



**Major powers and global governance:  
Megatrends and grand challenges**

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**PARTICIPANTS:**

**Introduction:**

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**Opening Remarks:**

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**Panel Discussion:**

STROBE TALBOTT

Distinguished Fellow in Residence

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**Moderator:**

YANG RUI

Host of *Dialogue with Yang Rui*, CGTN

QI YE:

Ladies and gentlemen, please welcome Professor Xue Lan.

XUE LAN:

President Talbott, Incoming president Allen, Distinguished guests, ladies, and gentlemen,

Good afternoon!

First of all, please allow me, on behalf of Tsinghua University, to extend my warmest welcome to all of you here today! Thank you all for joining today's forum. It is my great pleasure to deliver the opening remarks. I am delighted to meet the leaders from the Brookings Institution and Schwarzman College, scholars and practitioners from different fields, and an audience who are interested in today's world affairs and curious about the future we are facing.

This is an exciting moment. China's 19th Party Congress has successfully been held. We are anticipating President Trump's upcoming state visit to China. This is also a challenging moment. As our forum suggests, the world today is facing critical challenges in international governance, sustainable development, and security. The major countries including the U.S. and China have to work together to improve global governance system, to address these challenges, and to forge a shared future of peace and prosperity. This is a difficult yet noble responsibility that we can't escape from. But how can the U.S. and China, two countries with different history, culture, economic structure and political system work together when any one of the differences I listed above can become a reason of confrontation and conflicts. I hope our distinguished panelists will share with us their thoughts and wisdom.

But here I wanted to share with you my own observations on a much smaller scale of how we can work together, despite all the differences, based on the case of BTC's creation. When I first learnt about this event, and was asked to make some brief remarks about BTC's history, three key words came to my

mind. The first one is “leadership”. The second one is “innovation”. And the third one is “trust”. Let me elaborate a bit on the three key words.

First on the “leadership”. The creation of BTC originated from John L. Thornton China Center, which was created in 2006, supported by John’s donation and full support of Brookings’ management led by Strobe. A strong conviction held by the leadership of the Brookings: without such a center must also be physically linked to China. So that it’s not a center based on academic literatures or news reports from New York Times or Xinhua News Agency, but on a dynamic reality that is transforming China daily. Previously on the ninety years of Brookings’ history, it has never had any operation outside of the U.S., I hope I’m right. So the decision of establishing a physical presence in China shows the visionary leadership by the Brookings. Fortunately, the leadership was also matched by the excellent leadership of Tsinghua University which was also at that time determined to make Tsinghua a world-class university, and began to establish various international initiatives in education and research. The extraordinary and visionary leadership on both sides were fundamental for the creation of BTC.

The second key word is “innovation”. When Strobe sent Jeffrey Bader to China and talked about how to establish Brookings’ presence in China. I asked him to talk to a colleague who specialized in NGO management in China. It turned out that there was not a clear legal framework for Brookings to formally register and operate in China. For Brookings, such a clear framework is necessary. So I think there was some time of “what to do next”. At the same time, it turned out that our School was also in discussion with overseas partners about establishing a joint research center in the School. So we came up with the idea that we might want to think about establishing a joint center which allows Brookings not only to have a physical presence, but also to have a local partner. This would also allow the School of Public Policy and Management to learn and work with Brookings in its policy work. We at the time was a young public policy school and we needed to learn a lot about policy analysis and so on. The idea was fully supported by Brookings and

Tsinghua. While there were many partnerships at that time among universities and schools between the U.S. and China, a joint research center between a leading foreign think tank and a major Chinese university was the first at the time. It is this institutional innovation that allows us to move forward to forge a partnership that brings the two great institutions together.

While “leadership” and “innovation” are vitally important, to make the partnership productive and successful, another critical element that is often neglected is “trust”. To a certain degree, I think this is probably the most important element of all. In the process of drafting the agreement between the Brookings and Tsinghua, we worked out many details, including the operation and governance, and also rooms. I hope that Strobe now you are happy with the new physical location in the School. Despite all those issues we worked out, there was a small detail that turned out to be a challenge. The issue was regarded to arbitrations. Which law firm should we use to resolve potential conflicts? And there was a standardized clause in the agreement. I think Strobe you should give Brookings’ lawyers a special bonus. They were really insisting that they should follow their choice. But at the same time Tsinghua legal office also have their choice in mind. So that became a nagging issue for quite some time, until we realized that the trust we had already built was far more important than the specific legal requirement. So finally we agreed to adopt to a clause that reflected this trust and spirit and we moved on. I think I won’t say what that clause is, but I hope that Strobe and Allen can find out when you go back.

Certainly today BTC has become a leading research center, producing high quality and high impact policy research in areas of fundamental importance to China’s development. The innovative model of international partnership has inspired many other institutions to follow, opening up a new prospect for the development of China’s think tanks. Our distinguished guest today, Strobe Talbott, the 7th President of the Brookings Institution, is the driving force behind the Center’s establishment. We owe you a great thanks.

Over the past years, the BTC has grown up to be the “go-to” place for research and international exchange. It is defining problems, bettering policies and shaping solutions. The BTC has been dedicated to promoting the exchange and cooperation between China and the United States through research and events, covering five core areas: energy and climate change, urbanization and urban governance, economic transformation and sustainable development, digital revolution and cybersecurity, social security and shared development. On April 1, 2014, Qi Ye, a leading expert on China’s environment policy, was named the director of the BTC. Qi Ye has led the BTC into a new period of growth. The BTC is now top-ranked as the best regional studies center among all the university-affiliated think tanks according to the 2016 Global Think Tank Ranking. Two years ago, on the eve of Obama-Xi summit, the Brookings China Council was launched, marking another milestone in the Center’s development. Beyond that, the BTC is fueling global collaboration and adding new impetus to the overall think tank development in Tsinghua University.

One year ago, we celebrated the 10th Anniversary of the Brookings-Tsinghua Center; we also hosted the second meeting of the Brookings China Council. State Councilor Yang Jiechi attended the gala dinner and delivered keynote speech stressing the significance of U.S.-China relations in a transitional era. President Qiu Yong, the Co-Chair of the Brookings China Council, thought highly of the BTC’s continuous contributions to producing quality research in domains critical to the bilateral relations.

Hopefully, the critical elements that make BTC success – leadership, innovation and trust, can offer some useful clues for the broader cooperation among major countries, particularly the U.S. and China. With the strong support from Brookings and Tsinghua University, BTC will continue its efforts to establish bonds between China and the United States, foster understanding and trust between the two powers, and promote the global capacity in tackling the world’s most pressing challenges.

As always, Tsinghua University will continue our fullest support for the development of the Center. We believe that Brookings-Tsinghua Center will follow up with Brookings Institution and continue to lead the policy analysis and research, enhance governance, and make policy impact.

I wish the forum a full success. Thank you!

QI YE: Well, thank you very much Dean Xue for your kind and encouraging words, and for your longstanding support to the Brookings-Tsinghua Center for Public Policy. Brookings Institution held a centennial celebration last year. I don't know how many think tanks were there that had been existing in this world for more than a century. Brookings is one of them. Not only that, as all of you know, Brookings has been consistently ranked as a top major think tank, global think tank in the world. Today we have an occasion to have our current president of Brookings Institution and our incoming president to be with us today for a conversation on a major topic: major powers and the global governance and about the challenges we face. And this is time to honor this special event. We have invited the best host of the TV programs of a world-renowned anchor Mr. Yang Rui. So from here on, I will give the microphone to Mr. Yang Rui. Also, let us invite our guests of honor today: the seventh and eighth presidents of Brookings Institution.

