THE BROOKINGS INSTITUTION

STILL OURS TO LEAD: AMERICA, RISING POWERS,

AND THE TENSION BETWEEN RIVALRY AND RESTRAINT

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P R O C E E D I N G S

MS. BRENNAN: Good morning, everyone. Thanks for coming out today. I'm Margaret Brennan. I'm a correspondent with CBS News. I cover foreign policy, so I'm principally assigned to the State Department, which means I spend a lot of time on airplanes chasing around the Secretary of State these days, but I'm glad to be here with all of you here at Brookings.

And we're going to have what I think should be a pretty fascinating conversation about American leadership. And I want to introduce you to someone you probably know quite well, who is Bruce Jones here. He is with the Brookings Institution as a senior fellow in Foreign Policy, but he's also been quite busy writing a book called *Still Ours to Lead: America, Rising Powers, and the Tension Between Rivalry and Restraint*.

We have a pretty esteemed book club up here for you today as well and we're going to discuss some of the themes that Bruce lays out here. So without further ado, I'm going to have Bruce introduce some of what he talks about in his book and then we on the panel are going to talk through some of that.

Quickly, up here at -- we'll run through the line. Kathleen Hicks to my far right, senior vice president at the Center for Strategic and International Studies. Most recently, Dr. Hicks served at the Department of Defense as principal deputy undersecretary of defense for policy and deputy undersecretary of defense for strategy plans and forces.

Here to my right, Robert Kagan, senior fellow on International Order and Strategy here at Brookings. He's also a member of the Secretary of State's Foreign Affairs Policy Board and co-chairman of the bipartisan working group on Egypt; former diplomat and now a columnist as well.

Bruce you know. Strobe, of course, Strobe Talbott, president of Brookings; previously ambassador at large and special advisor to the Secretary of State for the newly independent states of the former Soviet Union. He was also deputy secretary of state from '94 to 2001, and a recovering member of the Fourth Estate, as well. (Laughter)

So, Bruce, set out the book for us and some of your main arguments.

MR. JONES: Thank you very much. And thank you, Margaret, for doing this and thanks to the rest of you for coming out today and to all of you.

I spent most of the past 10 years watching the interactions between the rising powers and the United States or the rising powers in the West who occasionally had moments where I tried to help shape those interactions, both in the bilateral and multilateral arrangements. And six years ago, I wrote a book called *Power and Responsibility*, which I wrote it at a time when I was preoccupied by the fact that the United States wasn't spending nearly enough time thinking about the rising powers. We weren't focused enough on China. We weren't focused enough on India. And I was trying to draw some attention to the phenomenon of rising powers.

Now, we have the exact opposite problem. We're completely obsessed by the rising powers and the BRICS. We can't think about anything else. We forget about our allies and other little things like that. Now all we think about is the BRICS. And we've entered a phase where the dominant narratives are of American decline, of the rise of this block of rising powers and the BRICS that are sort of set to challenge the international order, and, as a consequence, we're going to enter what Ian Bremmer's called the G-0 world or others have talked about the leaderless world, the coming chaos, the coming disorder in which it's not going to be possible to exercise American leadership and it's not going to be possible to solve problems.

I would say that there is a kernel of truth to each of those narratives, but they're badly exaggerated. And what I do in the book is take a long, hard look at the fundamentals and reach the following conclusions: that the United States is an enduring, not a declining power; that there are important parts of points of unity and important points of overlap of interests within the BRICS, it's true, but profound strategic divides. And the phrase I use in the book is that there's no mortar in the BRICS. These are divided, not unified actors.

Moreover, they are not the only actors on the international stage. The United States still has an enormous number of allies. Some of them face some difficulties, to be sure, but we have a great number of them. We hear a lot these days about the parallels between the present period and 1914. I think it's a badly formed analogy and a mistaken analogy. And among the reasons is that we have never in modern history seen the phenomenon of the top power being heavily endowed with allies, and our allies are not small, minor states in the international system. Fifteen of the top 20 economies in the world are American allies, and it's easy to neglect what that means in terms of amplifying American power.

So now I conclude that there's a consequence if we look at the landscape into which American power is being projected. It's a rather more favorable landscape than the G-0 argument or the leaderless argument would have, which is not to say that it's simple or easy by any stretch of the imagination.

The empirical core of the book is looking through a decade's worth of interactions between the West and the rising powers. And I look at interactions in the economic and energy and climate sphere, in transnational threats, in security and crises, and then I go into some depth in the U.S.-China relationship, which is obviously going to be so fundamental, and Kath and others have spent a great deal of time managing.

And in that domain I reach the following conclusions: that there are, indeed, powerful and important drivers of rivalry and security competition in the psychology of rise; in the effort by the rising powers to shrug off what they perceive -- and I think accurately -- the sort of routine humiliations of the post-war order; in security dilemmas; and in aggressive nationalism. And those are going to be powerful forces which will be with us for some time to come.

I also see powerful interests driving restraint and scope for cooperation in the economic relationship, in energy relationships, in overlapping interests in some of the transnational threat issues and some of the crises issues. We see not just in terms of projecting what I would like to see, but actually looking at the evidence over 10 years, we see the emerging powers again and again behaving in ways that show that they're caught essentially in the horns of a dilemma. On the one hand, they would like to occupy more space in the international stage, exert more influence, play a greater role and, at the same time, their ability to do so depends profoundly on a stable global economy and a stable international system that they cannot produce by themselves. And in critically important domains they can only achieve that stability through some form of tense cooperation with the United States, and so there's an acute dilemma for them that nevertheless restrains their capacity to challenge the United States. And there are places where we have overlapping interests, and that that becomes quite important.

And as I look at the structure of power in the international system and I look at interests, we've had this debate, we're having this debate, are we in some sort of 21st century win-win, cooperative world or are we in a world of geopolitical competition and rivalry? And to me it seems pretty clear that now and for a considerable period of time we're going to be in both, and it's simply not enough to try to emphasize one or the other. We will be in both. We will be in geopolitical competition and there will be focused

points of restraint and of cooperation. And we to reflect into our own strategies the reality of those two features of the relationships.

I think there are important implications for U.S. power. I think it's very clear, and here I'm building heavily on the kind of work that Bob has written about and Kath has tried to operationalize, that in Asia, in Europe, in the Middle East, it remains the case that the only serious force deterring the kinds of rivalry and security competition that we've seen is American military power and the willingness to use force; "hard power" if you like that phrase. I prefer the terms "military power" and "force." I think they're more accurate in terms of what we're talking about.

Only military power -- only American military power and the willingness to use force, if necessary, can deter the kinds of rivalries and security competition and aggression that are serious risks in all of those spheres. But I think it is also true that it's only American diplomatic, economic, and coalitional power that can animate and materialize the incentives for restraint and the opportunities for cooperation, and that we have to put equal emphasis on those two things. If we thought that we can pull back from our hard power role and be in a stable system, we're deluding ourselves. But it would be unwise, in my view, to only emphasize the military function. We have to have an equal emphasis on the diplomatic, the economic, and energy, and other kinds of relationships where we can build up stabilizing dimensions in these relationships and build up these patterns of restraint and cooperation.

None of this will be easy. There's nothing in the books that suggests that American leadership in the coming period is going to be easy. American leadership has never been easy and it's not going to be easy in the coming period. And there are a number of complications that I want to briefly point to before turning back to Margaret that I think, by the way, that we're seeing playing out in real time in the Ukraine crisis.

I emphasized earlier on the importance of American allies and I think that's a real factor. But I think we will confront, as we're confronting in the Ukraine, the phenomenon of what I call "torn allies." In other words, allies whose security relations are with us, who see the international order in the same way we do, who share values with us, but who increasingly have close economic ties with one or other of the BRICS. And we see that, for example, in Germany and Britain's financial ties to Russia. We would see if it things intensified in Asia, in South Korea's economic ties to China. So -- I mean, Australia's economic ties to China. So the security relation is with us, but increasingly with economic ties to China.

That could become a source of stability. If a lot of our allies have a foot in both camps, they'll put a lot of pressure on us and on China to stabilize our relations. But it could also be a substantial complication in crises, as we see right now in the Ukraine.

