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Center for American Progress

SPECIAL PRESENTATION

**“A CONVERSATION ON NATIONAL SECURITY WITH
SENATOR CHUCK HAGEL (R-NE)”**

OPENING REMARKS BY:

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DISTINGUISHED SPEAKER:

SENATOR CHUCK HAGEL (R-NE)

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MR. JOHN PODESTA: Good morning, and for those of you who were here earlier, welcome back, and for those of you who just got here, thank you for coming. I'm John Podesta. I'm the president of the Center for American Progress, and I want to thank you for being with us.

It's really a great pleasure to welcome you to this "Conversation on National Security with Senator Chuck Hagel." It's an honor to have Senator Hagel here to speak about national security challenges that our nation is currently facing. More than five years after the United States' invasion of Iraq, and well over six years after the beginning of combat operations in Afghanistan, the United States faces numerous challenges through its national security interests in the greater Middle East, and significant hurdles in dealing with other diplomatic, security and humanitarian crises around the world.

In a minute or two, I'm going to turn the podium over to Larry Korb to give Senator Hagel a proper introduction. But I do want to say at the outset how much we all respect his fierce integrity, his dedication, his courage, his honor and his probity. And I think – I'm not looking forward to a Senate without Senator Hagel in it, but I am looking forward to your continued public service. And thank you, Senator Hagel for that.

He has been an outspoken critic of the failed tactics in Iraq, and a tremendous advocate for our men and women serving, and who have served in our armed forces. From his position on the Foreign Relations Committee and the Select Committee on Intelligence, Senator Hagel has been a leading voice for charting a new, more effective course on foreign policy, one that integrates all of the national security instruments in our arsenal, not just military might. He has said that our foreign policy should reflect the hope and promise of America, tempered with the mature wisdom that is the mark of our national character.

Recently, he's written a book, *America: Our Next Chapter: Tough Questions, Straight Answers*. My job here this morning is to tell you to go to Amazon.com and get that book. (Laughs.) It's really a must-read. It's a straightforward examination of the current state of our nation that provides substantial proposals for the challenges of the 21st century. We look forward to hearing his ideas about how to best steer our nation's foreign policy – steer out nation's foreign policy in a new direction.

But before Senator Hagel speaks, my colleague and friend, Dr. Lawrence Korb will set up today's conversation. As most of you know, Larry is a senior fellow here at the Center for American Progress and one of the most respected national experts on defense issues. He's spoken frequently about the strains the war in Iraq is placing on our ground force. And he's the author, along with Brian Katulis, of the Center's Iraq Strategy, "Strategic Redeployment," our four-point strategic agenda for Iraq, and also

“Strategic Reset,” a more recent document on where we need to go with respect to Iraq. He also authored our Quadrennial Defense Review.

Prior to joining the Center, Larry was a senior fellow and director of National Security Studies at the Council on Foreign Relations. In addition to serving at numerous other think-tanks, Larry served as assistant secretary of defense for Manpower, Reserve Affairs, Installations and Logistics from 1981 through 1985. He actually administered 70 percent of the defense budget in that role, and probably we’re going to need him back to figure out what we do going forward.

For his service in that position, he was awarded the Department of Defense Medal for Distinguished Public Service. Larry also served on active duty for four years as a naval flight officer and retired from the Naval Reserve with the rank of captain. Having served in Vietnam as an official in the Pentagon and in academic and policy positions, Larry is uniquely equipped to speak about the military and our foreign policy. He’s published over 20 books, 100 articles and 100 op eds.

So please join me in welcoming Dr. Larry Korb. (Applause.)

MR. LAWRENCE KORB: Thank you, John, for that very kind introduction. Let me join with John in welcoming you here today.

In life, we come across people who have achieved a number of things. We know people who are very brave on the battlefield; we know some who exhibit bravery or political courage by telling the truth to power; we know people who are successful in the executive branch, some people successful in the legislative branch; we know some people who do very well in business; we know some people who are great talk show hosts and have an awful lot of things that they’re able to do; and we know some people who are terrific writers.

But today, I have the privilege of introducing my old friend, the senior Senator from Nebraska, Senator Chuck Hagel, who has simply done all of those things.

As you may know, Chuck and his brother served with the Ninth Infantry Division in Vietnam, and he was awarded two Purple Hearts. And basically, as John pointed out, he’s exhibited tremendous courage in speaking the truth to power when it comes to dealing with issues like Iraq particularly. I saw him on one Sunday morning talk show, and the host said to him, what you’re saying is opposed to what your president and party stand for. And I remember listening to this, and he said, listen, when I was in Vietnam, I promised that if it ever happened again, I wasn’t going to let party or politics stop me, so that’s why I’m speaking out.

Chuck and I served together in the Reagan administration. He was the number two official in the Department of Veterans’ Affairs. And then he left government to start in the early ‘80s – what I never heard of, maybe some of you did – cellular phones – (laughter) – the Vanguard Cellular Phone business. And then he left, and did very well in

what we call the nongovernmental organization sector, NGOs. He was the head of the USO. And not only was that a great organization, but when he took it over, it was about to go bankrupt. And stop and think where we would be today, if we didn't have the USO to help people serving all over the world.