YANG RUI: Thank you professor Qi Ye. This is a great honor for me. Believe me, in my eighteen years of hosting this program Dialogue with Yang Rui, this is a rare opportunity and the great honor to have a dialogue with the two most influential policy makers of the United States of America. And I thank you for your kind invitation. I don't want to waste your time introducing myself because I've been the public figure and have been involved in the kind of investigative current affairs talk show for eighteen years for CCTV news first and then CGTN which is called China Global Television Network. It's a rare asset for me and I believe for China which really stands ready to be engaged with the rest of the world through constructive dialogue. Today's brainstorming, I believe is part of this meaningful dialogue which is well on

the way between China, an arising and emerging power, and the sole super power of the United States in post-Cold War era. I have the great honor to once again introduce to you first of all Mr. Strobe Talbott, who assumed the presidency of the Brookings Institution in July 2002 after a career in journalism, government and academic. By the way, he worked for Time Magazine for twenty-one years, and I have been working for China Central Television for thirty-one years. Ten more years. But you are protected by the First Amendment of your Constitution and my job is guaranteed by Xi Jinping's thoughts on the new era about Socialism with Chinese characteristics. That's the major difference I'm afraid. Then his immediate a previous post was the founding director of the Yale Center for the study of globalization and he is the author of twelve books and numerous articles about diplomacy, democracy, politics, globalization so and so forth. Let's give him a big applause. I've talked to some American generals, admirals of the Pacific Fleet. I've also talked to General Eikenberry who is a former commander of American troops in Afghanistan. But I've never expected to talk to a general who not only fought in the forefront against the Taliban ISIL in the Middle East, but also being transformed from a major marine general to head of a very influential think tank. He is John R. Allen. I wonder if I could just call you Mr. John Allen or General Allen. (John R. Allen: Call me John.) I will just call you John then. Then I prefer to be called Rui, thank you. John Allen is a retired US Marine Corp four-star general and former commander of the International Security Assistance Force in Afghanistan. Prior to join in Brookings as senior fellow and co-director of the Center for the 21st Century Security and Intelligence, Alan served as a special presidential envoy to the global coalition to counter ISIL. I wonder if you have time to brief us on your immediate encounter with those most dangerous elements that we've ever had in the post-Cold War era today. But I believe you guys will have more to tell to address the international audience here through a strong and dynamic interaction process between you and me, and later on in the Q&A session. We are going to take questions from you guys in the last part of this brainstorming session. My first question is, as Professor Xue Lan and Professor Qi Ye said briefly in their introduction, the 19th National Congress

of the CPC, a landmark political event, was just successfully concluded, and barely ten days ahead of the official visit by President Donald Trump. How do you assess major power politics? President Xi Jinping said right after he took the highest office in China that the Pacific Ocean was big enough to accommodate the strategic needs of the two major powers, the United States and China. And he even went to Mar-a-Lago for a summit meeting hand in hand to forge what he calls the new type of major power relations. Do you believe we're going to be enemy or frenemy? What's your basic assessment about the most important bilateral relationship in the twenty-first century? We start with Strobe.

STROBE TALBOTT: Let me first thank all of you who are here, particularly the scholars. This is an extraordinary building. Lots of wonderful design went into it. Lots of beautiful stones and woods. But what's really impressive is the second class of the scholarship. I've seen your collective and individual resumes. And this is a wonderful thing for you and it's going to be a wonderful thing for the world. Xue Lan, if I could just say a word or two about you, you are a persona and a personification of leadership, innovation and trust. And trust that goes in both ways. And you have been indispensable to the Brookings ability to operate here in this extremely important state and also help us to understand what you and Yang Rui are saying is the most, as John has said to me, the most consequential of all the bilateral relations in the world. I would just make one comment about the state of global governance which is here on the screen. It's the topic for our discussion this afternoon and it is a concept that is under siege around the world. We have in the last twenty-five years, we, the human enterprise has made a lot of progress towards having global governance. But starting perhaps around 2008 or 2009, what was a progressive movement has gone regressive, and what was a worldwide trend towards integration, peace, fair trade and free trade, has now become a trend in the other direction and that is a disintegration. And there are obviously many aspects to what will have to be done in the years ahead to get back on the right track. But if the United States and the People's Republic of China are not working together, there is

no hope. If they do work together starting with the summit coming up, then there is hope and we can talk about that in some of the specifics during the course of the conversation.

YANG RUI: Thank you very much, Strobe. John, the emerging world order event is increasingly characterized with the multilateralism and multipower geopolitical reconfiguration in the post-Cold War era. When we address the issue of global governance, are we going to see the beginning of de-globalization, or what we prefer to call re-globalization, with perhaps among all other options, the Belt and Road Initiative which aims to be more inclusive instead of the old and existing world order that tends to reject emerging powers one way or another. Your thoughts, please.

JOHN R. ALLEN: Let me start by also tell you how honored I am to be with this group of students today, and great leaders of education, and to be in this wonderful facility. As Strobe said, there's a lot of stone and a lot of wood here. It seems to all have come together in the right formation. And I think that you all have a marvelous opportunity here that I frankly envy the chance that you all have both to interact and also to learn. These are strategic relationships that are being formed here. With regard to globalization, I think that we have seen a mixed review of globalization in the last several years. I am still a believer in globalization and the value of the global environment. So many folks believe that globalization was in fact the trajectory upon which humankind was headed. But I also believe that it had the effect of leaving pretty significant portions of populations behind. And we have seen a rejection in some areas of globalization. We have seen a reaction to the potential for the sharing of power that has sometimes caused us or caused states to emphasize or to turn inward in a manner to reject globalism, and such things as "America First", and those kinds of mantra would seem to seek to empower the population first beyond a willingness to be a participant in the global environment, and the global community of nations. I think in the future, as Strobe said, very importantly, we must find a way to forge partnerships more broadly around the globe. Not alliances, because alliances

are often more difficult to forge. They tend to be in affront on sovereignty and, on behalf of president Obama, having led the global coalition to counter the Islamic State, and I'm happy to talk about that later. What I realized was that in an emergency, or in an environment where common cause was really important, there is actually a reflex towards partnerships and they can be bilateral or multilateral partnerships. But from my perspective, as we move deeper into the twenty first century, the willingness of states to cooperate to solve some of the more pressing problems associated with humankind, I think it's a positive trend. And in this, the United States and China can be very important leaders in that process. Not just in terms of their partnership, but their willingness to foster broad partnerships as well within the community of nations. Regarding the Belt and Road Initiative, I've examined this in some detail and I think it may be one of the most significant global strategies that we're going to find in the 21th century. The United States is beginning to form of you on the issue and I don't think we have come to a final conclusion, and some early conversation about it, worries me a little bit about the appearance of it being a threat. But the truth of course is that so many countries in the world today are so desperately in need of connectivity, so desperately in need of infrastructure that the Belt and Road Initiative answers and responds in so many ways to the need for infrastructure in the world. I think the question that you'll hear on the west, where the question that you'll hear perhaps in Washington, is does the Belt and Road Initiative actually enhance the individual sovereignty of the states involved, or does it encumber by virtue of financial arrangements and labor practices? Does it encumber those states? I don't think we know yet, and I think we should keep an open mind on the opportunity of the Belt and Road Initiative. I think the US view perhaps is one that has some concerns about the China-Pakistan Economic Corridor, we can talk about that if you like. But when you think about the desperate need in so many cases of nations in the world today for improved infrastructure across so many different sectors within their economies etcetera, and the thought that has been put into this by China in the Belt and Road Initiative, as I said I'll stop where I started, this may be one

of the most important strategies global strategies that we have seen certainly in the 21st century and could define the 21st century.

YANG RUI: Thank you so much for the opening statement on the issue of major power politics and global governance. My question is really about the following factors of uncertainty in the vocabulary about globalization: protectionism, populism, and terrorism. Now these come across as hallmark events across the Atlantic Ocean. If you look at Brexit, the appeal for independence of Catalonia in Spain, and of course the referendum of that backfired in Scotland for independence. But the interactions and domino reactions that would be triggered with the most likelihood by the Catalonia issue is that more places in continental Europe will call for independence through referendum. A referendum is a form of democracy. Here is a strong voice not only coming out of China but from two sides of Atlantic Ocean about whether new liberalism is receding into insignificance, and China is fast emerging as a new leadership, although China feels is not ready yet. Strobe, what do you think of the pecking order concerning the importance of a protectionism, populism and terrorism in shaping the prospective world order? Is that the endgame of globalization?

