

**CENTER FOR
STRATEGIC AND INTERNATIONAL STUDIES
(CSIS)**

**WELCOME:
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PRESIDENT AND CEO,
CSIS**

**SPEAKER:
ROBERT GATES,
SECRETARY,
U.S. DEPARTMENT OF DEFENSE**

**PRE-ALFALFA LUNCHEON
JANUARY 2008**

*Transcript by
Federal News Service
Washington, D.C.*

JOHN HAMRE: Now, let me very briefly say a few words of formal introduction for Secretary Gates and then one informal comment. Secretary Gates was sworn in to be the 22nd secretary of Defense on the 18th of December of 2006. And I know he's the only guy that's really keeping track of the days. (Laughter.) He's got a countdown clock, you know, to know how long he has yet to go. And it's – you know, some may say that's because he can hardly wait to get out, but I think it's because he knows how much he has to get done while he's there. And he's just doing a tremendous job.

He came to the position, of course, having just been the president of Texas A&M. And for me to try to boast about raising money for a little building when I think in his tenure raised over a half a billion dollars to build Texas A&M. It was one of the most successful fundraising episodes in recent history. It just was spectacular. And, of course, it's emblematic of a career of enormous success.

Secretary Gates came to the Central Intelligence Agency and started off at the bottom and I believe is the only, is the only person that worked his way up from an entry-level position to become director of the agency. And he also, in addition to having been such a deep and respected professional in the intelligence community, the secretary served on several occasions in the White House and, of course, was the National Security Advisor. He is the recipient of the National Security Medal, the Presidential Citizen's Medal, twice received the National Intelligence Distinguished Service Medal, three times received CIA's highest award, the distinguished Intelligence Medal.

He is a graduate of the College of William & Mary and, by the way, gave an exceptional speech at William & Mary about a year ago and then just recently gave a tremendous speech out at the University of Kansas. And it was basically because of that, we asked him to come today. He holds a doctorate in Russian and Soviet history from Georgetown University.

Now, let me just, on a personal level, say I've had the privilege during the last year to work a bit, in a small way, with the secretary. And I am awed that we are able to bring out of private life at a critical time in our nation's history just the kind of person that we need. I am sorry. We were fortunate to – we're very lucky as a nation. And I think this is one of the great blessings of this country that just at the critical time, just when we really need somebody to come in and help us with a crucial problem, a citizen steps forward and is willing to serve.

And Bob Gates didn't want this job. I know that. Bob Gates was willing to do this job. And it's that kind of leadership America needed then and needs now and we're so lucky to have him here. Ladies and gentlemen, the 22nd secretary of Defense, the honorable Robert Gates. (Applause.)

SECRETARY ROBERT GATES: Thank you all very much. Thank you, John. Three hundred and 59 days, to be exact. (Laughter.) And we raised a billion two at Texas A&M. (Laughter.) Giving up the presidency of Texas A&M was one thing. Giving up the chairmanship of the board of Fidelity Investments was quite another. (Laughter.) Thank you for the kind comments, John, and, Sam, thank you for your kind remarks as well. I should not that John has had the courage if not necessarily the good judgment to accept my invitation to chair the Defense Policy Board. And I thank him for it.

Well, it's a real pleasure to be back in Washington – not – (laughter) – the place where Harry Truman said you spend the first six months wondering how the hell you got here and the next six months wondering how the hell the rest of them got here. (Laughter.) To quote Senator Alan Simpson, “Washington is the only place where those who travel the high road of humility encounter little heavy traffic.” (Laughter.) The only place in the world you can see a prominent person walking down Lover's Lane holding his own hand. (Laughter.)

Well, looking out to the audience today, I see no shortage of friends, colleagues, and distinguished figures from the worlds of politics, diplomacy, business, the military, and academia. I'm sure that conspiracy theorists would have a field day with this gathering, right up there with the trilateral commission and fluoridated water. (Laughter.) I have to say you begin to think in those terms when you've had a guy wearing a football helmet covered with tin foil outside the White House for a year holding a sign accusing you of controlling his brain waves. (Laughter.)