I'm always – when you come into the airports in the United States or overseas and you see the USO, and I can imagine these young men and young women coming home from the front and having that aid, and we owe it all to Senator Hagel, who basically saved that organization. And then of course, he was a radio show – again, I thought I knew him pretty well. I did not know you were a radio talk show host in Nebraska when I Googled everything yesterday. And then he also was in the private investment businesses before getting elected to the Senate.

And again, let me say this. Many people, when they get elected, say, I'm going to serve two terms, but then they get here and they change. This is a man who said he was going to serve two terms, and that's what he's done. I think that will be the Senate's loss, and hopefully, as John says, that we can find other avenues for public service for him.

And then finally, as John mentioned, he's written a terrific book, which I urge you all to read, and I think this summarizes *Tough Questions and Straight Answers*, because the next administration, whoever it might be, is going to have some very, very tough issues to deal with. I think whoever takes over in January 2009 is going to be faced with questions as daunting, I think, going back and looking at it as we did probably in 1969, when Richard Nixon came into office and we had close 600,000 people in Vietnam.

Let me read one thing, a comment about this book, and I think it summarizes everything we should say about Chuck Hagel. The *Los Angeles Times* praised his bold positions on foreign policy and national security and wondered, what's not to like? Chuck, welcome to the podium. (Applause.)

SEN. CHUCK HAGEL (R-NE): Larry, thank you. John, I appreciate very much you giving me an opportunity to share some thoughts. I'm most grateful that you would shamelessly plug my book – (laughs) – but I am a shameless politician, so it fits. I acknowledge a long-time friendship with Larry Korb, which I have much benefited from and been enriched. Those of you who have had an opportunity to be part of the larger universe of foreign policy, national security issues in this town who have come across Larry over the years, I think would share that analysis. So for his continued efforts and contributions, thank you. He's the real author, obviously.

John, thank you for what you have done here in framing a new institution that I think is particularly relevant at one of the most defining times in the history of our country – I think the world – and I want to address a little bit of that, and we'll spend some time on questions, whatever you would like to offer.

Maybe the book is a good jumping off point in how I want to take a few minutes to frame up some of my thoughts on our country and the world, and what is ahead. I

wrote that book because I didn't claim any great sense of profound thinking. I'm incapable of that. I'm a senator. (Laughs.) But nonetheless I – over – almost 12 years in the Senate and the other things I've done in my life, as Larry mentioned some of them –, because we are all products of our experiences and our environments and where we come from – we come to some confluence of thought and ideas about the world around us, about specifics.

But I've had the great benefit of serving on the Senate Foreign Relations Committee for 12 years, which has given me not just a platform to speak, but more importantly, to listen and to observe. And I wanted to write a book that, if nothing else, attempted in a cogent, clear way – and I'll leave that up to the readers as to their analysis of whether I achieved that objective – that interconnected the world, that connected the great challenges of our time, that took an entire frame of reference of the biggest challenges facing our country – but not now just our county, but the world – in an interconnected way.

For example, we can't talk about the environment without talking about energy, and we can't talk about energy and the environment without talking about the economy. And we can't talk about those three things without talking about stability in the world, America's competitive role in the world, what our entire arc of interests are employing, as John noted, all instruments of a great nation's power, not just military. And we know that certainly, over the last seven years, it had been brought home very clear to us that when you overload the circuits of a nation, when you overload the circuits of any part of a national security apparatus, specifically our military, something will happen, that we can't do that.

Military power alone will not achieve the great objectives that are going to be required to meet these new 21st century challenges. It's going to require a 21st century framework of thinking, of policy-making, of structuring. And that's what is facing the next president of the United States. I don't think any of these problems are so big, so overpowering, that we can't deal with them, although I think we're getting closer to the time when the United States in the world will be in such a deep hole that we probably can't get out of.

So I wanted to write a book that addresses all of these issues, and I take 16 chapters to do it. And I talk about everything from generally foreign policy to more specifically, the Middle East, the relationship with Iran. I didn't think I could write a book on these kinds of things, especially during the time I was in the Senate, without addressing Iraq rather specifically, and I do in two chapters. I talk about some things maybe many people have not heard about, how the resolution to go to war got written. And there are always machinations and maneuverings and other dynamics that many of you know, because you have been at the peak of power in this town, and all that was part of it.

I talk about in one chapter, which I have said and addressed many times over the last few years, entitling it "Where was Congress?" I think Congress has, over the years,

essentially abdicated much of its responsibility over the last five, six years. I think that's changing for a lot of reasons. I talk about politics; I talk about citizenship, because I think we have disconnected in this country in a very dangerous way from citizenship.

What is the responsibility of a citizen? At the time when we're asking less than 1 percent of our population to bear all the burden, make all the sacrifices, do all the fighting, do all the dying, and the rest of us get tax cuts – we think we're doing our part by putting a bumper sticker on the car to support our troops. And of course, the coup de grace is you have to have a flag in your lapel if you're a real American, and those of you who don't, you're not a real American, and you should testify in public as to why you're not wearing a flag. It's that kind of nonsense that we have allowed to define our politics and our country and our issues.