The second phenomenon which I think will be extremely important is that of what I call neither friend nor foe. Countries like India and Brazil, Indonesia, others, who are not going to be American allies, but are not happy with some of what China's doing and some of what Russia's doing, and look to a stable international system in which to grow; look to the ability to solve collective action problems and climate and other domains. And so have a kind of strong interest in seeing us continue to be able to manage a stable international system, but are not going to be allies. And we have to be able to find a kind of fluid way to work with those sort of factors. And, again, we see this playing out in the Ukraine crisis and the extent to which Putin has emphasized the diplomatic reactions of China and India and others, and you see in those reactions a real divide in how they view recent actions.

In my view, this is an area that in the recent years we have recognized

rhetorically, but we have done not nearly enough to build the kind of patterns of cooperation and the relationships with India in particular, Brazil, and others. Strobe was probably one of the first people in the kind of senior reaches of the administration to deepen and dive into deepening the relationship with India. In the first part of the Bush administration we did similar work on the nuclear deal. Of late, I think we've neglected that relationship, at least -- we haven't neglected that, that's overstated, but we haven't invested in it to the scale that's necessary if we're going to see the balance between friend and foe tilting in the right direction.

And last, American power will be bound up in complex global issues and in globalization. And let me just give you one illustration that comes from the Ukraine crisis. We've talked about the fact that or there's been a lot of discussion about the fact that one of the challenges in this context is the extent to which Europe is dependent on Russian energy sales and the sense that the United States could move rapidly to reinforce Europe's position through gas sales or oil sales. A, that will take years. B, it seems to me, we were talking a little bit of some of the complications on the Russian side of this, but it does seem to me that the extent that Europe weans itself off Russian energy flows, those flows will shift towards China, and that would intensify the China-Russia relationship, which is not what we want to see in the international system.

Our financial power, we look at sanctions and the way that will play out. That plays into a complex set of relationships globally. It's not as simple as just turning off the tap on Russian finance. So we have these very substantial forms of economic and energy and other forms of power, but bound up in globalization, as is our economy, by the way. And I think one of the realities of the contemporary moment that hasn't really filtered into American strategic thinking is the American economy is now 30 percent dependent on global trade; very different than it was 15 or 20 years ago. And

globalization and the management of globalization will be central to American power in a way that wasn't quite true some time before.

So none of this will be easy, but I think it remains clearly the case that if you look at the dynamics of rivalry, only American military power can constrain and limit those dynamics, and only American diplomatic and economic and coalitional power can animate the incentives for restraint and the prospect for cooperation. And in both senses, that's why I came up with this title of the book, it's still ours to lead.

So let me leave it there and we can open it up.

MS. BRENNAN: Great. And we'll get to questions from all of you in a little bit. We're going to go to our panel first. If you're Tweeting, I think it was #uspower and #stilloursto lead --

MR. JONES: Still ours to lead.

MS. BRENNAN: -- if you want to participate digitally or if you're watching online.

I want to start off here with you, Bob. I mean, we heard the themes here of what remains essentially the muscles of U.S. power. And I think one of the debates that's being had right now is not so much the capacity, it's the willingness to use it. What do you see right now?

MR. KAGAN: A lack of willingness to use it. (Laughter)

MS. BRENNAN: In which case in particular?

MR. KAGAN: Well, in general. I think that, you know, when Bruce talks about what America has to do in the world and what I talk about and, in fact, what most people in this room talk about what America has to do, I'm not sure that a very large number of Americans understand why it has to be done at all. And I think that is, to my mind, what the most sort of interesting and, if you have my perspective, troubling

development is that for about 70 years we've had a kind of overall sense, post-World War II, that if the United States doesn't play this role that the world order collapses and we go back to the '20s and '30s or, more specifically, the '30s. And it's been such a long time since anyone has thought about that. And we talk about the millennials and people whose only memories are Iraq and Afghanistan, not even the Cold War. It's easy to lose sight of that.

And I think the hardest challenge we have, I think we're sort of -- Americans are sort of in a decline. They've been persuaded by Fareed and others that we're in decline. I mean, I think they can get over that, but I'm not sure they have yet been persuaded why anything that happens out there matters. And so I think the real challenge that we face right now, those of us who think that things do matter, is explaining why.

And it's not simple because it's not a simple national interest, you know, if we don't do something in Syria, we'll get attacked. No, that may or may not be true. If Russia takes Ukraine, you know, so what? And I think that is the real challenge. And it's hard because you can't say, well, if that happens and this happens, then eventually it'll hit us. It's a little bit more complicated than that, and I think that's a great challenge we all face.

MS. BRENNAN: Strobe, do you see -- first of all, do you agree with that? And secondly, where does that responsibility fall? I mean, is that to the administration? Is that to the press? Is that to the public at large who just doesn't really want to hear or that's the perception that there's this fatigue?

MR. TALBOTT: I'd start with the President. There's been a lot of commentary to the effect that for all of President Obama's analytical skills, his good instincts, his vision, that he has way underused the bully pulpit, and better late than

never. I think this is a situation we have now that just cries out for that. Not that he hasn't made a number of reasonably strong public statements, including in Europe, but he hasn't really gone to the American people and said this is why it matters and put it in the historical context that Bob was referring to and also to the contemporary context and what the threat is, which, of course, Bruce has already begun to sketch out for us.

MS. BRENNAN: Is that Syria or Ukraine?

MR. TALBOTT: I'm sorry, no, I'm thinking very much of Russia-Ukraine. The fact that the territorially largest country on the planet -- territorially -- is now engaging in territorial expansionism, and you use the phrase "aggressive nationalism," aka irredentism, and also happens to be one of the two major nuclear powers, is going back to the geopolitics that, as Bob said, got us into, well, you could say two world wars in the 20th century and made quite a hash out of the last 19th century. That needs to be put forward by him.

By the way, Margaret, let me just apologize to the group that I wish I could stick around for the conversation that will involve all of you. I have to sneak off at 12:00 to another meeting. It's not a protest walkout, I promise. (Laughter)

But I would say let's hear something from the Oval Office on this big time and soon.

MS. BRENNAN: Kath, is there the perception within the defense establishment that there's not a willingness to use them?

MS. HICKS: Let me go back a little bit, and I will answer that, but I take a little exception to the description of where the American public is and where we are as a nation. I don't disagree with the policy prescriptions, so let me explain what I mean by that.

All the polling we have to-date certainly indicates that the American

public, by and large, well over 80 percent, believe the U.S. should have a leading role in the world. We know from industry, from the commercial sector that they are increasingly looking at international markets for everything in terms of both supply, in terms of the customer base. So I think there really is a strong internationalism today in America that sometimes we fear is evaporating. We listen too much inside Washington to the internal Washington dysfunction, which is significant and it matters, but I think it causes us to overlook that basic American consensus about having a strong role in the world.

The problem is below that very high level agreement on the U.S. role in the world there is this complete lack of consensus on what that means. And this gets to the issue of will and capability, how do we use the tools of state craft that we have to shape the world? And I think the view -- I'm not going to speak for the Defense Department -- the view, I think, I see emerging across a wide variety of security experts, unsurprisingly, is very much what Bruce said. You know, it's very hard to have an approach that's selectively engaging. You want to lead in the world community, but you can't lead everywhere.

We need to grow the foundation of our security, which is here in this nation. We need to have a strong military, good diplomacy, good development. How do you do all that in a way crafted together in a coherent way? And I think right now we're seeing how challenging that is in a world in which you don't have a galvanizing threat, a single at least galvanizing threat. We're entering an era where it's much murkier, where friend and foe can shift depending on the sector you're looking at. Those we trade with may be those we that we're having disputes with in other areas.

So honestly, I think the view in the Defense Department and the view broadly in the security community is we do need to have that underlying military capability and economic power that are at the core of America's traditional strengths, and those

have to be sustained in order to make our diplomacy effective. But how exactly to execute that in any given situation, I think, is very much an issue of dispute today. Personally, I think the United States is not expending its power as well as it could be in various crises and I think that that is having a spillover effect into the view that is held by the U.S. by those who might try to take advantage of that.

MS. BRENNAN: Which crises in particular are you thinking of when you say we're not using the tools correctly?

MS. HICKS: I think you could open that up. I think certainly in the case of Syria and in the case of Ukraine, I think there is more that that United States could do. In this most recent case, certainly, you know, we have the most public message I've seen on U.S. assistance to Ukraine itself is on MREs, which I think is probably insufficient. Certainly what the U.S. is doing with the U.N. sanctions and other pieces toward Russia is helpful and certainly I think the U.S. has been strong in its approach on supporting NATO. It's that gray area outside of NATO where it's been problematic.

