

Hagel Speech: “Memo to the Candidates”

WASHINGTON, D.C. – Below is the text of a speech entitled “Memo to the Candidates” United States Senator Chuck Hagel (R-NE) delivered today at an event hosted by the Brookings Institution:

“In 1979, one of America’s greatest journalists, Hugh Sidey, wrote, ‘Politics, when all is said and done, is a business of belief and enthusiasm. Hope energizes, doubt destroys. Hopelessness is not our heritage.’ These are wise words as America prepares for a defining presidential election.

Elections are about course corrections, and Americans are in a serious mood to change the direction of their country. According to the most recent *Washington Post-ABC* Poll, eighty-four percent of Americans believe America is headed in the wrong direction. Gallup says it’s eighty-three percent. These are historic numbers, and they register the depth of discontent with the current policies, leadership, and politics of our country. I believe what awaits the next President is an inventory of problems more complicated than what Franklin Roosevelt faced on March 4, 1933, and will require the same boldness of leadership and initiatives that FDR brought to his time in order to meet the challenges of our time.

The 2008 American presidential election flows into a historic confluence of events. Our nation finds itself bogged down in two wars; with record high energy prices; deep devaluations and displacements in the housing, financial and credit markets; record private and public debt; inflation on the rise; future of health care uncertain for millions; intense economic pressures for many; a combustible, unpredictable and dangerous world; and a sense that America may be on the backside of history.

The world is in a state of transformation with an astounding diffusion of power occurring around the globe. State-to-state relationships are maturing, shifting and redefining alliances and geopolitical influences.

The great challenges facing mankind in this new century are not unique to nations, regions, religions, or cultures. All citizens of the world must confront the threats of nuclear proliferation, terrorism, pandemic health issues, endemic poverty, environmental degradation, and the most insidious and difficult of all, despair. These are Twenty First century challenges that will require Twenty First century thinking within a Twenty First century frame of reference. History instructs and is a guide, but it cannot navigate our way...develop our strategy...or implement our policy. The rate and intensity of change today in a world of less and less margin of error has brought with it an unprecedented

immediacy to actions, reactions, and consequences. But wise leadership exercising wise judgment that results in wise policy is never outdated.

Over the next four months, our two candidates for President, Senators John McCain and Barack Obama, will have not just an opportunity, but an obligation to clearly present their views and policies that would be the foundation that guides their presidencies. We live in complicated times—the issues that will determine our fate demand more than glib ten second answers and clever thirty second television ads. McCain and Obama are both smart, capable and decent men who love their country. Presidential campaigns are tough and there should be vigorous debate which produces political tension. But these two candidates must not allow this reality to control the process...thereby obfuscating the serious discussion of serious and specific issues so critical to the future of America and the world.

Americans will decide who they believe is the more capable candidate to lead us over the next four years. But our candidates should also note that the world's leaders and citizens will also be carefully listening and observing this election. As the campaign unfolds, this global audience will begin to form expectations, shape judgments, and adjust their own national strategies and policies based on what they perceive to be America's direction under a new leader. That process of evaluation is happening now.

One of these candidates is going to have to bring this country together, make the Congress a partner, form a broad consensus to govern, and help lead the world. If they so polarize and divide our country during the campaign, they will find it difficult to govern. The complexities of an interconnected world will require leadership and decisions from the new president the day he takes office. These realities won't wait until America might come back together.

This American presidential election presents unparalleled opportunities for our country and our two candidates. They must not squander this magnitude of the moment. The next president and his team will have a unique opportunity to capture domestic and international support unlike any time since September 11, 2001. I believe that America and the world will follow an honest, competent and accountable American president. To seize this moment, the next president will not have the luxury of extra time to prepare to govern. The candidates must begin that work now as they earn the trust of the people over the next four months.

What better optic for the world to see than a presidential campaign of relevant, vital and imaginative ideas and inspirational leadership. That would make a difference in the ability of the next President to move quickly and confidently to form a government based on a consensus to govern with the hope and goodwill of the world with him. This is within the grasp and capacity of Senators McCain and Obama. America's politics are in the throes of a political reorientation. The

plurality of registered voters in America today are Independents, not Republicans or Democrats. Politics mirrors society. It reflects our times and is the process that carries democracies to their destination. Campaigns are about politics...elections are about governing. Both are about the future.

Just as we must sense the opportunities ahead of us, we must also be clear-eyed about the awesome challenges we face. Let's dispense with the political re-litigating of the mistakes of the past and move to the future. We are where we are. And I believe America is in trouble. The next president's challenge will be to fix problems and make a better world. That's what defines leadership.