There are many friends here today, but I would like to just indulge myself by singling out three people: first, Dave Abshire, CSIS co-founder, still going strong and still bettering our understanding of statecraft and the importance of integrity and leadership; Anne Armstrong, former ambassador to the United Kingdom, stalwart supporter of CSIS and perhaps most important to me former member of the board of regents of Texas A&M. Had it not been for Anne's support, I would not have been selected as president of A&M; And, finally, George Schultz. As I wrote in my book more than 10 years ago, I believe history will record George as one of America's greatest secretaries of State. (Applause.)

Two months ago, giving the Landon lecture at Kansas State University, I made the case for increasing the capacity of America's civilian tools of statecraft and for better integrating them with the hard power of our military, or as John Hamre once put it, “to combine the tools of intimidation with the tools of inspiration,” also called smart power. Of course, what got the media's attention was the man-bites-dog aspect of the speech, the secretary of Defense calling for a significant increase in the budget of the Department of State.

I dare say, Secretary Schultz, I suspect that did not happen during your tenure. (Laughter.) And so, John asked me to talk about this subject here today. In recent years, we have seen that the close of the Cold War, an event that raised hopes for an era of

prosperity, tranquility, and, quote, unquote, “the end of history” also had the effect of unfreezing ancient hatreds and unleashing new pathologies. The revived monsters of the past have returned far stronger and more dangerous than before because of modern technology, both for communication and for destruction and to a world that is far more closely connected and interdependent.

For years to come, we will deal with a new, far more malignant form of global terrorism rooted in extremist and violent jihadism, new manifestations of ethnic, tribal, and sectarian conflict, the proliferation of weapons of mass destruction, failed and failing states, states enriched with oil profits and discontented with their place in the international system, authoritarian regimes facing increasingly restive populations that seek political freedom as well as a better standard of living, and, finally, we see both emergent and resurgent great powers whose future paths remain unclear.

These challenges have two things in common. First, they are, by their nature, long term, requiring patience over years and across multiple presidencies. Second, they cannot be overcome by military means alone and they extend well beyond the traditional domain of any single government agency or department. They require our government to operate with unity, agility, and creativity, and will require devoting considerably more resources to non-military instruments of national power. In the Afghanistan and Iraq campaigns, one of the most important lessons that has been learned, and to a large extent, relearned is that military success is not sufficient. Our efforts must also address economic development, institution building, the rule of law, promoting internal reconciliation, good or at least decent governance, public services, training and equipping indigenous security forces, effective, strategic communications, and more.

These so-called soft capabilities along with military power are indispensable to any lasting success, indeed, to victory itself as Clausewitz understood it, which is achieving a political objective. Despite the heroic effort of individual soldiers and diplomats and many successful operations – the surge in Iraq being the most recent and compelling example – the whole of our government’s activities has often added up to less than the sum of the parts.

The military and civilian elements of our national security apparatus have responded unevenly and have grown increasingly out of balance. For example, in Iraq and Afghanistan, soldiers, sailors, Marines, and airmen have filled the void created by the absence of civilians available to deploy and operate in different and dangerous environments. I dealt with this shortly after becoming Defense secretary when the Iraq surge was announced.

A key part of the plan was more provincial reconstruction teams. The Department of State soon thereafter received a memo from the Department of Defense soon thereafter received a memo from State asking for military personnel to fill the civilians slots on the PRTs. As you might imagine, this provoked a somewhat negative response in Defense. But the problem is not will; it is capacity. In many ways, we are still coping with the consequences of the 1990s, when with the complicity of both ends of Pennsylvania

Avenue, key instruments of American power abroad were reduced or allowed to wither on the bureaucratic vine. The State Department froze a hiring of new Foreign Service officers for a period of time. The U.S. Agency for International Development dropped from a high of 15,000 permanent staff during the Vietnam War to about 3,000 now.

And then there was the U.S. Information Agency. At one point, its directors included the likes of Edward R. Murrow. It was split into pieces and folded into a corner of the State Department. Since September 11th, and through the efforts of first, Colin Powell, and, now, Condi Rice, the State Department has made a comeback. Foreign Service officers are being hired again and foreign affairs spending has about spending since President Bush took office.