On Syria, we are trapped in some ways by the length of conflict. And I think decisions that may have made sense at one point in time no longer look like they're applicable. But the U.S. public clearly is dismayed, to say the least, at the human suffering that's happening there. The chemical weapons elimination is being slow-rolled and the U.S. has to find a way into this, understanding that the opposition is not easily going to be brought together and that the conclusion to this conflict is not going to be easy. The United States has to find a way into that crisis to show some leadership.

MR. TALBOTT: Could I just jump in with not so much a counterpoint to what Kath has said, but you said that there's no galvanizing threat, and that is certainly true by comparison with what the world faced during the Cold War and at other times. There's no kind of traditional geopolitical threat that meets that earlier definition, and

that's probably a good thing.

And I don't want to distract the conversation from the headlines of the day, but I do want to throw in the word "climate." Climate is a galvanizing threat that requires a degree of international cooperation and, indeed, a degree of global governance that it is not getting, and a degree of American leadership, which it is certainly not getting. And Bruce does deal with that issue in book.

MS. BRENNAN: One of the things that I wanted to point to here because I think it gets at different perceptions of whether that toolbox should be used, whether that muscle should be flexed, obviously because of what I cover and what I covered previously, which is the global markets, I believe in interconnectedness. I was very surprised at something that CBS came out, my organization, when they did a poll of the American public, and that was 61 percent of Americans do not think the U.S. has a responsibility to do something about Ukraine, surprisingly because the public responded, in my opinion, very strongly to images, to news, and certainly to this renewed Russian threat perception. But then if you look back at how they also responded to other, in this same pool, other threats, majorities didn't think the U.S. had a responsibility to intervene in Syria: 68 percent said no responsibility even in the wake of the chemical weapons attack; 65 percent said the U.S. had no responsibility to act in Bosnia, specifically the question included the phrase "when ethnic cleansing was being used in Bosnia"; and lastly, in Rwanda, and the poll used the phrase "mass killings," the majority of Americans, 51 percent, said the U.S. did not have a responsibility to intervene.

So if you step back, in some ways you could say this validates what some in the administration use as an argument to say fatigue, public doesn't want it. Therefore, we are justified in being restrained. Or you could look at it and say things haven't been explained well. You need leadership to feel compelled to act. Certainly if

you're an interventionist that's where you fall. But when you see polls like this, does it make you think that Washington should either -- you need fear to galvanize action or you have to disregard political opinion to have leadership on these foreign policy issues?

MR. JONES: Both, it seems to me. Let me take Syria. When the chemical weapons attack in August in Ghouta, August 21 last year, and for a moment it looked like the President wanted to use force to respond to that. And you saw very rapidly a lack of support in Congress and a lack of support in the public. But he had spent the previous two years telling the American public that Syria didn't matter to our interests, telling us and messaging that this was insignificant, it was somebody else's civil war was a phrase used again and again. Well, if you tell the American public for two years that it's somebody else's civil war, they're not going to understand when you turn around and say we need to use force to deal with this situation at the moment. So there is, I think, a very important of public communication and leadership, and I think it's the case, as it was in Kosovo and in previous cases, that there are times when leadership is precisely about not following what the polls are saying and taking such action as necessary.

I also think it matters to build the case that Bob is making and I'm trying to make in this book. At one point I used the phrase -- the title instead of "Still Ours to Lead," "Still Ours to Lose." And I went back and forth on which was the better title. But part of the point that I'm trying to make is those are the only two choices. If we think that we can step back from the leadership role and exist in a stable global economy and exist without tons of conflict and be able to trade internationally, et cetera, we're deluding ourselves. Either we lead this or we'll be faced with substantial conflict and instability that will impact us in all sorts of ways. Bob is right, we have to spend a lot more time making that case.

Also, just very briefly add to it, I think Bob pointed to something important. If we believe that we're in decline and if we believe that there are all these powerful other actors out there whose central goal is to obstruct us from solving problems, then that will change our calculation about why should we act or whether we're going to be able to succeed. Whereas if we recognize, I think, in a more fundamental sense we're not in decline and there's a more complex mix of interests out there we can work with, then it becomes more realistic to think we can accomplish things if we lead and it's important to sort of build up that narrative as well.

MS. BRENNAN: One of the things that it seems that you hit on here, I think, is interesting that maybe isn't explained very well, or often isn't, is one of the tools that this administration has used quit a lot, and that is a sharp one: the financial markets, economic sanctions. That has been, in many cases, the first tool in the toolbox used.

Strobe, is that exerting leadership? Is that enough? Or are we only thinking of intervention in a very traditional sense that involves the military?

MR. TALBOTT: Well, I think it's certainly a useful tool that has worked pretty well in Iran, and I think there is reason to think that combined with other steps it is a necessary and I think will be effective tool to use with regard to Russia. But, of course, what it requires is that it can't be unilateral. The United States has got to have a lot of international support, and that is going to be particularly tricky for reasons that have already come up with regard to the Europeans and how long they're willing to stay with it.

I would hope, and I think this is the thinking of the administration, that the priority in dealing with Ukraine and Russia's ongoing effort to destabilize Ukraine will be to focus on Ukraine itself and do everything that we and the Europeans and others can do to thwart the Russian strategy there. And that means helping the interim leadership in what I think are initially a pretty good set of policies, but they call themselves "kamikaze

leaders" because they know that the austerity is going to cost them their jobs. But presumably, they'll turn over power to what we have to hope will be a fairly big tent leadership that will emerge from the elections in May. "Big tent" meaning that it's not a 51 percent solution; it brings in as much of the East and the Russian speakers as possible.

MS. BRENNAN: Kath, I was interested, you said that among the issues with some of what you've seen, Ukraine and the response, you thought there was some strength around NATO or at least a messaging around it.

MS. HICKS: I do.

MS. BRENNAN: I was just at NATO this past week at that meeting and there seemed to be the perception or the impression, as least among many of us, that Europe was pretty muted at NATO. They weren't really willing to go that far. And a lot of these, you know, prohibitions and suspensions are going to expire in a few months. So what part of that, do you think, is strong?

MS. HICKS: Let me distinguish very clearly between European views of and willingness to take action on Ukraine and NATO's move to protect NATO territory, and I was speaking of the latter. I think that's where the alliance really, under U.S. leadership as it runs up to this summit in September, is starting to take some serious moves looking at how to demonstrate very visibly with military forces, exercises, presence of troops, movement of -- postured movement of forces, I think will demonstrate a willingness and intent to protect NATO territory. That's different than the U.S. or European responses on Ukraine.

And actually what I was saying before is that's my worry, is that line has been well drawn. Everything to the east of that line, to put it simplistically, I think is very ambiguous in terms of -- or maybe I would go further to say not ambiguous enough. It

may look too much like the U.S. and many Europeans seem willing to let Russia progress further to its West than it already has.

MS. BRENNAN: Is that, Bob, just a natural constraint to multilateral diplomacy? I mean, it's herding cats. Can you really get the kind of strength that maybe one or two members want?

MR. KAGAN: Well, I mean, you know, if you look at the history of Europe going back, you know, more than a century, the sort of failure to unite in the face of a threat has been a common characteristic and there's all kinds of reasons. Now it's about money. In previous times it's about, you know, conflicting geopolitical ambitions and what have you. So, you know, what happened after World War II is that, among other things, is that the U.S. sort of solved this problem by making itself a European power and by making itself the sort of leader in the European system, which previously had been unable to come to any kind of real consensus, and that's the way things worked.

And then we had hoped, you know, after the fall of the Soviet Union and the beginning of the European Union -- and I think I wrote about this at one time -- you know, that Europe had just passed on, off into another little heavenly galaxy while the rest of us had to operate in this ugly little world. And now here we are waking up to find that, unfortunately, Europe has not escaped history, it has not escaped power. But, therefore, in some ways, I would say we're back to the old European dilemma. And, you know, there's a limit to what I can say about some of these things, but, you know, I would say what was a solution to the problem was the United States and Europe. Whether that solution is still available or not, I guess we'll see.