STROBE TALBOTT: It's a threat and all of those "isms" put together are going to be a target or let's say an agenda of serious problems for decades. Of course, they've been around before. But they seem to be having the upper hand now. Let us be quite rightly focused on Europe. And my thought there is that perhaps, I'm an optimist who worries by the way, that perhaps the last couple of months maybe starting in the beginning of this year, we have seen Europeans living with the spectre that the seventy-year-old European project is going to fall apart. And I think many in the UK were surprised that they are that leavers carried the day in that particular vote. I know that we have some people from the UK here who in the course of the conversation might either refute what I'm going to say, or perhaps even think about it a little bit. I am still hopeful that as this process of getting out of the union is so complicated that at the end of the day it will be a little bit like Zeno's Paradox,

if you all remember that, you are trying to get somewhere and you can get there halfway, halfway, halfway, halfway...but at the end of the day, you stay on the last side of the line. And also I think Brexit woke up the continentals in Europe, and could see this kind of thing happening elsewhere in Europe. The leaders and civil society are working hard to make sure that they can study the project out and then go forward with it. You mentioned the Catalan Secession Movement, and that too is a paradox for the Catalans themselves. If they succeed, and if the government of Spain allows them to succeed, they're going to be in a very lonely position vis-a-vis the EU itself. In other words, the EU is kind of a protection they think that would allow them to be a state to themselves. But the leaders of the EU do not want to see a plague of secessionism more around the continent. Then there's the issue of Russia which I remember the one time you had me on your show, we talked a little bit about Russia. It's been an interest of mine for a long time. I think that now that the Russian Federation is under the leadership of Mr. Putin. We are seeing pretty much every month more and more evidence that he is also a regressive figure on the world stage. He's taking us back to a kind of geopolitics that got the world into great trouble, namely two World Wars, and was a great threat to the west, and western Europe in particular, and that I think is putting some incentives on the part of the Europeans to get their act back together again.

YANG RUI: John, you are lost in thought. Are you reflecting upon your immediate and direct combat experiences with ISIL or Daesh in the Middle East which has somehow contributed to increasing arrest in continental Europe and in other parts of the world as Islamic extremism is gaining momentum to disrupt the existing world order, and to generate panic? Do you think terrorism poses a direct threat to the future and integration of the European union, or it's rather Russia and annexation of Crimea?

JOHN R. ALLEN: Well, there are about three or four really important questions in that question and all of them are important with regard to Russia. Russians reach into this potential fragmentation of Europe is not solely about

the illegal severing of Crimea from the Ukraine, or the Russian support to the separatists in the Donbass region. It is also accompanied by perhaps one of the most strategically significant influence operations that we have seen in many years, aimed at creating divisiveness within the politics of Europe, a loss of confidence in the democratic institutions of those countries, a cynicism with the voters in the liberal democracies, and a sense that Europe as a whole, integrated entity can no longer respond adequately to the aspirations of the people. So that influence operation which has both cyber and characteristics of hybrid warfare which is being waged today have in fact had an effect. So let me move off of Russia for just a moment and say that terrorism is a problem. It is one of the other challenges that has created divisiveness, that has created polarization, that has created nativist political movements in Europe, and has also been the very extensive migration of refugees into Europe in the last a couple of years. And I can remember I spend a lot of time in Europe currently working on a major project with respect to the adaptation of the North Atlantic Treaty Organization in the 21st century, and we can talk about that if you like. But the broad collapse of governance in the Middle East, the emerging civil wars that have a direct result, and the wave after wave of migration into western Europe have in fact exacerbated and accelerated nativist political movements which have served the cause of creating an environment where European states are beginning to turn inward from themselves and having lost confidence in the center in Brussels. Some of that has resulted in terrorism. But terrorism for me, having now spent a lot of my time overseas and a lot of my time in combat, is by and large the al-Qaeda and Abu Sayyef, Jemaah Islamiyah and the ISIL. Those are symptomatic of something much bigger and much more difficult. And it is much of that part of the world has become so grinding, absence of justice, absence of inclusive governance, absence of access to education, and absence of human rights, most importantly probably the absence of economic prospects, that it has radicalized tens of millions of young men and women across that region. And that radicalization is played out in many ways, unstable internal and self governance pushing large numbers of young men and women into the arms of extremists and then into the arms of terrorists.

So terrorism to me is really a symptom of something else. And here's this idea of the community of nations again, because if we're ever going to get after some of the underlying causal factors for why a young man or woman would strap on a suicide vest and blow themselves up in our market full of innocence, we have to, my term, "swim upstream" in the chain of events which causes that suicide vest to go off and examined as a community of nations the human condition in so many of these countries. With our sense of obligation to come together as a community, we share our influence and share our resources in a way that can begin to reduce those causal factors to change the human condition in many of these countries, ultimately to reduce the numbers who are willing to blow themselves up. Now, we will never stop terrorism. There will always be an element in multiple populations out there that seeks to destroy our lives. But I do believe that we have the capacity as a community having seen sixty five nations come together to deal with Daesh, I do believe that we have the capacity with the right kinds of leadership by the great powers to accumulate both an earnest will and a reservoir of resources to begin to deal with these crises across this region, and to stabilize these crises thus reducing terrorism, not eliminating it, but reducing it. Until we become convinced that we have to organize in that manner, then we'll see terrorism as an outcome, not as a symptom. Terrorism is a symptom.

YANG RUI: Terrorism is about etiology or a radicalization of etiologies, and non-state players active so and so forth. Much of the terrorism actually arises from the Middle East which is described by western media as graveyard of the major powers. However, ironically, it is in this area, policymakers and observers the world over agree that Russia and China will have a closer partnership and collaboration in the postwar rebuilding in the war-torn country of Syria. In this country, and about this country, John you put forward the idea that economics instead of geopolitics should be the major and most viable option on the table, to give President Assad the chance to step down and give democracy a chance. Now do you think Iran, Russia will join hand and listen? Do you believe China is ready to step in? And I'd like to have an opinion from Strobe on the issue of a post war reconstruction in Syria which

somehow brought together all the major players from this broad region, Saudi Arabia and Iran. Sectarian violence comes out of these two countries which and the Saudis represents Sunni and as you know very well the Persian states, Shia. In many of manifestations the extremism of both has the rise of sectarian violence characterizes the volatility of this broad region. Now my question, Strobe first of all, are you confident that the China will play a major role in rebuilding Syria as this promises to be part of the Belt and Road Initiative?

STROBE TALBOTT: I have very little confidence that we're going to see a post war situation in Syria for a long, long time. If that horrible catastrophe can be brought to a stop, yes, I can imagine China, and the United States, and Europe being part of the reconstruction. But first, we have seen several kinds of strategies for bringing the horrible war to an end and they haven't worked. And there is no question who the ultimate blame goes to and that is President Assad and I think one of the floors in the Russian intervention into that war is that they're going to keep him in power, and it's very hard to see peace with that being the case. By the way, you talk about the lash-up between Russian policy and Iranian policy. That has I think some down sides for Russia itself. Russia is of course a majority Slavic nation. But it also has citizens who are culturally and historically from Muslim cultures, and they are mostly, almost completely Sunni. And Russia has basically taken the side of Shiaism in the Middle East. And John can tell you much more about that and why it is a very bad idea and why the United States has tried very hard not to take a side. And there has been a jump-up in terrorism and secessionism in the Russian Federation, particularly in the Caucasus. And I think that has been fed by the access between Damascus and Moscow and Tehran. Last point. I am a great admirer and always will be of our last president, President Obama. I read a quote from him upstairs, I think so. I admire many of the things that he has done. But nobody's perfect. And I do feel that during the Obama administration, the United States backed out of this extraordinarily fraught and important area in the world. And I would guess that John has something to say about that too.

YANG RUI: President Obama deserves credit for “leading from behind”, or leading the world by role example instead of getting involved directly and militarily in the Middle East. For that he was criticized and he drew a lot of fire from Saudi Arabia for not punishing President Assad after Damascus was found the guilty of using chemical weapons crossing the red line that the Obama administration drew. So what do you think of the subtle mistrust that it's growing between Washington and Riyadh on the issue of the postwar rebuilding in Syria. And don't forget the critical player of Ankara, Turkey. Turkey take side with Russia and Iran. I'm not going to ask questions about Kurds and the appeal for the statehood, but just go ahead with your analysis on Turkey, the volatility, as well as the legacy of the Obama administration in redesigning the American policy about the Middle East. That is highly questionable from other perspectives. I know Strobe has been a big fan of the Obama policy for the Middle East. But there have been controversial voices and opinions about his policy.