Now, hopefully, once we get a Democratic candidate for president, we will get on some higher ground, out of the underbrush. We'll have two serious candidates for president. Each of those candidates will have to define how they see their future, our future, the world's future, and what they're going to do about it. And it will be across the board. I talk about entitlements. I have a chapter on entitlements, because I think that is as big a black cloud looming over the future of this country as any one thing. I talk about trade. I'm one who thinks trade is important, and I have always believed that. I think it's clearly in the interest of American stability in the world.

Other chapters – but I try to connect all of these together in some cogent way, and of course, you can't do any of this without also addressing the budget deficits. We've run up a third of the nation's debt in the last seven years. We are going to have to deal with that within the framework of where our resources are today, where they will be, and what resources we have, meaning as one of the points in the front of my book, the answers and the challenges and the questions, that means eventually having to make some tough choices and some hard decisions, where we are going to prioritize the interests of this country.

Then I end the book by trying to summarize it in a way. I talk about leadership, but not in the sense of maybe picking up a Hallmark card about leadership. Leadership is about virtue and being good and honest and open and so on. That's true, but it's more than that. How do you apply all that? How do you take those virtues of character and honesty, and what we hold to a high standard of leadership and a high standard of expectation in our leaders, and how do you apply that? What does that mean?

I'm glad we have all these virtuous people, but what does that mean? I've known a lot of virtuous people that were basically incompetent. So competence does count, certainly character – I've always believed character and judgment are the two indispensable requisites, character and judgment. And I'll take character and judgment over experience and money and good looks, and everything else. Judgment defines the success of a president, the success of any of us in our personal lives, everything.

And I do it in a way that I hope I have a little fun with. I hope the book is kind of fun. As I call – throughout the book are my own – some of my own personal experiences. I didn't want to write an autobiography because I don't think my life's been that interesting, but I wanted to reference things along the line – some were kind of funny – that influenced me, how did I get to where I am on the war or a number of things. Well, hopefully, I'm informed; hopefully I know a little something about what I'm talking about; hopefully, I'm articulate enough to put a thought together.

But like all of you, all of us in life, we are shaped and molded and framed by those experiences. And I talk about some of the people who had the most significant impact on me in my life. And then I end this by – actually it's the title of the chapter, "My Mount Rushmore," and I talk about if we were building a new Mount Rushmore today or we were adding on to it, who would be on your Mount Rushmore? Maybe no one, you would add to it. Maybe you'd take some of them down. Maybe you'd take all of them down. I keep the four. I know you'll be pleased to hear that. (Laughs.) But then I add three new people and I explain why I add those three people, but in the course of that, I also talk about some of our presidents and past leaders and what their most significant contribution has been to our country.

And even though, as we all know, we are all imperfect; we all stumble; we all make mistakes and that's a given. We try to get up, do better, learn from it. But every president we've had has made a very significant contribution in some significant way. Partly, it was the moment; partly, it was the stars aligned to do that; partly, it was leadership; partly, it was a lot of things. So I go back and I talk about some of our past presidents, recent presidents, who have made – some of them even considered failed presidencies, but a couple of the most significant contributions they've made to make this a better country.

And if there's any magic to America, certainly it can be coalesced in that one statement. The magic to America has been that each generation of Americans has left the country better, has left it stronger, has left the world stronger in spite of all the mistakes we've made, and we've all made them. But we just continue to keep asking tough questions, and we keep challenging our society to do better, and we keep providing answers and solutions and tough leadership to keep moving it forward.

I just came back last night from Europe where I had a couple of speeches, and I was noting that one of the issues here for America over the next few years, certainly for our president, will be to construct not just a foreign policy, but a society that doesn't judge the world every day on the basis of a 2008 America. So we apply 2008 American standards to Russia, to China, saying, well, they're not like us. That election was really flawed.

And I occasionally acknowledge that half of the people in this room didn't have the right to vote in America less than 100 years ago. As you all know, it was the 19th Amendment, ratified in 1920, that allowed women to vote. I doubt if Barack Obama

would be in the position he's here today without the laws that were passed in the mid-'60s, the voting rights laws, civil rights laws.

So we've continued to make progress. We have a long way to go. So we have to be a little careful that we don't preach to the world, and then take our standards – and of course, we all know when this great nation was founded, there were very few people in this country who had any rights. So we've made progress, and that's really been the magic.

And I try to bring this all out in a way that gives it some historical perspective to where we've been, anchor it with that, because I think you can't write a book or can't talk about policy, or certainly, you'll get yourself in a lot of trouble, I think, as has been evidenced by some of the recent policies in Iraq and other places, if you don't know a little something about history.

If some of these people in the White House, in the Pentagon, would have read just a couple of books about the Middle East, about Central – I don't mean a volume or sit and think too much, but just a little bit of reading and focus and discipline, I think would have given a little different perspective here. But I need not continue to beat on that anvil. I think that's now fairly accepted in America.