MR. TALBOTT: Bob, there you go again, that heavenly galaxy presumably includes Venus, right?

MR. KAGAN: Right. (Laughter)

MR. TALBOTT: Margaret, could I ask you a question about your trip to NATO, Moldova, and Transnistria? What some of us have picked up from this side of the pond is that the Europeans not only are prepared to kind of -- well, some to a degree are prepared to accept the annexation of Crimea, but they're also in advance, as it were, writing off Transnistria. Was that your sense?

MS. BRENNAN: There's extreme nervousness, absolutely.

MR. TALBOTT: Oh, nervousness or willingness to be nervous and let it happen?

MS. BRENNAN: I don't think anyone would say that on the record. I'd love for them to say that on the record. I think the only one who's ever said anything close to that on the record is the supreme allied commander, who said it looks like Moldova is definitely on the table and up for grabs, at least that's how Russian forces seem to be positioning themselves. But I think that's part of what Kath was hinting at here and talking about that gray area. If you're not a NATO member, be careful. I mean, that seems to be the message.

MR. TALBOTT: Which is one very big reason why an awful lot of countries that are now in NATO wanted to be in NATO 20 years ago and are glad they are.

MS. BRENNAN: I want to ask you, Bruce --

MR. JONES: Yeah.

MS. BRENNAN: -- a lot of what you're talking about with sanctions and alliances and the like, one of the big perhaps some would say diplomatic winds has been the idea that Iran sat down at the table with world powers, the P5+1, to negotiate, and the presumption is that it was these painful economic sanctions once Europe got on board

that got them there; that it was alliance management that won out, at least in getting people to talk in the first place.

So now you're there. Can you keep up the alliance after July and the conclusion of at least this round of talks? Can America lead that group?

MR. JONES: Yeah, it's going to be an incredibly tough challenge. A couple of points up front.

Iran does strike me as an important illustration of some of the phenomenon I'm talking about, where you do see Russia and China playing important roles, not out of love for the West, not out of some benign sense of the global good, but because they have interests. And among their interests is to not have Iran have a nuclear weapon. Now, they may have a different judgment about how important that is, they may have a different judgment about the willingness to use military power to deter that outcome, but they have no interest in seeing Iran have a nuclear weapon. And so they've been willing to participate.

They also have, China in particular, has no interest in seeing the Straits of Hormuz be closed, which is one thing that Iran has threatened to do. And China's been willing to participate in that.

Now, holding that together over time, I think that I would slightly disagree with your characterization on the sanctions. I think that what really hit Iran was American financial sanctions and the kind of willingness to use targeted sanctions against key Iranian financial institutions. The European sanctions are important, but the American sanctions --

MS. BRENNAN: The new round of Treasury-led sanctions, not the 30 years of broad sanctions --

MR. JONES: Exactly. The American -- yeah, exactly.

MS. BRENNAN: -- is what you're saying.

MR. JONES: So I think that the U.N. sanctions and the European sanctions are context and the Treasury-led sanctions are what really brought Iran to the table. And so it's going to be very tough and we'll have to see how much other actors are willing to go along, but it's really the American-led sanctions that are the core in terms of keeping Iran at the table.

What I worry about in this context --

MS. BRENNAN: You mean that specifically about freezing them out of dollar-denominated transactions.

MR. JONES: Exactly, exactly.

MS. BRENNAN: That's what you think.

MR. JONES: That's what really bites in terms of hitting the Iranian economy.

MS. BRENNAN: And you think that that will continue to matter after July, that the speculation about oil-for-food deals, trading elsewhere after July, perhaps with the Russians, perhaps with others, won't go anywhere?

MR. JONES: Yeah. I mean, I think that -- well, if the United States keeps up that form of pressure and is -- that's got to be what's traded away at the end of a deal, not along the way to a deal. Right? I mean, if we have a genuinely enforceable, implementable deal, then you should see relief on the financial sanctions, not before. If we trade those away before we get to an enforceable deal, then I think we will not have a deal, certainly not one that could be implemented.

My big worry in the Iran context is it's probably feasible to articulate the contours of a deal and to get there, the implementation, will be incredibly hard. And the temptation will be to pull away the pressure too soon, to pull away the pressure at the

point of the signing of the deal, which is the wrong point at which to pull it away. You should pull away the pressure at the point of implementation of a deal, and that'll be the trick.

MR. TALBOTT: Could I just come in on a slightly different view, but based entirely on a guess, about the Russian, which is to say Putin's, attitude towards the Iran negotiations? I think Bruce is right that as an abstract principle Russia does not want to have a nuclear-armed Iran. But if Putin, who is, I think, the single-most powerful leader in the Kremlin since Stalin, since -- and that doesn't mean he's as strong as Stalin was, but all the ones after Stalin at least had to get approval of the Politburo and there is no such thing now. I think he is riding his high horse and is so furious at the West and so convinced that it's a zero-sum game that if it came down to a choice between advancing the cause of prohibiting Iran from having a nuclear weapon by allowing the United States to get a big diplomatic win, he would say no, we don't want the United States to get a big -- and they'll do everything they can to screw it up.

MS. BRENNAN: Do you think that that has been allowed by diplomatically empowering Russia? Was that a strategic decision that was a mistake by the United States?

MR. TALBOTT: No, because I think we couldn't do it unilaterally unless we did it militarily unilaterally. We needed the Security Council. We needed Russian cooperation.

And by the way, the Russians were cooperating there for quite some time. We're dealing with a new Russia. We have entered a new era. Putin's been around for a long time, like 15 years, but, you know, it's now not just Putin. It's Putinism and it's a new approach to the world. And that goes back to, I think, what Bob was saying needs to be understood.

MS. BRENNAN: I want to ask you how you understand Putinism in the context of Syria in particular because one of the critiques of using diplomacy as the first foot forward, at least in dealing with the Assad regime, was that we needed the Russians to deliver them, that we needed to empower Russia to deliver Assad. They haven't done that certainly in the Geneva process, the diplomatic efforts there. How do you make sense of that?

MR. TALBOTT: Well, I think --

MS. BRENNAN: Russia's role and its view.

MR. TALBOTT: -- there's a narrow similarity between Iran and Syria. The Russians were prepared to work with us to disarm Syria of its chemical weapons. This is, of course, after Putin wrote an op-ed page piece in the *New York Times* saying that there were none, but then helped us put in place a system to eventually get rid of them. But I think in that case, in the Syria case, Russian strategy has been consistent throughout. It hasn't changed as a result of anything now because it's all about preventing regime change.

And the Russian/Putinist neuralgia to regime change, particularly regimes that are somewhere in the neighborhood and somewhat friendly to Moscow, is all the greater now that Putin is convinced that there was regime change in Kiev with the overthrow of the Yanukovych regime by this nefarious Western plot; not, of course, but that's the way he sees it.

MS. BRENNAN: So, Bob, when you look at this, one of the things that was sort of interesting in watching people's reaction to Ukraine, but, you know, Russia's coming up throughout this conversation when we're talking about an offset to U.S. power, is that a fair comparison or are we just so locked into this idea of a bipolar world we can't understand whether it's a G-20 or a G-0 or a none of the above world? I mean, why does

it keep coming to this position of the U.S. versus Russia, whether it's Iran, Syria, Ukraine needing them or needing to hate them?

MR. KAGAN: I never buy this argument the Americans need somebody to hate. I don't think they would give Russia a second thought if it weren't thrust in their face. And, look, I mean --

MS. BRENNAN: Why would they care about Ukraine?

MR. KAGAN: Well, I'm not sure they do care about Ukraine. I don't know how much they care about Ukraine. I think they're outraged by what they've seen. The press, by the way, has been outraged and, you know, the American people sometimes take their cues from what the people are saying. But, look, I mean, let's face it, this has become a Russia issue because Russia, as Strobe said, has done something that no one has done since World War II, and that's not an insignificant matter. It is a real blow to our concept of the world order.

So, you know, I don't think it's about that and I do think that the hardest thing to explain is going to be that it's not about one threat. It's about the threat of a collapsing world order, and it's going to collapse as a result of a multitude of things. You know, it's going to collapse because the Middle East falls into complete chaos and maybe three or four countries nuclearize over the next few years. It's going to happen because, you know, Japan feels insufficiently protected by the United States and Japan and China get into the kind of tussle that they spent, you know, 50 years being in, mostly with China.