JOHN R. ALLEN: I'm not even sure where to start with this one. There was a great Atlantic article that sought to represent the President Obama's views on his policy with respect to the Middle East which in many respects and I'm careful not to reduce it to two small a commentary. But it was in many respects to leave the Middle East to dealing with its own problems. Remember he came into office with two wars going on, that he was elected in part on a promise of his to the American voters that he would end on American involvement in those two wars. The question for us remains to be determined and historians will examine this in great detail: did we leave Iraq too early? My suspicion is yes, because we're back again. And did we cut too deeply into the aftermath of Afghanistan? We've just had to authorize more troops to go back in there. So we just make a quick comment about that. What we know about these kinds of wars is that the United States has unparalleled capacity to fight what we call the decisive phase of these wars, the high intensity military dimension of those wars. But that's not how those wars are won. They are shaped conceivably by the military dimension, but

they're won in what we call the fourth phase of the campaign: you don't just win the fighting, you must win the peace. And winning the peace requires that you remain engaged in the aftermath of the fighting long enough generally to do three things: one is to ensure a continuation of security; one is to build capacity for governance within that country; and the third area is very importantly to build economic capabilities. Those three things have to exist together and simultaneously for us to win the peace and we did not commit properly to that in either location. So now let's talk about Syria for a moment. First, as Strobe said, it's not clear to me that we're going to have peace anytime soon for a variety of reasons, the external forces that are at work in Syria today, whether it's the influence of Turkey were the Russians and Bashar al-Assad, or the Saudis and others representing one side versus the Iranian Hezbollah and others. It's not clear to me that we're going to find our way to a peace anytime soon. So we may well see a fragmentation of Syria for some time to come. And what you'll hear by the hear from the west, and you'll hear from the United States and under this administration, I think the policy is still formulating about Syria is that we will seek to create, if you will, areas where there is relative security where the improvement of the human condition can move forward, and where some rebuilding can occur. And we may not see a peace agreement for some period of time. But what we I think the community of nations, we used to say the west, but the community of nations of which I think China is an important part, needs to begin to think about how we can now begin the process of reversing some of the tragedy and the horrific humanitarian crisis in Syria. So I think there is a role for China in this process. But I don't think the comprehensive infrastructure development and infrastructure rebuilding can go forward until we have a comprehensive political settlement. And the polarization of those groups in Syria has been so great, for so long, over so many deaths we're now passed north of five hundred thousand dead, half the population is displaced, the stability of Turkey, Lebanon and Jordan is on any given day in doubt because of refugee populations. It's going to take a long time to heal. And we have to do what we can to help that element of the population that is available to us, that we can reach out to help. And hopefully Turkey can be part of that. But

that remains to be determined as political developments in Turkey continue to emerge as well.

YANG RUI: Well, I've interviewed the President Musharraf three times, President Karzai three times, Abdullah bin Abdul-Aziz, the CEO of Afghanistan, twice. I think I've been following the process and postwar reconstruction in Afghanistan and indirectly about the latest development in Iraq very closely. And what you guys have been talking about could focus on one issue and one issue only, that is the exit strategy. Militarily, it's easy for the United States, the superpower, the most formidable military might to win the war. But at the same time, we could easily lose the peace. China is badly needed allegedly to get involved in the reconstruction of a global order, or world order if you like. However, having said this, by the end of the day, many people, including many of American friends, find themselves asking the same question. Do you think it is the presidency of Donald Trump which is more detrimental to the rebuilding of the world order than China, which is alleged the most menacing threat by Dunford, the General Chief of Staff for the American armed forces. He said so recently to the media. That alarmed many of the Chinese observers. So what do you think of the adversity of Donald Trump presidency? Why Angela Merkel, the German Chancellor said European union should take into its own hand the destiny of a European future instead of relying on one critical player. In her understatement she was of course referring to Washington. Strobe.

STROBE TALBOTT: I think it's appropriate even many thousands of what miles away from our own country to be candid particularly with an audience of this sophistication where I as a single citizen of the United States, I'm concerned about some of the trajectory our president has put us on. I think he is for reasons that pretty much understand, but don't agree with, he is taking the United States out of a position of incredibly important leadership in the world. Going back to the "Xue Lan Doctrine", he is definitely an innovator. But that doesn't necessarily mean the innovations are going to be good for the United States, and good for the world. He is definitely a leader. But

unfortunately, he is staking out a position of being the leader of the United States. And “America First” which has an implication particularly if you know the historical origin of that phrase, it means isolationism. And with regard to trust our most valuable allies, and here I mean literal allies, going back to what John said, don't trust American constancy with the world view, and the policies, and the strategies that go back to the end of the second World War that were maintained and reinforced by twelve presidents since the end of the war which then, by the way, they happen to break down into six republicans and six democrats. That is a legacy that was on the desk in the oval office when Mr. trump moved into that office and he has put it aside if not ripped it up. I'll quit on this issue on a somewhat more hopeful point and hope. Mr. trump's world view is getting mugged by reality, if you know that phrase, and he's got quite a number of people around him. Some of them happen to be generals, who I think are working to re-calibrate what the goals that are going to serve the US interest, but also help get globalization great again.

YANG RUI: Putting “America First” by rejecting immigration. Well, that's what I heard about his presidency in the first few days of his white house. Now, Strobe, you first came to China in 1974, forty-three years ago, with Doctor Henry Kissinger. I wonder are you confident that the evolution of this major economy will serve not only our national interest, but also increasingly the joined stakes of the two countries across the Pacific Ocean? Because we are talking about power politics. And the bilateral relationship between Washington and Beijing is viewed as the most important in the 21st century. Forty-three years on, great changes have taken place in this country. But republicans and the democrats are reassessing China following the adoption of “Back to Asia”, strategy to get rebalance. And China is trying very hard to figure out what it means for the future of the Asia Pacific region. I'd like to have thoughts from both of you. Strobe, you witnessed the evolution the trajectory of our politics and our economy in the first place.

STROBE TALBOTT: Every time I come to this country, and I've been here a lot since my first visit which was in 1974 when I was flying in steerage and Henry Kissinger in air force 707. I think it was his second or third visit to China. His first one was a big secret and there was no press on that plane. And every time I come here, I am bowled over yet again over the contrast between Beijing in 1974 and today. I think it is a good news story. As for the current frictions and controversies in the United States, and here about the economic relationship, we all know what they are, there is a strong feeling against the bilateral trade deficit. There is obviously a feeling in Washington which goes well beyond the administration and the congress, and goes to the private sector, and I'm sure you hear that. Those US companies particularly in the service sector should have a little more hospitality here in China. But the bottom line I think is that both countries are doing a pretty good job of having at the top level of both governments a conversation that will over time get us back on a good bilateral track.

YANG RUI: Yes, strategic and economic dialogue is being conducted between the two sides each year. In four major areas we foresee friction. And perhaps that's going to be flashpoint geopolitically in East Asia, ranging from the Korean Peninsula, Diaoyu Islands, Taiwan Strait, and South China Sea. In which specific area, John, do you foresee the most dangerous development militarily? What specific area you think a crisis has to be managed front in the center? I mentioned these four areas, but I didn't mean to ignore potentially yet another flashpoint, the Indian Ocean following the crisis in Doklam long between India and China.

JOHN R. ALLEN: Let me just make a couple of comments about the US-China relationship. When I talked to American audiences, I try to describe the China relationship, as I said before, is perhaps the most consequential relationship the United States has now and we'll have in the future. And I use a construct I explained earlier this afternoon which was it should be governed by "4Cs". The first is that the US and China should seek every possible way it can to Cooperate. There are many ways from climate to development to the

opportunity to raise millions and millions of people out of grinding poverty. But first, seek to cooperate. Secondly, we should expect though that as two great powers, there will be occasions when we compete. And Competition should be managed through engagement and through the readiness for us to talk as two peoples. The third area is in the potential for Confrontation. And when that occurs we should do everything we can to manage confrontation to keep us off the fourth “C” which is Conflict. The United States and China have been in conflict before. Neither state benefited from it. And it brings us perilously close very quickly to a strategic options which neither state should ever contemplate. My own experiences are that if you treat a state as the enemy, guess what, you should not be surprised when it acts like the enemy. If you treat a state as a partner, then they'll act as a partner, and they'll act as a friend. So let me get to your four points very quickly. I think the Korean Peninsula is an area and a flashpoint where both our nations could suffer dramatically, very quickly from that flashpoint. And this is an area where I think uniquely the United States and China can partner in the solution here. The others I think are all manageable, like the issue associated with Bhutan and Sikkim provinces in India, which is a uniquely regional and a terrestrial issue. For us in East Asia, from my perspective, the United States and China have a historic opportunity here to manage this crisis on the Korean Peninsula. And we should do everything we can to find partnership in that process.