America's competitive position and strength in the world demands that we address the domestic challenges that are eroding our economic strength and consuming our government budgets. Our next President will be faced with a long list of important issues that touch every American and will require serious reform, such as: entitlement programs (Social Security, Medicare, and Medicaid); tax and regulatory systems; public infrastructure; health care; and immigration.

Our national debt, and its rate of accumulation of deficits, is not sustainable. If this continues, America's debt burden will crush our children's future.

Economic strength is the foundational base that determines our ability to project and use all of our instruments of power, including diplomatic and military power. The rule of law, property rights, open markets, productivity, technology and science have all contributed to America's great prosperity and success. Trade is a driving force for sustained economic prosperity and job creation both in the United States and throughout the world. Trade, however, is not a guarantee. The ongoing credit crisis and skyrocketing world food and energy prices are among the recent temptations for countries to restrict markets and veer toward protectionism that leads to dangerous insular thinking. These temptations must be resisted and the hard-earned lessons of history not forgotten. The United States must continue to press for a successful conclusion to the Doha Round of global trade negotiations. America's leaders should stand behind our trade agreements and support the pending Free Trade Agreements with Colombia, South Korea and Panama as well as renewing Trade Promotion Authority for the next President.

Energy drives prosperity in the world and is a principle determinant of our economic welfare. In the last four years, gas prices have risen by more than one-hundred percent. Every American is feeling the effect and there is little relief in sight. There is no near-term substitute for oil, natural gas, and coal. But our next president needs to initiate policies that will eventually break our long-term reliance on oil. This includes more investment, research and focus on technology, alternative and renewable sources of energy (particularly nuclear energy), conservation, mass transit, and seriously improving our mileage standards. This is an area where the American people are ahead of the

politicians. There is no perfect energy policy or solution that will satisfy everyone; there is no risk free society. Increased energy production and supply must be organizing principles of our economy and government policies.

Our infrastructure is in a state of crisis...as Kansas City Mayor Mark Funkhouser stressed when he told the Senate Banking Committee two weeks ago that, 'we are witnessing a quiet collapse of prosperity.' Morgan Stanley has projected that emerging economies will spend twenty-two trillion dollars on infrastructure over the next ten years. Like our workforce, our nation's infrastructure is aging and will require new initiatives like the bill that Senator Chris Dodd and I have introduced to create a National Infrastructure Bank that would allow private investment to finance public infrastructure projects.

As America is working its way through its most pressing issues, the world is undergoing tectonic shifts.

- Five billion of the world's six and a half billion people live in less developed regions and forty percent of the world's population is under nineteen years old.
- Fifty percent of economic growth over the next decade is estimated to come from emerging economies.
- In 2000, trade between India and China was two billion dollars per year. In 2007, it was two billion dollars a month.
- Sovereign wealth funds today hold over three trillion dollars and are projected to grow by one trillion dollars per year...enhancing emerging economic powers such as Russia, China, India, Brazil, nations of the Persian Gulf and Asia.

As we witness these remarkable shifts, America continues to spend billions of dollars a week stuck in Iraq and Afghanistan. This has resulted in an undermining of our influence and interests in these regions and the world, as well as draining a tremendous amount of resources, attention and leadership away from our other national priorities.

We cannot escape the reality that Iraq and Afghanistan will remain centers of gravity for U.S. foreign policy. The United States has today over one hundred and ninety thousand troops deployed in Iraq and Afghanistan...a number unlikely to change significantly by January 20th. And we continue to take more and more American casualties in both wars...losing ten Americans in Iraq over the last three days. The most dangerous area of the world...representing the most significant U.S. national security threat...is not Iraq but the border region between Afghanistan and Pakistan. As the Government Accountability Office has concluded in separate reports in the last two weeks, we still lack relevant, long-term strategies to achieve sustainable security and stability in both Iraq and Afghanistan.

Our ability to influence and shape outcomes will be measured by the larger and longer term objectives of common interests in all areas of our security...not just Iraq and Afghanistan. The success of our policies and efforts will depend not only on the extent of our power, the strength of our purpose, and cohesion of regional alliances, but also by an appreciation of great power limits.

America's long-term security interests are directly connected to alliances, coalitions, international institutions and our standing in the world. No country, including the United States, is capable of successfully meeting the challenges of the Twenty First century alone...whether it is terrorism, economic growth, climate change, or nuclear proliferation. Yet today, much of the world has lost its trust and confidence in America's purpose and questions our intentions. The next President will have to reintroduce America to the world in order to regain its trust in our purpose as well as our power.