MR. TALBOTT: And Japan goes nuclear.

MR. KAGAN: Well, right. I mean, and this is how you begin to see what had been, for all its horrors, in historical terms, a fairly benign global environment turn into something that is no long a benign global environment, where there is a lot of war, a lot of aggression, a lot of tension, a lot of breakdowns of economic systems that we're

accustomed to. And my fear is that, you know, in terms of what the American public is thinking about, I want to go back to what Kath said at the beginning. If you ask are Americans sort of internationalists in the sense of believing in international commerce, et cetera, et cetera, they are. I've never accepted that Americans are isolationists. They're not.

Where they draw the line, however, has come to be on the question of the use of force.

MS. BRENNAN: Of force (inaudible).

MR. KAGAN: And, in fact, they've been led to believe, I would say, both by intellectuals who are popular, and we know who they are, and by administrations and by the sort of zeitgeist that hard power is not what's necessary. What's necessary is trade. What's necessary is globalization. There are other answers.

If we are moving back to a world where, unfortunately, hard power is going to be a necessary part of the answer, my question is, are the American people ready to make that jump? And I would say at the moment they're not. And that is why, by the way, I mean, you might have pointed out that they've allowed the defense budget to be cut beyond what two consecutive Secretaries of Defense of this administration basically said was catastrophic levels without a second thought, including Republicans in Congress. To me that indicates that just the notion that hard power is a crucial element to this world order has completely fallen out and now the question is how quickly do we sort of relearn that old lesson.

MR. TALBOTT: How much of that is Iraq and Afghanistan-driven?

MR. KAGAN: I would say it's a perfect storm. Yes, it's Iraq and Afghanistan. Although I would point out that those are not actually the worst and least successful wars we've ever fought. Vietnam was actually a much greater -- if you want to

talk about war weariness, how about a draft war where we lost over 50,000 soldiers and had 300,000 wounded? There was war weariness after Vietnam. It lasted about four years and then, the next thing you know, it's Ronald Reagan, morning, America, Jimmy Carter's too weak, we got to get back out there. War weariness during the Cold War, including after Korea, occurred, but it was brief because the underlying consensus was we got to be out there, and that stuck.

What's happened now is, yes, you have the war weariness, but you also have the, well, we don't need to be out there, on top of, of course, an economic crisis, on top of everybody saying we're in decline. You know, in that sense it was a perfect storm. So Iraq, in particular, in was critical, but it wasn't the whole story.

MS. BRENNAN: Kath, you wanted to jump in?

MS. HICKS: There is a lot in here. I agree with Bob actually on quite a bit of this. Let me just say I do think I view things maybe a little more optimistically.

MR. KAGAN: That's good. (Laughter) Somebody's got to be optimistic.

MS. HICKS: Despite the fact that I'm sitting on the far right on the panel, I view things a bit more optimistically.

I think you are absolutely right. What concerns me in the world today is that we don't use our power effectively in a way that demonstrates that it has relevance. And I worry most about East Asia. I worry about a lot of things. I agree with you, there are a lot of threats. Climate is a threat. There are a lot of different things to worry about. The nationalism that we see stirring in East Asia and the chances for miscalculation because of the way the relationships are built there worry me.

And I think what happens in Ukraine, what happens in Syria, one by one, back to my earlier about selective engagement, you can make rational cases for U.S. policy in any particular case, almost any particular case, but when you build a pattern of

response, willingness, or capability that looks like it allows for aggression, I think that's a problem. And hard power is an important part of that solution. So there's one thing there.

The other thing on the defense drawdown, you know, I'm a very big supporter of hard power. I am very worried about our military capability under sequestration. There's no doubt about that. If you look historically, Americans have sought to bring the military down by about 30 percent after each of these conflicts and after the end of the Cold War. So American attitudes today, I would only say, are not inconsistent. And I would point to what you just said about the end of Vietnam, which is I am very hopeful that this is a temporary dip and that we kind of come back to a view that we have to have these instruments. Ultimately, if enough of these problems happen in the world, we will come around to that view because we are basically internationalist in nature.

And I do think the American public, by and large, wants to have the best military in the world. They just don't necessarily believe we can't have that at triple-digit, trillion-dollar defense budgets, and it's very hard outside of the expert community to explain why that is. So all those things kind of fight against where we are on defense spending today. I really do hope that we come out of that, but it's not going to be in the near future. I think the cards have been dealt on that.

MR. JONES: I just briefly wanted to say I think there are also policy mistakes that feed into this argument, and I'm particularly struck by Libya. Here we had a fairly light use of American military power to mobilize a coalition. There was what I thought was a facile criticism about the lead from behind storyline. You know, we used a modicum of our power. We had a ton of allies and a ton of support and lost no lives. I don't think those are bad things.

And then we made a critical policy mistake in failing to put a stabilization mission into Libya at the end of that moment, kind of at the fall of Qaddafi. And what that's allowed is, as we see sort of Libya deteriorating, we see the Benghazi stuff, we see the flow into Mali, it becomes yet another storyline of, look, we can't use power effectively because it's just a quagmire that never ends. That's just not historically valid. If we look at the way we've been able to do stabilization operations or peacekeeping operations, actually they've succeeded sort of 60 percent of the time under certain circumstances. And Libya, in my mind, would have been a case where stabilization against modest goals could have succeeded. And by not doing it, we've allowed Libya to become sort of part of the storyline, part of the narrative of Iraq and Afghanistan, of how American power can achieve these things. And that was a major mistake, I think.

MS. BRENNAN: Kath, I want to come back to something you just said about concern about East Asian nationalism. You're talking about land grabs by China or Japan?

MS. HICKS: Yeah, land and maritime and air, yes.

MS. BRENNAN: So how are they digesting? I mean, you can't, obviously, dumb it down to a single tagline here, but what is the perception or what are you worried about in terms of the perception of how issues like Ukraine are being handled and possible land grabs by some of those Asian countries?

MS. HICKS: Well, we know already that the Japanese in particular, the Philippines, also, they're watching very carefully and they have, you know, concerns about how they should interpret this, what this means. Now, we're talking in both those cases about treaty allies of the United States, so it's different than Ukraine, absolutely. And it is more like NATO, but that doesn't mean they're not watching.

And I go back to Strobe's point about the nuclear aspect to this. That's

not a near-term issue, next six months. I do think that's a potential longer term issue. I think the U.S. will have to, you know, reformulate or clarify its leadership on nonproliferation and how to view a situation like Ukraine where it's a country that gave up its nuclear weapons, how that should be interpreted if you're Saudi Arabia, if you're Japan, if you're South Korea. So that would lead -- if we can't solve that piece, I think if we're talking about multiple nuclear states at some point in East Asia -- which I certainly don't expect to have happen, but I do think it's something we should be thinking about -- if you're looking at that kind of future in East Asia, that just ratchets my concerns even more.

MS. BRENNAN: What area are you most concerned about?

MS. HICKS: I'm concerned about the land grabs leading to miscalculation.

MS. BRENNAN: (inaudible)

MS. HICKS: Absolutely, leading to miscalculation, leading to entanglements against, particularly where we have treaty allies involved. And I don't think that's what the Chinese want. It's not what we want. I don't think it's what the Japanese want, Philippines, others, but I do think that that's a real possibility.

And this is where Bruce's point about areas for cooperation, there are areas for cooperation that exist with the Chinese and others. And we ought to be progressing on those, even amidst all this chaos. Those matter. They have value for ratcheting down other situations and other sectors, meaning the defense and military sector in particular.

MS. BRENNAN: So I want to get to some of the questions in the audience. We're going to have a mic, I believe, come from the back of the room up to you.

Strobe, thank you very much.

If we want to start midway here, the gentleman in the maroon jacket. Just say your name and where you're from.

MR. BASSIN: All right. I'm Ari Bassin. I'm from American University.

You have spoken at length about issues with Russia, with China, and other state issues, but you guys haven't really talked about any non-state issues with the proliferation of al Qaeda and its affiliates throughout North Africa. Is it our job to go in and stabilize every single country in which you find global jihadists? We spent the past 14 years almost in Afghanistan trying to do that with little success. Why do you feel the use of military power still has any efficacy in this regard?

MS. BRENNAN: Who wants to take that?