The point is this – and this is as much the reason too I wrote the book – is how do we go forward? We're not going to go back and unwind where we are. We are where we are, in Iraq, everywhere. The next president is going to be faced with an inventory of problems and challenges like I believe no president in modern history, because if nothing else, it isn't just confined now to the shores of America, as I noted in some of the earlier examples, environment, energy, the economy.

We're now all interconnected in this global community of 6.5 billion people, and when you further examine that demographic, about 40 percent is under the age of 19 years old. And when you further examine those numbers, and when you look at the regions of the world, the most troubled regions of the world, there's where the largest populations of these young people are.

So what we have here partly is a world that doesn't know America. So the first part of my book – I think the first two or three chapters – I think I headlined it “Reintroducing America to the World.” I think that's going to be as big an objective, assignment, the next president is going to have as any one thing. And the next president can work, as we all know, a number of parallel tracks, and the next president will have to: budget issues and priorities here in the United States, a lot of things.

But reintroducing America to the world will be as important as any one thing this next president has to do, because if we lose the next generation of the world, the problems will then be so immense that we'll never be able to get out from under them. These troubled areas of the world are the world's areas, and people, and populations that did not benefit from the great strides of the last 60 years.

When you think of the accomplishments that we have achieved for mankind in the last 60 years, all unprecedented, historic, science, medicine, technology, you name the area, astounding. These are the people that were left behind, no rights. This is where we're going to have to put an awful lot of our attention.

Now, we can't fix the problem alone. Once again, this is now a global issue. And when you look down through that inventory of global challenges, wherever you go in the world, my guess is you will find within the top 10 list, whether it's in my state of Nebraska, or whether it's Portugal, China, wherever, proliferation of weapons of mass destruction, terrorism, extremism, endemic poverty, environmental issues, food, water, pandemic health issues, and probably the most insidious and difficult to deal with, but one we're going to have to deal with – we're dealing with now; we just kind of defer it and act like it's not there in many ways – is despair, because when people are chained to a cycle of despair, not much else matters in their life.

And I don't necessarily link terrorism with despair and hunger and poverty, but we do know when man is without dignity and no hope for his or her family or future, not much else matters in life. And it's taken us, for some strange reason, hundreds and hundreds of years to reacquaint ourselves with that.

And that doesn't mean military force is not important. Of course it is; of course it is. But as General Petraeus said in one of our hearings recently in the Foreign Relations Committee, there is no military solution to Iraq. Well, of course there's not. The military guys understand that, as Larry does, more than anyone because we've put all the burden on them, all the burden on them.

That's why Bob Gates gave the speech out of Kansas State, the Alf Landon Lecture about two months ago, when he said – spent a great deal of his speech talking about why the State Department needs more funds, needs more resources, needs more attention, needs more focus. And one of the points he makes, which is a very vivid example of how bad a shape and how out of balance we are, bad a shape we are over in the State Department and our diplomatic core, he says – he said, I've got more people on a carrier battle group than the entire State Department has when you total up all of its foreign service career officers.

Now, what's the front-end of all this? The front-end of dealing with every challenge I've talked about is not the military. The military should always be the back-end; it should be the last resort. The way you deal with these great issues that confront all of mankind is seamless networks of intelligence sharing and gathering. That means alliances; that means relationships; that means strengthening those alliances. They need renewing.

When Eisenhower, Truman, Marshall, all the great leaders after World War II, essentially defined in about a 10-year period defined 50 years, the next 50 years for the world, that was defined in that 10-year period after World War II. Coalitions of common

interest were built: NATO, the United Nations, IMF, the World Bank, General Agreement on Tariffs and Trade, which is now WTO, dozens of multilateral banks.

George Kennan came forward with the concept of containment. It's gotten roughed up over the years, but I actually think there's an awful lot to say about containment. We did not go to war with the Soviet Union. And I suppose if Eisenhower was alive today, he would be most grateful for the fact that we've not had a World War III, and certainly, he would be most grateful for the fact that we have not had a nuclear exchange.

That's what consumed those leaders after World War II, if you go back and read any history of this. That's why Eisenhower did what he did. And actually, it was his concept, the IAEA, and "Atoms for Peace," and bringing the Soviets along in this, understanding that the way we were going to resolve the next 50 years was not through the continuation of the first 50 years of the 20th century.

So these coalitions of common interest were built with one very specific reason in mind, common interest. We defined our relationships, not by our differences, but by our common interests. Do we have differences? Of course we do. We have differences with all nations. Every nation will respond in its own self-interest. That's good. That isn't bad. If for no other reason, it's predictable. You have some constancy to that.

What's dangerous is when you don't know how people will respond, and partly, that's when you don't resolve it, when you don't engage people, when you don't engage Iran, for example. There's unpredictability and there's miscalculation, and there are all kinds of dynamics that fly around in that kind of nonsensical world, and it doesn't make the world more peaceful and it makes it more dangerous.