But shortfalls persist. A couple of weeks ago, I spoke with several dozen U.S. ambassadors who were visiting Washington for a chiefs of mission conference. The speaker who preceded me on the program was the director general of the Foreign Service, the State Department's chief personnel officer. I'm told that his briefing was sobering, bordering on grim, of unfilled billets across the word due to shortages of mid-level and senior-level officers, caused by earlier hiring freezes and the staffing requirements of Iraq.

Additionally, about 30 percent of AID's Foreign Service officers are eligible for retirement, valuable experience that cannot be contracted out. This is why I believe we need to think about America's investment in foreign affairs on a fundamentally different scale. It is useful to remember that the amount of national treasure it would take to fund a major boost in civilian capabilities is relatively small. In a week and a half, I will go to Capitol Hill to present the fiscal year 2009 Defense budget. It's no big secret that the total will be somewhere around a half a trillion dollars. The total foreign-affairs request last year was \$36 billion, about what the Pentagon spends on health care.

Another comparison – the Army is planning to add about 7,000 more soldiers in 2008 to the active Army. It's part of a multi-year expansion. In pure numbers, that is equivalent to adding the entire U.S. Foreign Service to the Army in one year. Beyond filling current voids in staffing and operations, a permanent sizable increase in the ranks of Foreign Service, if done properly, would have significant institutional benefits in terms of State's capacity and its influence vis-à-vis other agencies.

To give you a military example, a certain percentage of officers, even in time of war and when the force is stretched, are always enrolled in some kind of advanced training and education and leadership, strategy, or planning at the staff and war colleges and at graduate school. No such float of personnel exists for the Foreign Service. The same is true of planning. Between the joint staff, the services, and various commands, the military has thousands of officers dedicated to planning in some form. That kind of capacity does not exist on the civilian side of the government.

Despite the relatively modest amounts of money involved, getting the additional resources and authorities for soft power is not an easy sell politically. It simply does not

have the built-in, domestic constituency of defense programs. As an example, the F-22 aircraft is produced by companies in 44 states; that's 88 senators. (Laughter.) However, within the senior ranks of the military, a real constituency does exist for strengthening the non-military tools of national power. Admiral Mike Mullen, the chairman of the Joint Chiefs of Staff once said as chief of Naval operations that he would hand over a portion of his budget to the State Department in a heartbeat, assuming it was spent in the right place.

After all, civilian participation is necessary to the success of most military operations. As we have seen in PRTs and elsewhere, the inclusion of even a few properly employed civilian experts becomes what the military calls force multipliers. But we have to be realistic about how much even well-funded civilian agencies can do to reduce the demands on our armed forces to conduct what in recent years has been called non-traditional missions. Ever since General Winfield Scott led his army into Mexico in the 1840s, virtually every major deployment of American force has led to a longer military presence to maintain stability. General Eisenhower, when tasked with administering North Africa in 1942, wrote, "The sooner I can get rid of all of these questions that are outside the military in scope, the happier I will be! Sometimes, I think I live 10 years each week, of which at least nine are absorbed in political and economic matters."

During World War II, the Army even established a school of military government whose students played a key role in post-war Germany and Japan. And after much of the military establishment said "never again" following Vietnam, U.S. Armed Services found themselves again policing and rebuilding places like Somalia, Haiti, the Balkans, and, now, Afghanistan and Iraq. The requirement for the U.S. military to maintain security, provide aid and comfort, begin reconstruction, and stand up local government and public services will not go away. At least in the early phases of any conflict, military commanders will no more be able to rid themselves of these tasks than Eisenhower was.

As a former U.N. secretary general once said about peacekeeping, "It is not a job for soldiers, but only soldiers can do it." I told an Army gathering last year that it is hard to conceive of any country challenging the United States directly in conventional military terms for some time to come. We can expect these so-called asymmetric operations, messy, protracted struggles without clear battle lines or exit strategies to be a mainstay of the 21st century battlefield.

So the military must retain the lessons and institutionalize the capabilities it has learned and relearned in these key areas. The military and our government as a whole is grappling with the reality that the fundamental nature of conflict as we've long perceived it has changed. As we have seen from the recent campaigns, the once stark black-and-white divisions between war and peace have faded. And so, America's national security apparatus, military and civilian, needs to be more adept in operating along a continuum involving military, political, and economic skills in a gray area that is likely to be persistent, containing opportunities as well as dangers.