MS. HICKS: I can start. I don't think it's the U.S. responsibility to stabilize every country in the world, let alone every country in North Africa as a subset of that. I think U.S. military power does have a role to play in defeating al Qaeda. Al Qaeda definitely has metastasized, moved about, you know, increased threat in different regions, and North Africa is one of those where you have more of its presence than you had previously. And it does threaten the security of those states in the long term, but it doesn't require a heavy U.S. military presence nor do we have one.

The French are very engaged in the region. The Germans are more interested over time in Africa than they have been, which is a good sign. There are other actors there that are playing helpful roles, and I think the U.S. can be supportive of those roles. And again, within that support, I think there is a role for military power and it's largely in training and advising the indigenous forces that are there.

MR. KAGAN: Can I just follow up quickly on that?

MS. BRENNAN: Sure.

MR. KAGAN: Oh, I'm sorry, did you want to --

MR. JONES: No, go ahead, no.

MR. KAGAN: You know, it's a very good question, but it's really worth grappling with what that question itself implies because there are two choices if you've got al Qaeda metastasizing and now perhaps, in the case of Syria, creating a new base. One is to say, well, our military hasn't really been very effective and look what's happening, and so the implication of that is, therefore, we should stop, which would then give al Qaeda even greater capacity to strike at us as they have done in the past. So the question that I have is, you know, as opposed to what?

And we used to live in a world for, you know, 45 years in which we were constantly sort of engaged in a struggle that was not necessarily succeeding, but we really had no choice to be engaged in there, at least that was the perception. I think that's where we are now. We're not going to have a perfect solution to these problems. It's going to be an ongoing struggle. And I guess my question is, do we have the capacity as a nation to engage in an ongoing struggle where, you know, we can do nothing and get hit harder or we have to continue trying to deal with it as best we can?

MR. JONES: I'd also briefly point out, in Mali, which is part of kind of the same complex set of issues of North Africa, the Chinese have put troops into the U.N.'s force there to help stabilize. They have a strong interest in stable oil flows out of North Africa. The Brazilians are playing a leading role in Eastern Congo, which is a different kind of non-state actor threat. The Turks are playing an important role in helping stabilize Northern Somalia and Somaliland. The Indians have a strong interest in defeating Islamic terrorists. So this is not one the United States has to do by itself. And part of the trick is to actually build up our cooperation with these other powers for two reasons: more effective response and to introduce stabilizing elements in those relationships with

the powers.

MS. BRENNAN: So to boil that down, though, your point is that the U.S. may need to lead, but that can be an alliance management.

MR. JONES: Absolutely.

MS. BRENNAN: It doesn't need to be the first force on the ground is your point.

MR. JONES: Absolutely, exactly.

MS. BRENNAN: Do you want to go to another question? Up here, the gentleman with the orange socks. I've been looking at them the whole time.

MR. JONES: It worked. It worked.

MR. MITCHELL: Thank you for calling me a gentleman. (Laughter) I'm Garrett Mitchell and I write the Mitchell Report, and I'm struck by the notion of competing narratives. And what I'm thinking about is there are narratives out there -- "out there" meaning way beyond Massachusetts Avenue -- that are pretty commonplace in this country today that have to do with America in decline, leading from behind, nation-building at home, et cetera. And then you come in here, and at least with Bruce and Bob I'm aware of and probably Kathleen, but I'm not as sure, Bob has made the case in a book called *The World America Made* and Bruce is now swimming against the tide by saying it's still ours to lead.

Given what seems to me to be the relative strength of the narratives out there and the scholarly and analytical, I believe, accuracy of the arguments that are being made by the panelists here, it seems to me it raises the question of how do we make certain that we are making the point as broadly as possible that it is the world that we made, it is ours still to lead, and if we don't do it, you know, things fall apart? And given the sort of broken condition of our domestic politics, where does that leadership come

from? How do we get it to be not just bipartisan, but Article I and Article II folks?

MS. BRENNAN: I think Strobe answered before to say that comes from the President. Was that -- the messaging at least. Is that the consensus here?

MR. JONES: Let me take a couple points and I think Bob and Kath will substantially add. There is messaging and communication and then there are fundamentals and the realities.

I think my sense at least is we've been in a period where the rhetoric of American decline and the rhetoric of rise of the rest runs way ahead of the realities. Right? I suspect we're going to start to see some important correctives in two ways. The Chinese economy is in deep trouble. Right? Two hundred and forty percent debt-to-GDP ratio, totally and completely unsustainable. And the Chinese leadership is pumping debt into their economy to try to artificially sustain their growth rates. This is going to come unstuck. Each of the other BRICS is confronting substantial headwinds economically. I think we're going to see a change. We're already starting to see a change in the narrative of sort of unparalleled growth in the BRICS. We've never in history seen a sort of third decade of growth of the kind that we've seen in the past two in China. I think all of the BRICS are going to run into economic headwinds and that will start to change the narrative.

The energy story in the United States, I think, is also going to play into this, the astonishing revolution in shale production, in tight oil production, in deep oil production. This year we will surpass Russia in gas production. Next year we'll surpass Saudi in oil production. By 2020, we'll be the largest energy producer in the world. I think that will start to -- so some of these realities will start to change the narrative whatever our communication strategy is. I'm not saying we don't need to be centrally preoccupied about our communication, but some of their underlying realities, I think, will

also start to bear on this picture.

MR. KAGAN: Well, it's just -- you know, I, unfortunately, have been at the same time living through this world I've also been spending my life reading about the '20s and the '30s. And, you know, the America of the '20s and '30s, in a way, would not give you reason for optimism, and maybe that's why. That's the difference between us, is I've just been steeped in this. Because the American people in the 1930s watched the world collapsing around them and there were terrible things happening every year. I mean, the Japanese invade Manchuria, you know, Mussolini comes to power, Hitler comes to power, et cetera. And the basic American response at the time was the worst the world got, the less they wanted to have anything to do with it, which there's a certain logic to that, you know.

And then you get into the presidential leadership. Well, the first few years, Roosevelt was afraid of this public opinion and he basically played along with it. And it was only as things got -- really it was only after Munich and then the fall of -- and then Poland and really only after the fall of France did Roosevelt begin to start turning things around and convince the American people that, you know, this is getting a little out of hand. And even then, he could never have led them to war, you know.

So I'd like to be optimistic. I'd like to say that's not the American people anymore, but, you know, that was some American people. You know, that was one element of the American people. And so part of me worries that there's a lot that can go wrong in the world before the efforts to push back in the other direction can start to succeed.

You know, I do hold Obama partly responsible, but I think we have to accept the fact that there were some structural realities out there, structural both in terms of what -- you know, changing generations, you know, the fact that we don't have people

-- you know, George H.W. Bush fought in World War II. Those generations are gone. And nations can acquire experiences and gain maturity. Well, nations can also forget experiences and I think we may -- you know, we've gone through that cycle now. So that's the source of my pessimism. I'd still like to believe otherwise.

MS. HICKS: I'll just add one. I think that that's well said. There's one piece I would add to that, which, again, sounds a little optimistic, but I do think we are in a window coming up to a presidential election several years out, but we are in a good window for, you know, the elite, so to speak, in Washington, both on the Hill and in conversations like this, to start to rebuild what really had been a pretty strong bipartisan consensus on foreign policy. We didn't always have agreement on exactly how we should act in any given situation, but we had channels of communication and there was a general respect. I actually think in the expert community that's largely still true. And in some parts of the Hill I've seen glimmers of hope, absolutely, for that amid a lot of darkness. (Laughter)

So I think it's a perfect time to use these next couple of years to try to build out exactly that. In a room like this, where all of us wouldn't be doing this unless we were internationalists, of course we're going to have a different perspective than you would in Peoria. That reference is probably even dated. But I think we can do a lot even inside Washington to change the tenor of the conversation that's happening elsewhere in the country. And presidential leadership is obviously, as Strobe had said, at the center of that.

MR. KAGAN: I very much agree with that.

MS. BRENNAN: Up here in front.

MS. BRIMMER: Thank you very much for a very stimulating panel. Esther Brimmer, now at George Washington University.

First, just to take up this point on the importance of our national debate is to say that having spent a fair amount of time talking around the country about U.S. foreign policy that a lot of the issue is right here inside the Beltway, so reopening the conversation -- because I think people around the country, their kids study abroad, you know, they work for an international company, they're probably more internationalist. So we need to come back to the bipartisan consensus on the U.S. role in the world.

