

Opening statement by Gabrielius Landsbergis, Minister of Foreign Affairs of the Republic of Lithuania at the high-level conference “Building a Resilient Economy and Resisting Economic Coercion”

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Good morning and welcome to Vilnius.

It is a pleasure for Lithuania to host this timely gathering on “Building a Resilient Economy and Resisting Economic Coercion”.

For some of you it might have taken many hours to reach Vilnius and our countries might be separated by vast physical distances. At the same time, we are all united by a clear sense that our security and prosperity should be based on a common set of rules. A widely agreed framework that offers predictability of our political and economic relations, a level playing field for both big and small, and protection from abuse with real consequences to those who decide to cheat. Rules-based international order is the cornerstone of international relations, be it on hard security or economic ties.

Yet today, as Russia’s war of aggression wages in Ukraine and tensions across the world are at a breaking point, this order is challenged by those who feel that size and military arsenals entitle them to be above the rules. Economic coercion that these actors use to pursue their interests is no longer a hypothetical threat but a reality that many of our nations are forced to confront. Therefore, this conference is not just an intellectual exercise but a much-needed step to help international community mount an effective defense of our rules-based order.

For Lithuania, economic coercion is not a new phenomenon. Russia has been using it against us for decades. Just after Lithuania restored its independence on 11 March 1990, Kremlin imposed an economic and energy blockade aimed to reverse the will of the Lithuanian people to be free and independent. The blockade failed, but over the years was followed by series of attempts to exploit our dependencies in areas ranging from agriculture to energy.

In recent years, Lithuania also faced coercion from another power that aims to reshape the global order to its benefit. China tried to exert economic and political pressure on Lithuania, because we allowed Taiwan to open a representation in Vilnius using its own name. I guess the coercers should have been better students of history, because attempts to influence our democracy through coercion have once again backfired.

These painful experiences made our society more resilient and taught us valuable lessons on the most effective response to coercion. Let me summarize them in three key points:

First – *be prepared*. Economic coercion only works when there are dependencies to exploit. It is therefore crucial to diversify and eliminate reliance from single suppliers. There is also a lot of potential for cooperation among countries who uphold the rules-based order, by creating reliable supply chains and screening investments into strategic parts of our economies.

Second – when under pressure – *hold your ground and push back*. The aim of the coercer is to crush the victim by forcing reversal and public renunciation of its policies that deters others into submission. Standing firm against such pressure is not easy, especially when you have no tools to respond. Therefore, we need to expand our toolbox with more sophisticated mechanisms that pre-empt and counteract coercive economic measures. While in serious need of reform, WTO and its dispute settlement mechanisms should remain a key component in safeguarding the international rules-based trading system. On a regional level, the EU's anti-coercion instrument is a welcome achievement. Open societies should also become bolder in protecting intellectual property from theft and forceful transfers.

And, finally, third – to successfully resist coercion, *you must have friends to support you*.

Coercers will aim to threaten us into silence, attempt to divide or entice us with some short-term gains. They do so, because they understand that if we are united, their size advantage disappears and it is way more difficult to prevail. When the unity holds, the rules-based system holds, offering not just protection for one particular country, but a reliable deterrent against coercion in the future.

That makes like-minded groups like this so crucial and our discussions over the next two days so relevant. Together, we will explore viable strategies for resilience, not just in defense, but in proactive response to coercion. Let us be frank about our own experiences, innovative in our responses and mindful of an ambitious task ahead - making sure that no nation would ever find itself alone and helpless in the face of economic coercion.

Thank you once again for your commitment and efforts.