YANG RUI: Your mention of “if you take China as a partner it will be a partner; if you take China as an enemy, it will probably become your enemy” takes me back to eighteen years ago when I was hosting the first edition of dialogue which was called the Sunday Topics, a weekly program. My very first question was about exactly what you said the “Self-fulfilling Prophecy”. Now, do you believe, Strobe, that the theory of “Self-fulfilling Prophecy” could also be applied in the adverse circumstance of DPRK and its process of denuclearization? That is, if you take the DPRK as an enemy, it would become a dangerous enemy; if you take the DPRK as a “partner” and you send something somebody like Richard Nixon who came over in 1972 and

two years later you came over with Dr. Henry Kissinger, and engaged the DPRK in a serious dialogue, and talk about the process of denuclearization, the danger could be defused, and the crisis could be defused. Yet the United States refused to engage the DPRK diverting the contradiction from your bilateral relationship to China. Foreign Minister Wang Yi said at the press briefing, if my memory is correct and reliable, the relationship between Peking and Pyongyang is one between one normal state and the other. So we cannot impose anything on them. Yet at the same time Peking has been expected to play a pivotal role in defusing the crisis. So again and again, spokesperson of the Foreign Ministry of China says the United States and our American friends are barking at the wrong tree. So what do you think of our concern?

STROBE TALBOTT: Well, let me now attach a corollary to the “Allen Doctrine”, which is if you want if you want an enemy, make him feel like an enemy; if you want a friend or partner, do that. I don't think Mr. Trump has been following the “Allen Doctrine”. (John R. Allen: It's unlikely that he'll pick it up either by the way.) We'll tweet this right out to him and he'll read it tomorrow morning. I hope that it wouldn't quite wise to be the Self-fulfilling Prophecy something that is going to backfire on us. But it could, particularly when the president of the United States goes public insulting the leader of the DPRK “rocket man” that kind of thing, but more important than that, threatens to eradicate his country from the map. That can only drive the leadership and Pyongyang into a very dangerous position of their own. Now, fortunately after the comments that the president made, we have heard both the Secretary of State, and the Secretary of Defense say essentially the same thing and it's different from what the president implied. They're saying, yes, of course, all options are on the table and that has been a mantra of at least three administrations before this. But they have said but we're going to do everything we can to bring this crisis to an end through diplomacy. And I think it's a very timely visit for the president of the United States to be here in China talking to a leader that he respects, and that he has a personal relationship with. And I hope one of the conversation which I'm sure it will

come to the DPRK question. I hope that Mr. trump will do more listening than talking. Because I think China's position on this makes a little more sense than presidential tweets.

YANG RUI: Thank you so much. Let's look into the future: megatrends shaping the future that we're going to share together in close partnership. This present world is increasingly characterized with the three things: one is hyper mobility, the other 3D transformation, and the third is I'm afraid internet of all things. Now we live in an age of digital technology. To what degree do you think we're going to be at the mercy of the three things, three megatrends. You'll be the new president of Brookings, and John, what is your vision about the future or what president Xi Jinping called a community of shared future?

JOHN R. ALLEN: I just give you a very brief overview of the of the three principal areas that I would like to spend a lot of time working on at Brookings. The first is the domestic policy area that the United States badly needs right now, which I think the president's agenda, in many respects, touches the important aspects of domestic agenda, but we have such polarization in our politics today that having a clear non-partisan voice in helping to shape healthcare, and tax reform, and infrastructure, renovation etc. to include addressing some of the really daunting social issues that have emerged or reemerged in American society. This is the first area where I think Brookings can have an important voice in the conversation in Washington. Second area is I think extraordinarily important, and that is to help to make the case for the coming together of the community of nations to stabilize the Middle East for a whole variety of reasons: China benefits from it, United States benefits from it, and humankind benefits from it. And I think that there are activities we can undertake together. The third area is exactly to the point you've talked about. It's the megatrends. And depending on who you are and what scholarship you follow, the megatrends typically fall into five broad areas. I'll just touch them very briefly because I think in almost every one of these areas, there is real room for cooperation between the United States and China. The first is

the historic migration of economic power from west to east. The emergence of China is the ultimate example of an emerging economy of enormous capacity, the largest economy on the planet and where that goes given president Xi's recent as he calls it Xi Jinping's thought on Socialism with Chinese characteristics in a new era. I think the analysis of those twelve words is going to help us to find our way in a relationship with China as it goes on. Positioning the United States with China to leverage this historic economic opportunity I think is extraordinarily important. And Strobe said we've got some real differences. But I think those differences are manageable. The second is the change in demography in the world today. We have to embrace the fact that in much of the developed world, the populations will stagnate, and they will shrink, but they will also age dramatically. And that process reduces the productive population for the workforce. It increases pressure on the insurance industry, healthcare etc. In the developing world that element of the population from roughly fifteen to twenty-nine is increasing dramatically. And an increasingly weak systems of governance that are increasingly challenged to provide constructive employment to large segments of the youthful population. This is a real challenge that's coming. So helping to establish development and stability in that part of the developing world will be important. China will have an important role. Third area is rapid urbanization. By the middle of this century, three quarters of the world's population will live in urban centers. How we help the world to do the planning necessary for the infrastructure as that population migrates into the global megacities creating in many respects global mega slums in many of these countries. Ungoverned spaces, as they're sometimes called, or spaces governed by non-state actors, terrorist entities, criminal networks etc. These are increasing challenges we'll face through the middle to the end of this century. Another place for China and the United States (to jointly work on). Innovation and technology, the fourth area, which I think is an opportunity for enormous cooperation between the United States and China. And I'll spin this with a sixth megatrend as we see the emergence of Artificial Intelligence begin to take hold. We two great powers here need to be thinking about what the implications are, the social

implications for Artificial Intelligence backed up by quantum computing. And China is putting a lot of effort into quantum computing. I don't think we really have a feel for where this will take us in terms of the advancement of humankind, but the displacement of segments of humankind that today isn't being educated in any way to be prepared for these changes in the middle of the century. So (this is) the advance of technology. And then the fifth area is one that perhaps worries me the most, and that is the area of increasing resource scarcity: energy, water, food, just part of it, but also climate change. The United States in the last several years has been savaged by the increasing virulence and anger of the weather patterns. And we are in ten straight years of the hottest summer on history, each one hotter than the next except for one year. And if we once again through the energy policy, through hydrocarbon limitations, through commitment to stabilizing the climate, and walking back some of these human causal factors, we will not leave much for our children by the end of this century. These are five areas where there are historic opportunities for this country and for the United States, the more broadly the community of nations through our leadership to grapple with some of the megatrends that are coming at us. No matter what, we can begin to think about them now and adjust our policies, and adjust our relationships, and marshal our resources, so that we can adapt to them, or we will be in reaction for a long, long time. And I think these are real opportunities for us. We need to think about it seriously. And it's not just a US commitment to this. This is a US commitment with its partners, and in particular China, to address these issues. So when we walk away from the Paris Climate Accord, you know we now rely on China in many respects to carry the banner for us on this issue until we can figure out what our relationship will be on climate. And these are challenges that I think we have to face them together

YANG RUI: I appreciate your encouraging description about the collaboration in the five areas. But I wonder if Strobe agrees that, for example, in the area of climate change, China would assume the leadership? Well, President Trump pulls out of many international commitments, including TPP, perhaps NAFTA, Paris Climate Change Pact. So what do you think will be the most

feasible area where the United States and China could join hand in navigating a course acceptable to most of the countries and economies?