So as we frame these issues up, this is what the president will be dealing with in January 20th of next year, and that president will be dealing with that for the next four years. The next president, or if this newly elected president gets eight years, that president will be dealing with it.

We need to restructure our government; we need to restructure our systems. We need to reverse the optics, not just how we see the world, but why does the world see us? I don't have to tell anybody here about where America's standing is in the world regardless of the poll, regardless of the country. The positive view of America is at an all-time low.

We also have to accept that our relationships with other countries are maturing. There are different kinds of relationships. The South Korean-American relationship is a good example. They have matured. This isn't 10 years or 20 years or 30 years after the Korean War. Our relationship with Turkey is developing in a different way. That doesn't need to be, or certainly mean that we need to be disconnected or less of an ally. It means that the world is shifting and changing. Our alliances are shifting and changing.

Dynamics are shifting. And I would even go so far as to say that I believe we're living through one of the greatest transformational times in the history of man.

These big times come usually, as history shows us, a couple of times in 100 years. They come in different ways, but they always come as a result of a confluence of dynamics out of our control. The human condition always – always – will dictate those. The human condition always dictates those.

Probably two of the most specific, defining moments that projected where we are today in the redefinition of where the world is, this transformational time that we're living through, was 1989 with the beginning of the implosion of the Soviet Union. The Berlin Wall went down. And the second was September 11th, 2001. Those two events have shaped almost every action our country, the world, has taken or responded to since those days.

So we are redefining – just like those 10 years after World War II, we are essentially redefining much of the world. Now, when we talk about redefining the world order and structure and so on, you say, well, but Senator, the United Nations is a failure; it can't do anything; it's corrupt; it stumbles along. NATO is about ready to break over Afghanistan by bringing too many countries in that weren't prepared to come in. So you can pick apart every institution; you can pick apart every one of these agencies, and say, well, that's true.

But step back for a moment and understand not just the concept of common interest. You build these relationships not on a zero-sum basis. Everything good for America is everything bad for Russia, and we tried 50 years of that in the first half of the 20th century. That's why Eisenhower, Truman, Marshall and others built a different kind of a world.

But the second dynamic of that as to why that occurred, the restructuring, the way they did with these institutions, it gave some boundaries; it projected some boundaries – nonproliferation, that issue, the Nonproliferation Treaty. Do people cheat on treaties? Yes. Do they cheat on agreements? Yes.

But what you have when you've got treaties, when you've got institutions, when you have some structure, you have some boundaries that nations are then obligated to, and have expectations to address and live within and comply with those standards. Again, it's all imperfect and people cheat, but at least you have defined some boundaries here.

When you have no boundaries, like was the situation in the first 50 years of World War II – or the first 50 years of the 20th century, then it's pretty predictable what's going to happen, and it did. That's what we're living through today, and if you need any further evidence of the greatest diffusion of geopolitical economic power that's underway in the world today, just review where some of the world's largest financial institutions went to recapitalize over the last two months – three months: the Persian Gulf and Asia.

Now, with those sovereign wealth funds, not just the government funds, but the private wealth funds certainly coming – because of the new center of gravity is now much about energy. Well, why is that? That's pretty obvious. It didn't take a brainy person to figure that out. Energy is the engine of growth. You can't grow an economy; you can't grow jobs. You can't grow opportunities without energy.

So what nations are going to be, for the foreseeable future, the most powerful, the most influential nations in the world? Those with those kind of resources. So our financial institutions go to the Persian Gulf and Asia to get recapitalized, investment coming into this country. And that investment in this country is pretty important, because when you look at our debt, you realize that we need \$2 to \$3 billion a day of foreign investment coming into this country to buy our Treasury bonds, because we can't afford to pay the interest on our own national debt – just the interest on our national debt, by the way, which we've spent more on than we did Medicaid last year, just the interest on our national debt.

With all that new wealth and that diffusion of power is coming a whole new dynamic and center of gravity with influence in the world.

Now, I'm not one who believes that the 21st century needs to be the backside of America's future. I don't happen to accept that, nor do I accept that we are preordained to be the greatest civilization on earth, and God will always protect us, because God made us and he wants us to bring Christianity and democracy to the world. I don't accept that either. I don't think the world has worked that way.

Arnold Toynbee, I think, the greatest chronicler of history ever, and I quote him a couple of times in my book and one large volume – and he wrote many, and many of you have read most of his things – the *Study of History*. It's a large book, a lot of pictures, a lot of maps. It helped me get through it and I don't confess to reading everything he said.

But he said about civilizations, his study of civilizations, which I think is very relevant to today – civilizations are movements; they're not conditions. They're voyages; they're not harbors. Civilizations commit suicide; they're not murdered. Oh, interesting. When you think about proliferation of weapons of mass destruction, the environment, we certainly have the capacity to commit suicide for humankind, if we're not wise enough to put this back together in some structured way to get along, build alliances, have relationships and depend on each other, because we are interdependent.