And secondly, I want to commend Bruce particularly for the book and for redefining leadership, reminding everybody that American leadership has multiple components -- military, economic, diplomatic -- and we need to use all of them. And that we tend to report leadership as just military leadership; extremely important, but not the only form and we need to have the whole package. And I think making sure that America is strong works in all areas in making that point.

But, again, as you've indicated that because the U.S. is able to work with important allies or important economies, but I have some concerns about the strength of our good partners. Could you comment on the effect on the European Union? The European Union's been a positive development and greatly beneficial for the United States over the past several decades. But the impact of the economic crisis, the mixed responses to Ukraine, in effect, the EU has an important role with those countries that are not NATO members, but are in that band between the West and the Russian Federation. Can you comment on where's the EU on this? We will need them to also be successful, to be part of the larger American leadership picture. Thank you.

MR. JONES: Yeah, in the book I talk about the phenomenon of slumping allies. We have rising powers and slumping allies. Let's see how long the slump lasts.

But, of course, you know, even in the midst of a slump and a slowdown,

et cetera, the European Union is still the largest economic bloc in the world, right? Even in the midst of budget cuts, Britain is still able to do things, France is still able to do things, et cetera. So how long the slump lasts will matter. What the texture of that becomes politically inside Europe will matter.

On the other hand, I think we can look at other actors: South Korea and Japan, who are sort of -- you know, South Korea's a rising actor I think both politically and economically and militarily. Let's see how well Abe does in sort of refueling Japanese growth and Japanese military capability. So there's a kind of complex play in the world and there are as many sources of rise as slump among our allies.

I also, frankly, treat Russia as a slumping power in the book. Now, slumping powers can be dangerous, and we're seeing that in the Ukraine. But I thought one kind of rhetoric of this, I actually thought the President was right, if you looked at the Hague, where he did this very important business-like and complex and sort of positive meeting with Xi and was very dismissive of Russia. Now, of course, we have to act vis-à-vis Russia, but Russia is a power in deep trouble internally, economically, and in many other ways, and it's important to bear that in mind when we look at the balance of capabilities in the world.

MS. BRENNAN: You said Russia's a regional power.

MR. JONES: You said it was a regional power.

MS. BRENNAN: But the issue is the region's getting bigger right now, right?

MR. JONES: Well, yeah, but I do think it matters to understand Russia's weaknesses as well and they are substantial and we can amplify them.

MR. KAGAN: Don't forget what Dean Acheson called the Soviet Union.

MR. JONES: What did he call it?

MR. KAGAN: Upper Volta with rockets. (Laughter) For those of you who remember what Upper Volta was.

MR. JONES: Yeah. (Laughter)

MS. BRENNAN: The gentleman in the back there. You have a microphone coming.

MR. SIMMONS: Hi. Hadid Simmons from the National Youth Association. Thanks or much for this talk and the book.

You guys talked about how the new round of Treasury-led sanctions brought Iran to the table last year, but I'm wondering if, you know, we might look at that through a more liberal analysis. You know, when Rouhani was head of the SNSC, in 2003, he and the EU-3 signed the additional protocol to the MPT. And I'm wondering if Rouhani's rise plus, you know, how he's going to really need to sell the deal to the poor of Iran to, you know, make a deal credible in Iranian eyes. He might be responsible for, you know, why the deal's still going on the Iranian side. I wonder if you could comment on that.

MS. BRENNAN: Do you want to take --

MS. HICKS: No, I cannot. That's well outside the defense realm, so I apologize.

MR. KAGAN: Well, look, I mean, I'm not an Iran expert, but there are arguments on both sides of this and one of the arguments is that Rouhani really understands that Iran needs to reintegrate itself into the international system. And, you know, by the way, that would be the right thing to do because Iran, if it sort of moved into the international system tomorrow, would be an almost immediate success story, I think, not only because of oil capacities, but because of the population's capacity. I mean, Iran would be a very successful -- I think it's already -- like it would be like in the top 15

economies in the world almost immediately. And so the argument is this is what Rouhani is trying to do.

But, of course, this is the argument, he has a difficult problem. On the one hand, he's got to persuade the Americans to do X and he's also got to persuade his own government to do Y, and that's a very difficult balancing game. And I think what the administration is attempting to do is to help him convince -- sell this thing at home. But the problems with that are he may try to sell it at home and not ultimately succeed. We may not be able to -- even if you buy this argument, by the way, which not everybody does, some people think this is all a Kabuki play, but if you don't think it's a Kabuki play, it still may be extremely difficult to pull off this incredibly delicate maneuver.

And so I would say that -- I mean, that's the answer I would give is that even if it's true that he's trying to do this, at the end of the day, it just may not be possible.

MS. BRENNAN: Up here in the center space.

MR. KITFIELD: Hi. James Kitfield from *National Journal*.

I'm curious what the panel thinks about whether we've misjudged Russia. You know, I covered NATO expansion throughout the '90s and the EU expansion. And, you know, there was always a whisper from people like Brent Scowcroft saying the closer you push the West towards Russia, the more it's going to get its back up. And we kept pushing and my takeaway from 2008 in Georgia was they laid down a red line. If you want to put Georgia in NATO, we're going to make that very difficult because there are going to be Russian troops on Georgia's soil. And yet, the EU, you know, presents these association agreements to Russia recently -- to the Ukraine, Moldova, and others recently that, you know, basically said you can't choose Putin's Eurasian Union, you have to either go either/or, European Union or -- you know, basically playing directly into a sort of zero-sum mentality he seems to have.

And Russia seems to be the very country that Brent Scowcroft warned us about, a place where its back is up, where it sees these encroachments in its near abroad as something that perhaps we would find, if it was the Warsaw Pact, kind of distasteful. So are we sort of guilty of misreading Russia in a way that sort of forced it into a corner, in a way, that's causing some of our problems now?

MS. BRENNAN: Kath, militarily?

MS. HICKS: Well, I'll just take a piece of that. I don't think so. I do think as -- I think it was Strobe who said before he left that you can't view Russia as having been a consistent actor over this period of time. I think it's absolutely true to say that we know the Russian character has been always nationalistic. We know there's, you know, a symmetry of interests. This is on their border. So we and the European Union and others always need to have that in mind, and I do think we have. All I would say without knowing exactly what communications might have occurred privately, if Russia had relayed privately concerns, that's one thing. And I'm unaware of those conversations. So it may well be that signals were sent, to use the passive voice, and they weren't received. That, I think, is something historians will want to look at.

Absent that, I just categorically don't agree. I think the Russians have acted in a way that is completely inappropriate, you know, to a responsible member of the international community. And it's fundamentally about Russia and not about the West.

MR. JONES: Can I just add? I mean, Russia's -- Putin's Russia is a revisionist power. They are not happy with the post-Cold War settlement. He would like to reconstitute the Soviet Union. That's been his goal I would say from the beginning. He's not even hiding it very much.

Revisionist powers are always feeling victimized. They're feeling

victimized because people are standing in their way. Germany, after World War I, was also victimized. They didn't like the Versailles agreement. They felt that territories had been taken away from Germany. There were ethnic Germans living in Czechoslovakia and elsewhere. And they felt put upon. And, by the way, the argument you just made was the argument that was being made at the time by many people in the West. The Germans are right to feel put upon. They were mistreated by the Versailles Treaty. At the end of the day, it doesn't matter. You're not going to convince a revisionist power that everything is okay unless they're able to get back what they want to get back.

And so the real problem has not been convincing them that we're not a problem. The real problem has been convincing them that we're enough of a problem that they shouldn't do it. (Laughter)

And in the case of Georgia, I just have to correct one fact, he invaded Georgia after NATO said it wasn't taking them in. That was the decision, not to take Georgia. Angela Merkel basically said no, we're not doing it. Then came the invasion.

So it's wrong to sort of say that nothing would have happened unless the U.S. had done X, Y, and Z. The situation was created by Russian dissatisfaction with the post-Cold War settlement.