STROBE TALBOTT: Well, I think when John said we are looking to China for leadership on this issue, he was talking about those of us, and there are many of us in the United States who accept, and respect and are frightened by the science. I think we did not extend to the president of the United States. It's with a heavy heart that I say that we have a climate denier in the in the White House who has put climate deniers into the key agencies and departments. The deal with this issue. he's even said, climate change is a hoax emanating from China. So I think we're going to be, how to put it, either in the backseat, or not in the car at all, at the level of the federal government. But the United States is much more than the executive branch of the government. We have mechanisms for governance that are autonomous from the federal government and the white house For example, we have a number of states including big ones like Massachusetts, California that have climate change policies in place. And we have civil society. And there are quite a number of members of both houses of our legislature who are coming up with workaround of the obscurantism that we thought we have in our president on this issue.

YANG RUI: Thank you so much, John and Strobe, for briefing us on your thoughts on the subject matters such as power politics, major relationship between Russia, the United States and China, in areas like the Middle East, or in the climate change.

Now it's time to take questions from the audience. Identify yourself and raise questions. Make sure that your questions are not too long. They don't sound like a filibuster speech. See? The differences are manageable here on the panel. I'll take a question from the lady sitting behind.

QUESTION: Thank you very much. I hope that my question won't sound very impolite. First of all, it was great to have you here. I came from Russia, from

Caucasus, and I'm Muslim. But it's not the point. I want to ask a question about Crimea, and about Ukrainian question. So let's imagine that Crimea is a disputed territory between the U.S. and Mexico. And Mexico became very pro-Russian state. Possibly it wants to deploy Russian missiles and Crimea. Crimea does not agree with that. How the U.S. government would react? Thank you very much.

YANG RUI: (John: I have no idea.) John has no idea. That is the most outspoken blunt outset I've ever had.

JOHN R. ALLEN: How about the Minsk Accord?

STROBE TALBOTT: Well, the Minsk Accord is a dead letter right now. Let's go back to a couple of international assurances that came in the 1990s. In fact, no government other than the governments of the Post Soviet Republics of USSR had anything to do with the breakup of the USSR. And Ukraine had a referendum, overwhelmingly going for exit from the USSR, as did of course Belarus and Kazakhstan and others followed them. But the driving force of the breakup of the USSR was not in Ukraine, it was in Russia itself. And since you're a citizen of one of the Post Soviet states, you know this much better than I. And that was that the failure of the Gorbachev Reforms led to the Yeltsin Presidency in Russia. He and other reformist leaders are in the other fifteen republics decided for a mostly peaceful multi-divorce, if I can put it that way. And in order to make sure that there was not war between and among those Post Soviet States, there was a trilateral agreement between Russia, Ukraine and the United States, that Russia would respect the territorial integrity and the boundaries of Ukraine. And that was reinforced in the famous Budapest four-way Agreement. The current president and the government of Russia violated those agreements that Russia was part of. And that is the basis of the conflict that we have there now. Russia has not just an annexed Crimea. Russia is virtually occupying the eastern part of Donbass and that part of Ukraine. And until Russia can be persuaded probably not to give back a Crimea to Ukraine, but to let Ukraine be an

independent state. The international pressure should be directed at Russia. Like John, I don't quite get how the Mexican version of that works.

QUESTION: Hello, my name is Mark. Thank you for being here. Mr. Talbot, Mr. Allen, you've both been involved at either the Brookings Institution or other policy institutions for a long time, and I'm wondering how you believe the influence of the Brookings institution has changed over time, or that of other research-focused third parties. And what is the relationship between this influence and the political climate of the United States and globally? Where do you see the Brookings Institution as well positioned to have an impact in the next decade?

STROBE TALBOTT: He'll take the future, I'll take the present and the past. I think that's appropriate. In a way, you know there have been a lot of changes in the last hundred years. When the institution was founded, it was a combination of philanthropy and business community and the academic community. There were a number of university presidents who were on the first board of trustees. And it was a very small institution. There were about seven or eight scholars. But they were doing back then, which was in 1917, pretty much what we have been doing for a hundred years. And that is to bring the discipline of scholarly research to public policy of issues, and then based on that research, fact-based, nonpartisan, intellectually rigorous to a set of prescriptions or proposals to the United States government. Started out just being the executive branch, but it branched out to the legislative branch, and over the years to the states and mayors' office and to civil society and non-governmental organizations. That are that play in the realm of public policy. One of the things that has been a kind of a signature of Brookings is that we don't have a literal revolving door, but we have a virtual revolving door between the think tank world and the government. We always have Brookings scholars, no matter what kind of administration it is, republican, democrat, or Trump, which is a new kind. For example, we have one of the world's best and most respected experts on Russia, Fiona Hill, who is the Senior Director of the Russia and European office in the White House. And

we have others who are consulting on a weekly basis with people in various agencies and departments.

JOHN R. ALLEN: A very important point about the think tanks will do in the future is, as Strobe said, think tank is a simplification of a much bigger purpose that they serve, institutes for public policy research is really what they do. We have a real challenge in the future, because generally these kinds of organizations can begin a conversation on an important subject. They can join a conversation on an important subject. Bore at some point in that process, they can offer prescriptions for how to solve an enduring problem, or an emergent problem. Beyond the motto of Brookings which is about independence, quality, and impact, the challenge that we have today, I think is much more in the context of what some people have called the post-truth society, where there are so many different inputs into the lives of young men and women like you all. Social media, I hate the term, “fake news” , but alternative facts, which was coined recently, have caused such a loss of confidence, frankly, in streams of information, and such a sense of insecurity about what in fact is true and what isn't true. That would simply tell you that institutions like Brookings and other institutions like that have a rare opportunity at this moment of a crisis of confidence and information to help quiet that crisis. So there are, as I said, three if you will segment to our motto: independence, quality, and impact. But there needs to be a fourth, and it's penetration. Because institutions like Brookings can't just write and post, and leave it for people's curiosity to go find a Brookings' product. In the twenty-first century and as for think tanks in the future, we need to find a way where we can increase the aperture of the spread of the information, and the depth by which we can continue to offer legitimate, high, quality, research based on fact and data, to help young students to form constructive views on the world, and help policy makers to form constructive solutions to our problems. This is the unique experience, an opportunity for think tanks in the future. But unless we master the capacity to compete with the penetration through social media and the internet, with alternative sources of information, unless we can compete in that realm, and it doesn't make any difference how good our

scholarship is, it's just going to sit out there, and we need to find some way of penetrating into that morass of information that is coloring the minds of our leaders and our youth, in order to be competitive with the fake news. And in a post-truth society I would say the thing to think tanks have never been more important.

QUESTION: Thank you very much gentlemen for coming. I'm Michael Peterson from the United States and the University of Delaware. My question regards to the term "pivot towards Asia" that's often been used in 2014. There was a summary on senior fellow Kenneth Lieberthal essentially talking about his discussion between reinvigorating their relationship with Asia, rebalance, or pivot, and his stress on the importance of how those words indicate American military strategy towards Asia, and the dedication towards fixing or repairing or improving that relationship. Mr. Allen, from your position in the military, and also where you sit now, what's your perception on how much those words matter? And if they do, what do you believe is the best one to communicate?

JOHN R. ALLEN: Sure, it's a great question. I think, first of all, the U.S. really failed to adequately explain this term. First of all, everybody began to use different terms, such as "pivot". But we fail to explain adequately what the intent of the United States was in a re-emphasize of America in East Asia. Because we didn't adequately explain it, lots of other people did, and they all made it about a military pivot, and then it was left for others to interpret that that military pivot was simply to confront China. The truth was that the intent by the United States was to pivot our interest as a Pacific nation in east Asia after having them for many years focused on the Middle East and Europe. So there was a diplomatic re-figuring of our equation, a political re-figuration of our equation, as we sought to strengthen relationships and to build new ones, and economic reconfiguration of our relationship, and then there was a military component as well. Absent a clear articulation of those other aspects of the "pivot", we left unfortunately the explanation to those who didn't fully understand it, or those who sought to make the military pivot, which frankly

never occurred either, the principal reason for the United States to demonstrate a desire for increased American influence in the region after having by and large vacated that relationship for some period of time. So “A”, the U.S. never adequately articulated what the president's intent was. And in the absence of that, the worst possible conclusions ultimately were drawn by our partners out here in Asia, Some who were looking for a greater military presence didn't see it and thought we had failed them. Some who heard that it was coming felt that it was an American confrontation. And that didn't emerge as well, and then in the end, because it was a policy that was never fulfilled we had all the worst outcomes it could have imagined from it.