You don't need much more than to review the fact that we now import about 60 percent of our oil; 70 percent of that is used for transportation. Each year, we become more dependent. We're dependent on the world, and a politician who says, we're going to be energy independent. Oh, come on. We're not going to be energy independent. We can have a heck of a lot more energy security. We can do that, but we're doing these things to ourselves. It's what Toynbee talked about when he said committing suicide.

And then he said this, the last point, and I'll end with this. The one consistent dynamic in the history of man has been the dynamic of challenge response – challenge response. It's how civilizations, countries, government, individuals have responded to challenge. When you think about that, it's pretty simple, but it's exactly right. It is the essence of everything. Each one of us in this room, every day, we are challenged. We are challenged in our private lives, public lives, everything.

And how we respond to that affects everything. And how a civilization or a nation responds to these new challenges is going to have an immense impact, certainly on my junior-in-high-school daughter and my freshman-in-high-school son. We have got to turn so much of this around. We can, I believe we will, but it's not preordained.

And this is all at a time when the world is more competitive today than it's ever been. And we should welcome that; we should embrace that; we invented this. We invented trade; we invented making a better life for more people. If for no other reason, it's certainly in our selfish interest. When people have higher standards of living, when they're making progress, when there's more hope, when there's more opportunity, that means more stability. That means more security, and that very much is the center of gravity for so much of what we're going to be dealing with over certainly, at least the timeframe of a generation, probably 20, 25 years.

Well, I'm hopeful about it. I think we can turn it around. It is going to depend a tremendous amount on leadership and the wise, wise leadership of the next president's ability to bring wise, smart people around. And I think that's going to require a consensus of governance that we've not had for a long time. I think it's going to require a bipartisan cabinet, a real bipartisan cabinet, a reaching-out to the Congress of both parties.

I think the American people want to follow an honest, competent, accountable president. I think the world wants to trust a purposeful, honest, open America. It's there for us, but it's a defining time in our world. It's a defining time in our history, but we're up to it. Thank you. (Applause.)

MR. KORB: The senator has agreed to answer questions for about 15 to 20 minutes so whoever wants to ask a question, please raise your hand and identify – wait for the microphone and then identify yourself. Yes, sir?

Q: Senator, I'm Ned Lamont. I'd just like to say, first of all, I hope that next president thinks about you as part of that wise council.

SEN. HAGEL: Thank you.

Q: And if you were in that role, what would you suggest to the president? What would be the first country you would suggest that he or she visit, and what would you say?

SEN. HAGEL: Well, I don't know if I would give the next president necessarily a prescription or a game plan on the first country, but I would do this. I think the next president, in the first six months of his or her term, needs to set up three opportunities worldwide in three obviously different regions in the world, to reach out to those areas. And I would certainly make it areas not just reinforcing current alliances or good, strong relationships we have now, but I would emphasize some others that we have allowed to, if not atrophy, come right down to it, and certainly let the hinges get pretty rusty.

Russia is a good example. Russia is going to be a very, very critical part of the world's future for – certainly, for the foreseeable future. That relationship is critical to us. China is critical to us. I talked specifically about these relationships in my book. I have one chapter on China, India. Those are obvious areas for obvious reasons.

But I also think we have disregarded Latin America, and I think we've got a lot of problems in Latin America, partly because we have – and this isn't the first president who hasn't had time for Latin America. Throughout history, we have essentially just let our neighbors to the south kind of flounder.

And by the way, I'm not an American basher on this stuff. I don't think all these problems are our problems, or they're our fault or that we created them or perpetuated them. I think it's a two-way street in many respects. I think NATO needs to be addressed, because I think we're very close to breaking NATO over Afghanistan and some of these other issues. We've got complications in these areas with Kosovo, not only Afghanistan, Georgia, with what's going on over there. Georgia wants to come into NATO. And I think there's no question, Asia, generally, is a huge part of the future for the world.

So I would suggest to the president probably three conferences where there are not only opportunities for him to reach out to the world, but for him to make critically important speeches to the people, not to the government, but to the people of the world. The Middle East is obvious. That has to be dealt with. The day that that new president has to – walks into office, we're going to have to unwind from Iraq. It must be responsibly; it must be with our national interest in mind; it must with our allies. Some of us have put forward plans on how to do that, and I've been one of those, along with Dick Lugar and Joe Biden and some others.

Those would be the general areas that I would – at least, if the president asked for my advice, where I would tell him or her he needs to be. At the same time, he needs to be running a parallel track with the Congress, reaching out to the Congress, bringing the leadership of committees in, developing a consensus of governments in this country, in the world. And the third thing he has to do in those first – or she – in the first six months is build a competent, wise government. Now, you don't do it all in six months; I know that. A lot of these guys – John was the chief-of-staff to a president. He knows how to build these things.

But certainly, what the first year has to be about is building this to set it up, so that the president then in the second and third year of his or her term can really start to move some of these things forward in a defined way, but with a structure in place, with the people in place, that are competent, trusted, with the confidence of the American people and the world would do it. I think that's the blueprint. It's pretty simple, really. It doesn't take any great thinking to think that way, but at least that's my thinking.

MR. KORB: Yes, sir?

Q: Could you tell us –

MR. KORB: They'll bring you the mike – (off mike).