International institutions are more important now than at any time in modern history. Our post-World War Two alliances and partnerships, particularly with the European Union, Australia, Japan, South Korea and Turkey, must be strengthened and recalibrated to recognize that these powers are no longer American Twentieth century surrogate powers expected to automatically do our bidding or agree with our positions. Our relationships with these nations and others have matured bringing more equality and balance to the relationships. All of today's most pressing global challenges require some degree of consensus and common purpose. Working through international institutions and alliances...as imperfect as they are...to build broad, diplomatic consensus may be difficult, time-consuming, and frustrating but they are the best options...and smartest approaches to sustainable and effective strategic outcomes. The alternative of unilateral action is no substitute, and undermines our influence and further isolates us in an interconnected world.

Today, President Bush announced a significant step regarding North Korea. As a result of the multilateral Six-Party process, North Korea has provided a nuclear declaration and will soon destroy the cooling tower on its nuclear reactor. The United States will respond by lifting sanctions and removing North Korea from its list of state sponsors of terror. Although more work remains to verifiably end North Korea's nuclear weapons program, this important achievement for the Bush Administration is the direct result of painstaking, multilateral diplomacy. The President and his Administration, and in particular Assistant Secretary of State Chris Hill, deserve credit for their efforts and this accomplishment.

Nuclear proliferation will require special attention by the next President. Today's post-Cold War nuclear nonproliferation framework has become inadequate as more states seek nuclear capacity, and nuclear know-how is becoming increasingly more accessible. According to the International Institute for Strategic Studies, in the last two years, over a dozen Middle East countries have announced intentions to establish nuclear power programs and build nuclear

reactors. The world must build a new Twenty First century nuclear nonproliferation and disarmament framework...and the United States, Russia, China, India, and the European nuclear powers must lead this effort. The 2010 'Review Conference' meeting of members of the Nuclear Nonproliferation Treaty will be a key opportunity for the United States to pursue this objective. But the next President cannot wait for or depend only on this opportunity. He must initiate and lead on this issue next year.

The United State must pay particular attention to three key relationships – China, India and Russia. America's relationships with each of these three countries will continue to be comprehensive, including areas of agreement and disagreement. We cannot, however, allow these relationships to be dominated and shaped by our differences...or we risk creating dynamics that can quickly get beyond our control and move down a dangerous and irreversible path. We must define these relationships on our common interests. Most notably, our relationship with Russia needs a renewed focus on issues such as the U.S.-Russia civil nuclear cooperation agreement...the so-called 'one-two-three agreement'...now before Congress. This agreement is clearly in the interests of America, Russia and the world, allowing for significant bilateral nuclear cooperation between these two nuclear powers. Blocking this agreement would adversely affect all areas where we will need Russia's cooperation...such as Iran and North Korea.

The Middle East today is more dangerous, more complicated, more interconnected, and more combustible than ever before. Regional, comprehensive strategies...rather than individual nation-by-nation compartmentalized policies will be required in this troubled region. As one of his most immediate priorities, the next President will need to implement a comprehensive geostrategic approach to the broader Middle East region spanning North Africa to Afghanistan and Pakistan. This will require employing all of our instruments of power...diplomacy, trade, exchange and economic assistance programs, alliances, intelligence, and military might.

We are engaged in a war of ideas and ideologies to win over the youth of this region. Classrooms are the battlefields. This will require a revolutionary universe of new thinking and policies. The human dynamic always dictates outcomes.

The United States must enhance its initiative in support of Israel-Palestinian negotiations. We should make clear our support for direct Israel-Syria and Israel-Lebanon negotiations and be prepared, at the right time...if asked...to become directly involved, including as a sponsor. We should take the initiative to re-engage Syria by returning the U.S. Ambassador to Damascus.

The United States should open a new strategic direction in U.S.-Iran relations by seeking direct, comprehensive and unconditional talks with the Government of Iran, including opening a U.S. Interest Section in Tehran. We must avoid

backing ourselves into a military conflict with Iran. That need not happen, but it can be a self-fulfilling prophecy. We are currently in a strategic cul-de-sac in the Middle East. We need to find our way out with new policies. Engagement is not appeasement. Diplomacy is not appeasement. Great nations engage. Powerful nations must be the adults in world affairs. Anything less will result in disastrous, useless, preventable global conflict.

America's occupation of Iraq and Afghanistan is not a 'win-lose' proposition. That is an inaccurate context for our objectives and policies. Stability, security, prosperity and peace are the objectives. That is the appropriate context. There will not be a military victory in these conflicts. As General David Petraeus stated in a recent Senate Foreign Relations Committee hearing, there is no military solution in Iraq. The outcome in Iraq and Afghanistan will be decided by the people of these nations, and that outcome will be much influenced by their neighbors. Iran, Pakistan and Saudi Arabia are the three most critical nations in this equation.