STROBE TALBOTT: And one of your “Cs” is “no containment”, right?

JOHN R. ALLEN: There are four positive “Cs” and one negative “C”. So I'm going to get kind of scientific on you here. But the one negative “C” is be careful what you say about relationships in the region, because it can inadvertently communicate the intent to contain in this case China. And we've got to be very careful about how we articulate our relationships to prevent that being the perception, which then drives us into potential for confrontation, and then beyond that the potential for conflict. And we've got to manage that very carefully.

QUESTION: Thank you so much. I come from Germany. Mr. Allen, I think it was you who spoke to the importance of the international community coming together with an earnest will to redistribute resources in order to combat large scale migration flows and terrorism. However, it seems to me that the international community and the international power system currently very much relies on the inequality of resource distribution internationally. So I was wondering whether you could speak to how feasible you assume it is that such a resource distribution in the long term can actually be achieved.

JOHN R. ALLEN: It's a good question I may not have phrased it clearly. I'm not necessarily talking about a resource distribution or redistribution. I'm

talking about and application of resources to resolve some of the problems that we have found in other words to help governments to build capacity, to help to stimulate economic opportunity, to help to stabilize the security environment in various countries. And Germany frankly has been quite a leader in that process. During the counter, I saw coalition. It was a German Initiative within the strategy to counter ISIL that again German Initiative which want to make sure they get great credit for which was to stabilize liberated populations. In the aftermath of the fighting, we all recognize that the fighting only took us to a point. It was the rescue of populations through the accumulation and the application of resources in the aftermath of the crisis that would ultimately do two things: one, truly rescue the population, but also eliminate the underlying causal factors that cause them to embrace an Islamic solid fist terrorist organization to begin with. So I want to be careful that I don't convey that I think we'll have a great redistribution of global wealth. What I'm implying is that we have the capacity of a community of nations to apply resources to resolve some of the problems within nations that have caused instability, and ultimately large scale and widespread radicalization. There's a difference between the two. I meant the latter, not the former.

QUESTION: Hi, I'm Jordan Schneider, a former Brookings intern, and student of General Allen's.

JOHN R. ALLEN: In what capacity? Are you a former midshipman?

QUESTION: No, with the program with Kagan.

JOHN R. ALLEN: Now I recognize you.

QUESTION: I think I cut my hair or maybe it's longer. So my question is following up on the question over there about the future of think tanks in America. I'm sure you are well aware there have been a number of articles recently about outside influence on the independence of think tank research

in the U.S. And I'm sure you ask how you are holding that as you go into this position as a leader of America's most prominent think tank.

JOHN R. ALLEN: Well it's great to see again, thank you, I'll stop there. If I could ask the President Talbott just to talk a little bit about how the crisis emerged and how Brookings ultimately dealt with it, and then I'll talk about my view on the issue because I think it's important.

STROBE TALBOTT: I assume you're referring to late 2015 and also a couple of New York Times and other articles that came out in the course of this last year, is that right? I think it is a healthy thing that we in the think tank business are under scrutiny from the media. We have no secrets, and we need money and support from a whole array of institutions and sectors that can do that. That includes individual's wealthy and of individuals. I'm looking around here and I saw a portrait of somebody like that and we have some friends some of whom are on our board of trustees and we also go to big foundations, very reputable ones, we go to companies in the private sector, and we go to governments. What we also do is to make absolutely sure that the first word that came out of John's mouth when he talked about our motto is independence that we make it absolutely clear to the funder that we are going to decide how the money is used, who the scholars will be, how the product that comes out of the research is disseminated, and what those proposals and prescriptions are, and that we are not in any way beholden to a donor and we ask in advance that the donor accepts that a part of the transaction. Now there is always going to be what people on the outside and perhaps sometimes people on the inside, say, well, this is we're in a kind of gray area here. We try to minimize the gray area to a solid protective limitation on how much we do in any way letting the funder tell us what we're going to do with their money. And I think John has had already of having been around the institution for a couple of years. He's seen this. He will have an opportunity throughout his own presidency to make sure that we are absolutely, unambiguously independent in what we do.

JOHN R. ALLEN: What he said. It's going to be a major part of my commitment. On the morning of the six when I wake up, I'll be the President of Brookings. And very early after that, the entire institution will hear from me that independence is at the heart and soul of our credibility. It goes back to the question. If we are going to offer credible policy options, if we're going to participate credibly in the conversations which are so difficult today, then we have to both appear to be, and in reality to be, independent. And that's lots of other models, and lots of other thoughts, but if we're not first and foremost independent from external influence, whatever that might be, monetary, or political pressures etc., then we just become another source of information. And we simply can't permit that to happen.

YANG RUI: So John and the Brookings were not necessarily ushering in a new year a capitalism with American characteristics on the role the Brookings will play.

QUESTION: Thank you, I'm John from China Center for International Economic Exchanges (CIEE). It always seems to me that there is a gap between China and the U.S. about how we see the world is functioning and how the world should be functioning. And I'm talking about people from the academics or people with a good education background. my question is what do you think are the causes of the gap between these two sides and how it will shape the two powers in dealing with global governance, and whether this gap will finally get resolved and how? Thank you.

YANG RUI: My understanding of his question is that there is a big perception gap between the United States and China as to the world that is functioning and the world that should be functioning. What can be done by the two sides jointly in partnership to improve global governance?

STROBE TALBOTT: We the United States are always in what we hope and should be respectful discussions with other countries including countries that have been friends of the United States and allies of the United States are for

a long time. So it's largely a matter of having rational, constructive discourse with our partners. I am a total optimist that the U.S.-China relationship is going to skirt disaster for sure, like confrontation or containment, and it is going to overtime be, maybe not a straight line, but a trajectory towards collaboration with each other, particularly on the five or six megatrends that John was talking about as well as regional issues and economic issues. And I think the reason for believing that will be the case is that unlike the China that I visited in 1974, today's China has a stake in a peaceful world and a world where there are rules that all countries at least all respectable and responsible countries will adhere to. That is also the driving force in the case of the United States. So I think on that issue are we and China have a good future. I wish that other countries like Iran like Russia and others that I can think of would get with that program.

JOHN R. ALLEN: I would just add he hit most of the most important points. I would just add that people who propose the wide gap between the United States and China or the potential for conflict between the United States and China don't have a full appreciation for the depth of the relationship between the two countries at the human level first and foremost. And then as you began to expand from the human level, our economies are inextricably linked. They have been bound together for a long period of time. And yes, there are trade imbalances, and yes, there are currency issues. But all of those can be worked through. If you recognize that the inextricable relationship between China and the United States is one that I think will improve, given what Strobe said where it was in 1974 versus where it is in 2017, and where we as two great nations and two great powers can work together with common interests. The first "C", to find ways to deal with the oncoming effects of the megatrends. This I think is without being melodramatic, I think the great hope of humankind. If we remain at each other's throat sore, we find each other, we find ourselves at each other's throats. The dissipation of great strategic energy which could otherwise be put to the use on behalf of our personal relationships back and forth, but also more broadly, the community of nations will be a lost opportunity of historic proportions. I think as Strobe is, I'm an

optimistic individual. And I've been through some pretty bad experiences with global relationships and with war. And I actually want to see this relationship become the defining relationship for the 21st century and it can be. And I think if we work at this, we ultimately can find our way through most of these difficulties.

YANG RUI: We are so glad that the general from the American military has been so positive coming out of the so much animosity in the battlefield. I feel quite convinced. Thank you so much.

QUESTION: Thank you, I'm a reporter from Caixin media. I want to ask one question for each of the guest speaker. My first question goes to Mr. Talbott. I've noticed that there's a lot of chaos happening in Mr. Trump administration. Since Mr. Trump has a lot of different opinions with his Secretary of State Mr. Tillerson. And it seems that there's no major figure in the administration who handles specifically China affairs. So I want to know do you think this will affect the China-U.S. relations in a way of like sending mixed or confusing policy signals? My second question goes to Mr. Allen. In the Middle East the battleground and the military battle against ISIS is coming to an end. Because ISIS is losing a lot of territories there. Do you think that we are entering a post-ISIS era? Or in this era, what do you think will be the focus of the U.S. strategy in that region? Thank you.