MS. BRENNAN: And if I could just add to this point. To the earlier point about where the Europeans are, I haven't canvassed all of Europe, but I have heard many that I have spoken to in Europe voicing this same sentiment that Bob is describing, you know, with the pre-World War II analogy. I do think Europeans do express exactly, James, what you're describing as some Europeans, this sense that, well, maybe we kind of pushed too far and it's sort of their neighborhood. So I think that, you know, how we work that out with our allies and how we come to a collective view about how we think about both European security, but broader security interests and aggressors, that's

incredibly important.

Up here, right in front of you. There you go.

MS. CHEN: Thank you. I'm Jennifer Chen, correspondent for Shenzhen Media Group, one of the TV networks in China.

And my questions are do you have any concerns about the recent announcement from Japan about the relaxation of its long-held restrictions on arms exports? Exports will lead to more frictions in the East China Sea.

And how do you think the adjustment of rebalancing policy after the President's trip to Asia? Thank you so much.

MS. BRENNAN: Rebalancing of President Obama's --

MS. CHEN: After his trip to Asia.

MS. BRENNAN: Upcoming trip to Asia.

MS. CHEN: Yeah.

MS. HICKS: On the Japanese relaxation of its export, I have some concern that is overwhelmed by my enthusiasm for the Japanese playing a more important role in the region to include a security role. That's a huge advantage of the alliance that the U.S. and Japan have. And that helps the United States, frankly, in this period of diminishing resources to build the kind of stabilizing capability we need out there and to have the Japanese be a part of that.

MS. BRENNAN: Well, Bruce, I mean, on the President's upcoming trip, what's the projection of power?

MR. JONES: So I would make two points and I'm going to completely contradict myself.

You've said this and others have said this, we've managed through the communication of the pivot and the rebalance to convince everybody in the Middle East

we're leaving, not convince anybody in Asia we're coming, and confused everybody in Asia and Europe about where we're going. Right? (Laughter) And I do think that the President's trip is an important opportunity for him to signal that there is still a strong impetus in the administration to continue the rebalancing, to continue it with Asia. I've recommended they try to do things like take some young Republicans with them, sort of some things to show that this is not just a pattern in this administration to sort of build up a sense of an enduring policy about the repositioning of American hard power.

That being said, one of the things I see playing out in the East and the South China Sea and in the U.S. relationship with China, one way to think about the problem is as China moves or as Japan moves in the region, what moves do we make in the region? I think a more profitable or at least an important complement to that is to think about China's global interests and their global vulnerabilities and where it is that we are acting in ways that may need us, particularly in the Middle East, parts of Africa, where they have huge energy import needs. China now imports more oil than the United States, and that's going to grow, not decline.

And there are ways in which our energy role and the role that we play in different regions of the world and securing the flow of energy are extremely important for China and for Japan and for India and for all the Asian powers. And I think we need to be better at thinking through how that global strength that we have can be wielded to help stabilize and balance the regional relationships. The region doesn't just play out in the region.

And I think we're seeing the same in the Ukrainian crisis. There are some things about what we can do in the region and some things about what we do globally. And the consequence of it, I think, and this goes back to resource issues and prioritization and the conversation we were having before, is although it's obviously

important that the United States build up and maintain and stabilize its military present in Asia and its diplomatic presence in Asia, it would be a mistake to think that we can, therefore, unplug from other regions.

So I actually don't like the phrase "rebalance." We need balance. We need a global presence, we need balance. We're going to have to act in the Middle East, in Europe, in Asia, all at the same time for some time to come.

MS. BRENNAN: Let's see, we have another one in the back there. There's a gentleman with his arm up.

MR. GREEN: Hi. My name is William Green. I'm with NHK.

So we've heard a lot today about countering the rhetoric of decline and making the argument to the American people, but I think it seems like a lot of people in the policymaking sphere are kind of underestimating a more fundamental generation gap that's looming on the horizon. I guess for two personal points of reference, the Soviet Union did not exist when I was born and the U.S. has been at war for more than half of my life.

And I think, also, if you look at the Occupy Movement, a lot of people of my generation are starting to kind of buy out of the neoliberal global trade agenda that is kind of an implicit assumption right now in some of the foreign policy discussions. So I guess my question is, are people in this area, in the policymaking sphere, kind of ready to reorient the argument and deal with a new set of assumptions from my generation as they come into power?

MS. BRENNAN: Is America ready to assume that it shouldn't lead somewhat, that there shouldn't necessarily be the assumption of engagement?

MR. JONES: Right. Well, let me push back on one point and the last point you made about the youth generation questioning the assumptions of neoliberals.

And there's certainly a new debate about inequality, for example, and some of the consequences of neoliberal policy. But it's just inaccurate to say that the youth generation is not interested in globalization, is not sort of willing to participate in globalization, et cetera. And we've seen incredible growth in the extent to which the American economy participates in globalization. We've gone from 15 percent dependence on global trade 20 years ago to 30 percent dependence on global trade in the last little while. And that seems to me like it's going to be an extremely important factor over time.

You talked and we all talked about sort of the Washington conversation. I'm equally -- I'm focused on mayors in places like Colorado and Seattle, et cetera, who are building up their infrastructure and building up their whole economic basis for these cities' economy is participation in global trade. And everything we see in polling shows that that resonates with the millennials and the kind of younger generation, as well.

So the point about the Soviet Union is clearly there. Maybe Mr. Putin will help remind people who weren't alive when the Soviet Union was around what that's about; maybe not. But I just don't accept the point on the globalization issue. The tenor of it, the inequality debate, those issues will be there.

By the way, I just briefly want to say I think that Strobe is right about climate. It's also an important issue in the younger generation. This is the only city in the world where climate change is not viewed as a strategic issue. It's certainly viewed that way in Beijing. It's certainly viewed that way in Delhi. It's certainly viewed that way in Brussels. We here still treat it as a kind of technical, economic, specialist kind of issue. It's not viewed that way in the rest of the world, and I think that matters a lot to understanding our relationship with the rising powers and with the rest of the world, and it resonates in youth. So sort of playing a leading role there will matter to American power,

I think.

MS. BRENNAN: Does anyone else want to -- none of us jumped on climate change when Strobe brought it up and it's a very relevant topic. Why aren't we, I guess?

MR. JONES: It's not my area. (Laughter)

MS. HICKS: I can -- I mean, I will tell you I have a little bit of a maybe jaded view that, you know, we don't deal well with anything that's not simple. (Laughter) And climate -- as a country, we just don't. And that may be the human experience overall, but I think it is very difficult to get the American population through its political processes to see climate as a major issue until it's on them. And that's dangerous because then it's too late, right? So I think that's been true of a number of threats that face us and climate's no different. And that's where really you have to make the case, you have to show consequences.

You know, there was this little piece on NPR yesterday, just as an example, on West Virginia that I thought was really interesting, about the deregulation attitudes in West Virginia. And then, of course, it comes around and they end up with the water crisis and other -- you know, they have mining issues, safety issues. You know, and maybe that's a small-scale example of what I mean. Sometimes you have to get smacked, unfortunately, to get attention. And the U.S. experience has certainly been that, whether you're looking at Pearl Harbor, if you're looking at 9-11, if you're looking even at the sinking of the Lusitania, which wasn't even a U.S. -- you know, it was British, but there were U.S. citizens on it. Those were things that galvanized Americans. And I think we can't know in advance what it is that galvanizes America on climate. I'm very hopeful that it happens before it's cataclysmic and that it leaves time to do something. But I think that's the real struggle that we have on an issue like that.

MR. KAGAN: This winter alone ought to do it.

MS. HICKS: It's been an awful winter.

MR. KAGAN: I've got to run.

MR. JONES: And very quickly, I'll just say that this is one of the storylines of the book where I think we're seeing -- I would actually give credit to the administration, that despite attitudes, despite the issues that Kath raised, we're seeing the administration take some important steps in national regulation, in the bilateral negotiations with China, and bilateral negotiations with India, that are beginning to move the needle on the climate issue. And I'm actually more optimistic than I was a couple years ago because of presidential leadership. This is one where the President has just said you know what? Screw Congress and screw public attitudes. I'm going to go for some things that I can do, and that's begun to move the needle. And we're starting to see Chinese attitudes and American attitudes on this converge, and I think we're in a slightly more hopeful place than we might have been otherwise.

MS. BRENNAN: So we'll end on an optimistic note, a little bit of one.

MR. JONES: Always good.

MS. BRENNAN: Thanks to all of you.

MR. JONES: Thank you. (Applause)

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