The leaders of Iraq need to find a common ground of political accommodation preparing for political reconciliation to govern their country and assume responsibility for the security and prosperity of its people. As CSIS President and former Deputy Secretary of Defense Dr. John Hamre recently wrote, 'Iraqis genuinely want us to leave, and the only issue in question is when and how quickly...what we now need is realism about Iraq. We haven't failed, but *winning* won't fit any traditional definition of success.'

The next President will need to pursue a responsible phased troop withdrawal from Iraq that will slowly...steadily...but surely bring to an end the U.S. occupation of Iraq.

America's way out of Iraq will require a regional diplomatic strategy that includes a sustained and disciplined American engagement with all of Iraq's neighbors, notably Iran and Syria, as well as the international community. This would also include a regional security conference supported by key international institutions. Our goal should be to build a constructive regional and security framework supported by the international community to help the Iraqis achieve a core of political stability. It is up to the Iraqis how they will shape their government and build their country.

The framework for a continued U.S.-Iraqi relationship is presently being negotiated. But there should be no urgency to reach any agreement this year that fails to enjoy strong and broad political support both in the United States and Iraq. The experience of the British with the failed 1930 security treaty with Iraq should serve as a warning and guide post for all of us on this matter.

While Afghanistan's future remains uncertain, the success of the Paris donor's conference earlier this month...where more than twenty billion dollars, including

ten billion dollars from the United States, was pledged to assist Afghanistan...could be a foundation to build a new international strategic priority on Afghanistan. We need to emphasize institution building, including increased budgetary assistance and vigorous anti-corruption programs. More effective and integrated international coordination, preferably through the UN Special Envoy and working from the Afghan Government's priorities, should be central to our overall approach.

Strong and capable Afghan security forces will be the only sustainable solution for Afghanistan's stability. That must be our strategic objective. Until that is achieved, international forces are needed in Afghanistan...but we must be careful about the U.S. and NATO military footprint in Afghanistan. We need more troops to prevent security vacuums from emerging, as we witnessed in the southern province of Kandahar earlier this month. But we also need more effective NATO capacity, some of which remains constrained by national restrictions on the rules of engagement...known as 'national caveats.'

Another challenge that awaits the new President is the human condition of the world's impoverished populations. While the last sixty years brought unparalleled progress and prosperity for America and many parts of the world, it is equally true that there are billions of people who have been left behind.

Helping these people break this cycle of poverty and despair is the right thing to do, but it is also clearly in our self-interests. The impoverished regions of the world are the most unstable, volatile, and dangerous areas representing the greatest threats to America and the world. Extremism and terrorism breed in these locations. Therefore, we must pay attention to them. President Bush deserves credit for his initiatives to create the Millennium Challenge Account promoting sustainable, long-term economic growth and good governance in the world's poorest countries. The President's Emergency Relief Plan for AIDS Relief...or 'PEPFAR'...which has been the world's largest international health initiative in modern history to combat HIV/AIDS also deserves great credit. These programs should continue. In addition, we need to understand how some of the developed world's trade policies harm the world's poorest countries, and, as I have said, urgently seek a successful conclusion to the Doha Trade negotiations. Public-private partnerships must become a central tenet in our development strategy.

The next President will need to assume a leading role in global climate change efforts to build an international consensus for action that achieves results. Climate policy affects the world's economic, energy, environmental and security policies. Therefore, solutions must also reflect these linkages. Dealing with global climate policy requires global leadership and global coordination. We need to unleash the power of the free markets – not new government-imposed costs and regulations – to accelerate development and use of advanced

technologies that reduce, eliminate, and sequester greenhouse gas emissions in all countries.

Awaiting the next president are all of these great challenges that I've noted and more. Senators McCain and Obama must conduct their campaigns with the recognition that their ability to lead is being shaped each day of their campaigns. Both are serious men who are serious leaders with differences in the way they'd approach the challenges that confront America and the world.

The day after the election, the hard work will begin for one of these men. He will need to gather around him the best people in America to utilize all of the tools of an American leader in order to unify our country and govern. John McCain and Barack Obama are meeting at a time of historic confluence. They will be forever linked together. The next four months will define how they are remembered. If they rise to the magnitude of the moment, when America and the world need them most...and engage in a presidential campaign that strengthens our nation, enhances our image, inspires mankind, and makes us proud...then they will have been found worthy of the honor and responsibility bestowed upon them by the citizens of our great country."

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