These scenarios will call for more shaping and influencing and less compulsion of friends, adversaries, and, most importantly, those in between. Over the past 15 years, we have tried to overcome post-Cold War challenges and pursue 21st century objectives with processes and organizations designed in the wake of the Second World War. The National Security Act that created most of the current interagency structure was passed in 1947. The last major legislation structuring how American dispenses foreign aid was passed during the Kennedy administration. The U.S. government has tried, incrementally, to modernize our posture and processes in order to improve interagency planning and cooperation mostly through a series of new directives, offices, coordinators, tsars, and various initiatives.

And there are some signs of progress. Two years ago, Secretary Rice initiated what has been called transformational diplomacy. She questioned why the United States had as many diplomats stationed in Germany, a nation of 82 million people, as in India with a billion people. People and resources are being moved from where they made sense during the Cold War to where they make sense now.

At last year's State of the Union, President Bush called for a new civilian reserve corps in the State Department, a permanent, sizeable corps of deployable experts comparable to the National Guard in the military arena. New joint authorities have been granted by Congress to State and Defense that allow us together to train and equip partner security forces with more speed and flexibility than in the past. The number of civilians deployed in PRTs has increased over the past year. And the State Department recently announced that it is doubling the number of Foreign Service officers assigned to military headquarters in the United States and abroad. In fact, one of the two deputy commanders of the new Africa Command will be a State Department officer.

A new executive order on national security professional development encourages Foreign Service officers and civil servants from State as well as the military and other departments to serve tours in other agencies in a way that enhances their career and promotion prospects. We are also looking toward more untapped resources outside of the government, places where it's not necessarily how much you spend, but how and where you spend it. After World War II, the defense establishment realized it needed to be better connected to the academic and scientific communities, not only for new technology and weaponry but for their insights into history, strategy, and economics. And this led to the creation of institutions like RAND.

We are once again trying to mine these resources for cultural expertise. Over the past year, for example, the military has been advised by anthropologists in Afghanistan called human terrain teams. In one case, the anthropologist pointed out that in one Afghan village, there were many widows, and that their sons might feel compelled to take care of them by joining the Taliban where many of the fighters are paid. And so, the American officers started a job training program for the widows. Similarly, American land grant universities like Texas A&M have deployed teams to Iraq and Afghanistan that provide valuable expertise in agriculture and other areas.

As in any new venture, there has been resistance. The human terrain teams have met with some pushback in academia where the military is sometimes viewed with a certain measure of suspicion. But it is important that we take advantage of the expertise available outside the ranks of the government.

As important and promising as many of these initiatives are, they have often been created ad hoc and on the fly in a climate of crisis. We need to figure out how to institutionalize and integrate programs such as these. The ultimate answer is probably not going to be recreating the old USIA or AID or simply adding more deployable people to State and other agencies. New approaches and new institutions are required for the 21st century.

Looking forward, bureaucratic barriers that hamper effective action should be rethought and reformed. The disparate strands of our national security apparatus, civilian and military, should be prepared ahead of time to deploy and operate together. I should note that some of these challenges are not new. Our government has always been plagued by turf wars and stovepipes and conflicts over personality and ideology. During the Cold War, there were military intelligence and diplomatic failures in Korea, Vietnam, Iran, Granada, and many others. Getting the military services to work together has been a recurring battle that has had to be addressed time and again. But despite the problems, we understood that the nature of conflict required us to develop and support key capabilities and institutions and, over time, devote the necessary resources, people and money, and get enough things right while maintaining the ability to recover from mistakes along the way. I suggest this is our task today.

To this end, the Department of Defense will soon award a contract to an independent, non-partisan, non-profit group to produce a study that in effect tries to answer the question I posed at Kansas State. If we were to rewrite the National Security Act of 1947 for the 21st century, what would it look like? What new institutions, arrangements, and authorities would it create? I look forward to seeing the result, which perhaps might form the basis of legislation or at least debate in the next administration.

In closing, I have observed that repeatedly over the last century, Americans averted their eyes in the belief that events in remote places around the world need not engage this country. How could an assassination of an Austrian archduke in unknown Bosnia-Herzegovina affect us, or the annexation of a little patch of ground called Sudetenland, or a French defeat in a place called Dien Bien Phu, or the return of an obscure cleric to Tehran, or the radicalization of a Saudi construction tycoon's son?