Q: Yes. John Adams, Natural Resources Defense Council. Could you tell us what your thinking is about global warming in your policy analysis of the next several years?

SEN. HAGEL: Well, we know that global warming is a reality. We know that it is occurring. We know that the world is affected and it's going to continue to be affected by it. Where we break out into some differences is what's causing it all, and of course, then what should we do about it? But I recall the spring of 2001, when I was asked to go to the White House and present to the president's cabinet – and most all the cabinet was there, including the chief-of-staff and others – on what I would suggest they do about specifically the Kyoto Protocol, but also global warming – what we do we do? And the bottom line was the Kyoto Protocol is dead. I know it. What the Hagel or the Byrd-Hagel Resolution was in 1997 set the framework for that in the Senate, but Bush was clearly on record on where he was on it.

But here's what I said. You need to come up with a real alternative. You need to come up with a framework of how you go forward dealing with our partners, with a plan to address it. Obviously, it includes America, but you can't deal with global warming unless it's global. That means the Chinese, that means the – now, as you know, the Chinese have just overtaken America as the largest emitter of man-made greenhouse gases.

So the first thing you do is let your partners in the world know that you know it's a problem; you deal with it; and then you do it with alliances and structures that make some sense, but it's got to be global. Now, I happen to – we're going to get into some of this up on the Hill here, I think, in May or when we come back from Memorial Day, specifically the cap-and-trade thing.

Cap-and-trade is a teeny piece of what, in my opinion, the larger context of all this has to be. And cap-and-trade is not going to go anywhere, because you're not going to have enough votes to do that. The president will veto it anyway. We need a large, strategic context of a plan the next president is going to have to put forward, working with the Congress, and essentially, the world, to do that. That certainly is energy

efficiency; that's certainly all the things that we've been moving forward on the last few years on renewable sources of energy, alternative sources of energy. I think it's going to have to include more nuclear. I think it's going to have to include more production in this country.

We're going to have coal and oil with us for a long time. We're not going to change that. Now, if that is a reality, and I believe it is, and anyone who knows anything about energy and economy and stability in the world tells us it is, then how, at the same time, are we going to deal with trying to find enough renewable clean energy to eventually replace the carbon energy, but at the same time, have the energy that we require in this country to do the jobs that we need to do to enhance and build our economy? That's going to mean conservation; that's going to mean obviously, better gas mileage in everything.

When you look at – as you know, I mentioned this – 70 percent of the oil that we consume in this country every day, goes to the transportation industry. So you're really not going to fix this problem in any big way until you address that bigger issue. More public transportation, that's going to require prioritizing where the government puts its money. Every year, we fight over Amtrak. Should we fund Amtrak or not? I think Amtrak's important. I think those trains, not only for the benefit of more public mass transit, which is part of the answer, but also enlarging that concept. And I've just named probably eight variants and important parts of a large package of issues that we have to, I think, incorporate in order to deal with global warming.

MR. KORB: Yes, sir?

Q: Yes, hello. My name is Martin Klingst. I'm the Washington bureau chief of the largest German weekly, national weekly paper called *Die Zeit*, the *Time*. Thank you very much for your great insight, and I have a question. You know a lot of people nowadays talk about America not being as powerful anymore in the future, and talk about a post-American era. Do you believe in that? And how would you position the United States? And second of all, how will the next president – how should the next president deal with one of the biggest conflicts still existing, the Near East conflict between Israel and the Palestinians? Thank you.

SEN. HAGEL: Two minor points. (Laughter.) As I noted in my remarks, I do not think that the 21st century needs to be, or necessarily will be, a time of less influence in America. It is a different time. That's my point when I say I think we're living through a transformational time in history. Of course, we know up until 1989 after World War II, essentially it was a bipolar world. The Soviets had their sphere; the Americans in the West had their sphere. So in a way, it was a simpler time. But that's all changed now.

And I think where Americans are working their way through this with great anguish, and uncertainty, as I see it reflected every day in the Congress – and by the way, it doesn't mean that I have the right answers; I may be totally wrong on everything I've

said – is we're trying to find a new center of gravity. We're trying to find a new equilibrium for who are we, where do we fit, and how do we continue to project leadership in the world? And military power certainly is a part of that, but it is a part of it.

And I think where we've gotten off track the last few years is that we've so concentrated on the military component that we've let everything else drift, and that has cost us in so many ways, not only undermining our interests in the world, but how the world sees us. If we are wise, and we restructure, and we reframe some of the points I made, our alliances, our institutions, our place in the world, I think America can continue to be a significant power, and help lead the world.

But the world does not want an America that imposes, that dictates, that lectures, that preaches, that invades nor occupiers. I think the world does want a clear-thinking America that will lead with a consensus of purpose. That's what we've done most of the time since World War II. We've made mistakes, but most of the time, America has led with a consensus of purpose – variations, everybody is going to have differences. And we can do that again. That's what the next president, in my opinion, is going to have to do.

