking and engaged on the world stage are the best basis for broader coalitions. So if we are to lead the development of multilateral cooperation for the 21st century, we need to step

up our cooperation across the range of shared interests that we have. I see three priorities.

First, regional stability, because conflict and insecurity have scarred the Middle-East for too long. Our two countries have multiple shared goals in this region – addressing Iran’s nuclear ambitions; seeking peace and stability in Lebanon; and, as our troops come home, working to build stability and prosperity in Iraq. There is a clear common agenda and significant scope for further co-operation and partnership. Nowhere is this more evident than on the Arab-Israeli conflict. The Arab Peace Initiative – driven forward by then Crown Prince now King Abdullah – was, and still is, one of the most significant and promising developments since the start of the conflict. It showed that there was not just one Arab partner for peace but many partners. And it showed that what we need and what is actually available is not just a 2 state solution, but a 23 state solution – 22 members of the Arab League plus Israel. The significance of the API was not recognised after 2002 by the Quartet and we now need to make up for lost time.

In the last year I have been working hard to support His Royal Highness Prince Saud in promoting the initiative and ensuring that the Arab World is part of a renewed comprehensive peace process. Your efforts in this regard are vital. The letter jointly signed by Prince Saud and the Secretary General of the Arab League and addressed to President-elect Obama in December reflected a genuine willingness to refine the other embodied in the API. The leadership Prince Saud provided to the Arab delegations in New York in January when we negotiated UNSCR 1860 reflected another side of the equation: an urgent sense of the moral need to end this conflict collectively. President Obama has recently stated that the status quo is unsustainable, that a two-state-solution is essential, and that both Israelis and Palestinians must adhere to the commitments of their predecessors. That needs to be founded on progress on security and an Israeli freeze on all settlement activity in the West Bank and East Jerusalem. We strongly support this approach.

The second priority is the economic agenda. Given the scale of the current crisis it is tempting to focus just on the immediate problems here. And it is notable here that Saudi Arabia is in a stronger