What seems to work best in world affairs, historian Donald Kagan wrote in his book, "On the Origins of War," is that the possession by those states who wish to preserve the peace of the preponderant power and of the will to accept the burdens and responsibilities required to achieve that purpose. In an address at Harvard in 1943, Winston Churchill said, the price of greatness is responsibility. The people of the United States cannot escape world responsibility. Our country has now, for many decades, taken

upon itself great burdens and great responsibilities, all in an effort to defeat despotism in its many forms and to preserve the peace.

Today, across the globe, there are more people than ever seeking economic and political freedom, seeking hope, even as repressive regimes and mass murderers sow chaos in their midst. For all of those brave men and women struggling for a better life, there is and must be no stronger ally or advocate than the United States of America. Our responsibilities to them and to the world in the final analysis are not a burden on the people or the soul of this nation. They are, rather, a blessing. Thank you.

(Applause.)

MR. HAMRE: Colleagues, the secretary is willing to take some questions. We have a little bit of time. And he is going to recognize you himself. So please, stand up, and we have two guys with microphones. So just wait so that everybody can be heard. First question, please. Let's wait for the microphone, please.

Q: How do you feel the European Union and some of the European states are doing in meeting their obligations to the world at this moment?

SEC. GATES: I think I spoke to this a couple of weeks ago. (Laughter.) And it required a number of letters to try and – well, let me just say, I've been trying for a year to bring unity to the alliance and I finally succeeded. (Laughter.) There are 26 NATO allies. Exactly six have made the commitment made at Riga to devote 2 percent of gross domestic product to defense and national security.

I worry that many of the allies face domestic political situations that make fulfilling the commitments their governments have made very difficult. I think the government get it. I think my colleagues, both civilian and military, in most of the European states are prepared to do the right thing. But many of them are in minority governments or coalition governments, and frankly, there just isn't the support there, either for adequate support to their own military or fulfilling the commitments in places like Afghanistan. So we're trying to work now more behind the scenes and see if there are some creative ways we can come up with where they can contribute in ways that are politically acceptable and that relieve the burden on the rest of us. But particularly in terms of NATO, I do worry about a future in which only some of the allies are prepared to sue their military forces to carry out commitments made by the political leadership of the alliance.

Q: Bob, a tremendous speech. There will be released on Wednesday on Capitol Hill an Afghan Study Group that General Jones and Tom Pickering have headed. One of the recommendations on this problem of Europe is that there be some type of eminent persons group, largely European-centered and led. The first thought was that this should be officially an eminent persons group like the Wise Man's Group of 1956. And then, in discussions with our mission at NATO, it would be slow in getting that set up.

But you know, the committee for present danger turned the country around here in defense spending in the '70s. And it was something like that because it's sort of similar in Europe to the 1930s, the appeasement attitude. I just wanted to mention that and see if you have any thoughts. This is something that that Atlantic Council could do if it would be too long for NATO to do it. But to overarch into EU and so forth, and maybe the Paddy Ashdown appointment would help on that.

SEC. GATES: Well, I think that one of the things – I think that there could be two levels of help in this regard. One would be that kind of involvement of private sector individuals interacting with their counterparts in Europe. I would say that another would be a more focused approach to parliamentary exchanges.

I had a lunch with about 30 or 35 Blue Dog Democrats up on the Hill a couple of weeks ago. And the suggestion was made by several – Jane Harmon and Ellen Tauscher and others – that at conferences like Verkunden (sp) and so on that we try and broker a reception or something that brings the European parliamentarians who attend together with the American parliamentarians, members of Congress who attend. I'm not sure whether we can work the logistics of that.

But I think that engaging the Congress in this – I mean, one of the things about Afghanistan is given where we were – that it is where we were attacked from in 2001, there is very broad, bipartisan support for what we're trying to do in Afghanistan. And that's where the NATO alliance is most directly engaged. And so, I think having members of our Congress, Republicans and Democrats, interacting with their counterparts in Europe and talking about Afghanistan and the potential threat that it represents to Europeans as well as the United States, if it goes bad again, I think is another area in which the engagement of people outside of the executive branch could be helpful.