STROBE TALBOTT: It's been a rocky start for this administration and this president. I do think as I mentioned before that there are people around him, people he put into office, people he trusts, who are helping him deal with the reality of being a president as opposed to being a candidate or somebody who was in show business. As for who has the portfolio on China, I think it may be the president. Because he takes personal relationships very seriously. He likes to think that his form of statecraft can be transactional, very much like what he has done as a businessman. And he's already started a transaction with your president at Mar-a-Lago, and it's going to deepen as a result of the summit that is coming up. And he also has Mr. Tillerson, and the

National Security Adviser and the Defense Secretary people who are, I would say, on the same wavelength. As to what I think, and I think John is pretty much in the same view, the most dangerous short term and maybe long term issue is the DPRK. And I would think that if the conversation between the two presidents allows for President Xi to make the case for giving diplomacy a chance and sticking with it, the president may soften the harsh rhetoric that he is hurled at Pyongyang.

JOHN R. ALLEN: With regard to the Islamic State, from the very outset, when we adopted a strategy to deal with this organization, we knew that there would be in essence three entities that would emerge. The other two were not as immediately apparent, but I suspected they were going to happen. And the first entity was what we called Core ISIL, which was the entity that existed simultaneously in Iraq and Syria. But as time went on, not surprisingly, it became what we called the Three-headed Monster, which was Core ISIL in the physical sense, provincial ISIL, where its black flag was raised over a number of Salafi jihadist organizations that already existed, because on June 14th, Abu Bakr al-Baghdadi did something very powerful in the Grand Mosque of al-Nori, the Mosul, he declared something called the Khalifah. And the Khalifah gave a spiritual and international connection to these entities that could not otherwise have existed, if Daesh simply had remained the highly well-organized criminal network, which is really what it was, a terrorist network. So what we see is the central or Core Daesh. We see elements overseas which swore fealty to the central element of Daesh, the second head. And they're everywhere. They are in North Africa, in Libya, in the Sinai, in the Arabian Peninsula, in the Caucasus, in the afghan Pakistan area, probably there's one emerging in the Philippines. We're going to have to deal with those now that we're defeating the core of ISIL physically in Iraq and Syria. We're going to have to deal with these organizations in not a full coalition manner, but in a local regional coalition manner to deal with Boko Haram for example. Each one will require a different strategy. Each one will require different partners. And we can't get to all of them simultaneously. That's the second head. The third head is the one that I worry about the most.

And that's the global network that has emerged as a direct result of this organization and in a manner far more effectively and far more variably than al Qaida. Daesh has embraced technology especially in scripted commercial, off the self shelf communications technology that has given them a connectivity globally to plan the capacity in a symbiotic relationship with highly organized criminal networks to move and ultimately at the tactical level to attack, and not beyond our intelligence screens at all because of the nature of their increment encrypted communications. So three entities, the core which looks like it's on its back heels, and it's about to be finished off, that'll mean we have a lot of foreign fighters now fleeing from the region headed home a terrorist problem the distant provinces the will I at which will have to deal with overtime. And then ultimately the network which I think threatens us for a very long time, to include China actually. So this requires now a comprehensive long term strategy and it goes back to my point originally if we choose only ever to fight solely for Jihadi that's all we'll ever do. But if we choose as a community of nations to try to deal with the underlying factors that radicalized the people that push them into the arms of Salafi jihadi, then we can diminish their capacities and their influences and ultimately their touch around the world. And that I think is got to be the strategy that we ultimately embrace.

QUESTION: My name is Edward, and I'm from be BFSU. I have a quick question regarding to the Nineteenth Congress that President Trump called the congress as a coronation and he started calling President Xi as the king of China. So how do you think that would affect the relationship between the two nations in the years to come and if you can assess how many years do you estimate that the two would have to deal with each other. Thank you!

STROBE TALBOTT: I didn't see those statements from the President. I would hope this would be a very ephemeral moment from a very long distance between the two men and the important communication is not whether it was a tweet or something like that. The important conversation is going to be the one that is face to face.

JOHN R. ALLEN: And my guess will be the president Xi will be able to convince President Trump that he is not the king of China. That's my guess.

QUESTION: Thank you for your talk. My name is Wilfried and I'm from France with the Schwartzman scholars. My question goes by your point in which you mentioned around the beginning about how because of populist and secessionist trends, the European project after seventy years is facing the threat of unraveling and these popular trends have been partly fueled about by what many see as inflexibility of the European union in the way it functions and so essentially my question is how do you believe the European union should be reformed in order to stay relevant and continue as a going concern?

STROBE TALBOTT: I think that by whose the European Union if it is going to survive this crisis and many Europeans have used the phrase "existential crisis" that it is going to have to reform itself. That's going to have to lessen the democracy deficit and individual countries, and the EU are going to have to rethink issues having to do with immigration which is of course been one of the disruptors. In all of this, I might add that we have a number of these -isms that you talked about in the United States. It is not going to help if people who are concerned about Mr. Trump's standing as a populist and ultra nationalist and so forth and so on. The other side as it were in our two-party system can not simply be anti-Trump. They've got to dig deep into the heartland of America and find out why so many people voted for Mr. Trump. These are good people. They're not deplorable. They have real grievances. And we in the think tank community, I think can be part of that solution namely taking another look at our country and a more holistic look and get out of the bubble. We confess to being an elite institution but that doesn't mean that we have to stay on think tank row. Our scholars will be out in the country between now and I hope forever under this guy's leadership.

JOHN R. ALLEN: We also breathed a huge sigh of relief with the election of President Macron. I think his views along with the Chancellor Merkel on where the EU should go with the reality of Brexit and the other political and

economic challenges will move us in the direction of the reforms which will strengthen ultimately the relationship rather than continue the process of its disintegration.

YANG RUI: Ladies and gentlemen I'm afraid we're coming to the conclusion of this meaningful and the lightning brainstorming session, one of the most exciting and beneficial ones that I've ever had as a host of Dialogue on CGTN or previously CCTV News. We have addressed a number of issues ranging from globalization, global governance, world order, the issue of immigration, refugee crisis, terrorism as well as the presidency of Donald Trump and the bilateral relationship, the most important perhaps in the 21st century between Washington and China. We do this discussion during the run-up to the first official visit by President Trump to Beijing and during this transition period of power transfer between Mr. Talbott and Mr. Allen with regard to the presidency of the Brookings Institution, one of the think tanks that I respect so much. Thank you so much and I believe if we can come up with a word, a critical one to characterize what we have discussed, I believe it's a partnership to cope with and manage by multiple challenges arranging from a traditional threat to unconventional animosity. It's what happens a process of equalization of globalization and re-globalization with the rise of nationalism, protectionism, and populism. We're going to see and I believe the brilliant students who are intended to be prospective leaders of the world who would help navigate the cost of a re-globalization will give your answers from your perspectives and I believe all of us have had a wonderful moment of a truly, genuinely beneficial dialogue here. Thank you so much, and thanks a lot gentlemen.

QI YE: Thank you. If I ask you to remain in your seats for literally one more minute. What an amazing dialogue. Thank you very much. Before I close this event, I would also like to take this opportunity to recognize several people who are with us today. Our dear Dean Wang has been with us the entire event and also several members of the Brookings China Council. Weimin, Xiaodan and several of us here thank you very much who are strong

supporters of Brookings and Brookings China Center and also Brookings-Tsinghua Center. And Brookings has a century long development in serving the public by providing evidence-based policy recommendations through the independent, quality and impactful analysis. We're talking about global governance today. Entering the second Century, Brookings has been moving from serving and helping governments make sound and evidence-based policy-making towards improving governance. The future we know is full of grand challenges. We have heard about megatrends. I'm not going to add a word to this wonderful discussion. The future of the world is on your shoulders. We have so many new faces, our future world leaders. We would like to thank you very much for your participation, and finally a big round of applause to our host and two great leaders. Thank you very much.