Now, in the Middle East, I think we have set back in historic ways our efforts and possibilities from where we were eight years ago. Can anyone really argue that the Middle East is better off today than it was eight years ago? I'll accept your proposition, but I want you to explain it to me, because we're not. The Middle East is far more dangerous, far more complicated, far more combustible, and America's standing is far weaker than it's ever been.

So the only way, in my opinion, we're going to come at this – and I think Barack Obama, for example, has been right on this; it's something I've been saying for a long time. We're going to have to engage Iran. We're going to have to engage all the players. There's going to have to be some institutionalization of a security framework in the Middle East. Dick Lugar's talked about this; Joe Biden's talked about it. I'm not the only one who's talked about it, and others.

And this doesn't mean that somehow, we are negating or overlooking the Iranians and their support of Hezbollah, involvement with Hamas or influence in Iraq, or anything else. What I'm saying is just the opposite. You have to take a very clear hard-headed look at this. And then you work from the facts as they are, but to continue to defer, continue to not engage, I think only makes it worse.

And so it will be a number of these things, to me, that the next president is going to have to do to try to restart a Middle East peace process with the reality of this, of just getting it on some high ground, so that we have recaptured some confidence from both sides. I think we've lost confidence from both sides, the Arab world and the Israelis.

And recently – I'll just give you one example. I know we've got other questions to get to. The prime minister of Turkey makes public about a week ago what the prime minister of Israel had told him that Prime Minister Olmert would like to reach out to Syria and find some way to start attempting to make the Israeli-Syrian peace the next bilateral peace agreement for Israel. The prime minister of Israel has told me that personally, twice in the last year. I also get a blowback from senior – and I have to protect them – very senior people in the Israeli government and others, that the United States government out of the White House has said, don't move on Syria.

Now, we've got a breakdown here somewhere. It's the same kind of inconsistency, dangerous inconsistency, when you have the president of Iran – of course, we continually vilify – goes to Iraq, and sits down with our guy, the Prime Minister of Iraq, Maliki, and they're trying to work out things, but we're acting like it didn't happen. And then we have the president of Iraq going to Iran, to Tehran, and sitting down, and talking with Ahmadinejad and others. And we're acting like it didn't happen, like we're all on different channels here. The first thing a president has to do is get us on the right channels. The second thing we need to do is let's turn a lot of the transmitters off and turn a few receivers on.

MR. KORB: Okay. Your staff says you've got to go, but I – (inaudible).

SEN. HAGEL: I'll take two more real quick.

MR. KORB: That's great with me. I'll take – okay. Yes, Ma'am?

Q: Good morning. Thank you very much. My name is Jenna Donohue (ph). And I'm wondering what America's relationship with the UN, how does that fit in, in terms of this transformational period that you described?

SEN. HAGEL: Well, just a brief comment on your question regarding the UN. I think the UN will be more relevant today, in the next 25 years than it's ever been, and not because it's going to be managed better or – I hope it will be – and some of these other things. But there's only one world body out there where every nation on earth, except two, I think – the Vatican and maybe Myanmar – belongs to it. And when you think of the things that the UN can do, and does do, that no one else will do, or can do – whether it's refugees, whether it's hunger, whether it's elections – is flawed and full of problems as it is, but it is a world institution where people can bring issues.

Now, I understand all the nonsense that goes on there. I'm up there many times. I get all that. But if we use this in some constructive way, and I think we're going to need some reform there, for example, the National Security Council. I know we've made effort to open that up, the permanent Security Council. I think it needs to. Here, you're sitting there with some of these great countries on the outside like India and so on – Germany is not there. This is going to have to be opened up.

This also means these organizations, institutions, are going to be harder to manage, because you have new power centers that are developing. It isn't the good old days, like I said, the bipolar world, when you had the Americans in the West and the Soviet Union. And so, for example, if one of the guys got out of their box, Saddam Hussein, the Russians would just pop him back in. And our intelligence guys used to have dinner with the Russians and the Soviets, and have a few vodkas, and we all knew kind of where we were. Now, nobody knows where they are. And so the UN can help do that.

The other part of the UN equation is that we all – and the Americans especially do this – and this is, I think, why we're unique and why we've been successful in many ways. We put very, very high expectations on institutions, on ourselves, our society and our people, our leaders. And I hope we never lose that, because it is a significant value. That's partly the United Nations problem too, that we've expected it to do things it can't do. No institution can do a lot of things we expect it to do. It will be more important than ever before.

MR. KORB: Yes, sir. You get the last one (inaudible).

Q: Okay. Alexander Panov (ph), Russian Television International, a typical Russian independent channel. My question is, Senator, what's your conclusion of the present policy of this administration towards Russia, and your ideas and any suggestion to the next president how to deal with the present Russian dual leadership?

SEN. HAGEL: Well, I'm going to give you a short answer. You have a new president that was inaugurated yesterday. We are going to have a new president inaugurated in January. I think this is a very important time, with two new presidents, to bring together some new thinking and new policies. And from that convergence of opportunities, I hope both those new presidents will be wise enough to reframe the relationship which is a critical, critical relationship. Thank you. (Applause.)

(END)