Q: Mr. Secretary, two things. When President Sarkozy was here speaking to Congress, he indicated that France may be willing to even get into the military side of NATO in the future. And I wanted to know if you see evidence of that. And secondly, you had also talked about the difference in training in European forces versus ours, sort of they're still in the Cold War era and not reformed as ours are in the kind of war we're in, in Iraq and Afghanistan. And I'd like for you to comment on both of those.

SEC. GATES: Well, first I would have to say, Senator, that the advent of President Sarkozy is requiring me to re-look at 40 years worth of biases and prejudices – (laughter) – which is very difficult. But I think there is just a totally new attitude on the part of the senior levels of the French government. When I met with their defense minister, Moran, in Paris in June, we commemorated the anniversary at D-Day the next day.

First of all, I was surprised to find that I was the first secretary of Defense to visit Paris in 10 years. And at one point in our conversation, I asked Moran about the possibility of a ship visit this last summer. We hadn't done one of those in several years.

And much to my amazement, Moran without consulting with anybody said, yes, that's a great idea. And so, we had an aircraft carrier call at a French port for the first time in quite a while last summer. So there is a very different attitude here.

They're clearly going to have to take things at their own pace. They have a white paper on defense and national security issues that is really reexamining all of their approaches and what they need to invest in and so on. And that is supposed to be done in March. And so, I think we won't see any real decisions out of the French government until after that white paper is finished and they have absorbed its – digested its conclusions. But I would say, in terms of just overall approach and attitude, it is a completely new day.

I think part of the problem in the training with the alliance and what I was referring to, actually some of our allies who are fighting with us in the southern part of Afghanistan are really good – the Canadians, the Australians, the British, the Dutch, the Danes to a certain extent. The problem is that the alliance as a whole has never trained or exercised to take on a counterinsurgency kind of role. And what I was trying to say – and some of the allies who are not willing to be involved in combat are sending some of these operational mentoring and liaison teams to do training with the Afghans. And my concern in part was that some of those trainers aren't properly trained. And we have a place in Hohenfels, Germany, where we do that training. And I was basically trying to get them to make sure that everybody went through that process before going out to Afghanistan.

But I think that the experience in Afghanistan is going to require that the alliance look at its overall approach to training and exercises and so on, and bring some of the allies who are not as adept or have virtually no experience in this up to the levels of some of the countries that I just described.

MR. : One final question.

Q: Bob, you led one of the great American universities.

MR. : Use the microphone, please.

Q: You led one of the great universities. You're still leading one of the great American universities. I don't see the on button – which also had a military cadre. It's working? Would you like for me to sing a song, Bob? (Laughter.) You led one of America's great cadres of military men there at Texas A&M. There are many other great schools that have those military cadres who go directly into the Army and the Air Force, Navy, and Marines. You mentioned that it would be good to mix the diplomatic with the military. Is it possible that early on in their careers, those officers coming from those institutions – including Texas A&M – might be infused somehow into something non-military, but rather diplomatic or political, in order for their careers to be oriented to the necessity of following out what you're discussing here today?

SEC. GATES: Well, this kind of goes to a conversation that I had on several occasions with General Pace who I'm happy to see here today. And that was, can we bring that point at an officer's career at which he or she has a joint experience earlier in their career? And I think that the answer is yes, but. It's really important for these young people, as I would say is true at CIA or in the State Department or elsewhere, first to firmly establish themselves in their principal career, and to make sure that they are at a level of competence and experience that will ensure that they are successful in that career, and then look for opportunities where they may gain opportunities outside the primary agency.

I will tell you, when I first was invited down to the NSC by Brent Scowcroft in 1994 [1974], I was told by CIA there probably wouldn't be a job for me when I came back. Their attitude toward shared experiences was not exactly warm and fuzzy. (Laughter.) And I'm happy to say that's changed a lot over the last 30 years. But I think the answer to your question, Bill, is yes, but. We need to get them established in their careers first.

Thank you all very much. I actually – Sam Nunn was so funny in his opening remarks. I thought about saying at the end of the speech, and that's what passes for humor at the Department of Defense these days. (Laughter.)

(END)