

GLOBAL CHALLENGES AND U.S. NATIONAL SECURITY STRATEGY

HEARING

BEFORE THE

COMMITTEE ON ARMED SERVICES UNITED STATES SENATE

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GLOBAL CHALLENGES AND U.S. NATIONAL SECURITY STRATEGY

THURSDAY, JANUARY 25, 2018

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 10:00 a.m. in Room SD-G50, Dirksen Senate Office Building, Senator James M. Inhofe, presiding.

Committee members present: Senators Inhofe, Wicker, Fischer, Cotton, Rounds, Ernst, Sullivan, Perdue, Sasse, Scott, Reed, Nelson, Shaheen, Gillibrand, Donnelly, Hirono, Kaine, King, Heinrich, and Warren.

OPENING STATEMENT OF SENATOR JAMES M. INHOFE

Senator INHOFE. Our meeting will come to order.

The Senate Armed Services Committee meets this morning to receive testimony on global challenges and the United States national security strategy to meet those threats.

It is my honor to welcome our distinguished witnesses, former Secretaries of State, Henry Kissinger and George Shultz, and the former Deputy Secretary of State, Richard Armitage. Your careers of service have been just unbelievable, been great, and we are so honored to have you folks here.

I want to begin by reading a brief welcome from our Chairman McCain, who regrets that he is unable to be here for today's hearing, and I am quoting him now.

He says, with the rising global challenges of an increasingly complex and competitive strategic environment, America needs the leadership, wisdom, and experience that only statesmen of this stature can provide. This committee and this nation thank you for your service, and we are grateful for your continued voices of reason during these troubling times. We look to you for the lessons of history as we all seek to secure a safer, freer, and more prosperous world.

I guess one of the most enjoyable committee hearings that I have experienced before was 3 years ago when we had a hearing of the same. Both Secretaries Kissinger and Shultz were here. A lot of the comments that you made were very prophetic. Here it is 3 years later. A lot of these things have happened. So we are looking forward to this.

Speaking on behalf of the entire committee, we all look forward to having the chairman back soon. I am sure he will be.

Now more than ever, the challenges of today's world require strategic vision. Each of you is uniquely qualified to help this committee think through not only our present challenges but also the strategy needed to meet them. The insights and wisdom you offered then were discerning and have borne out in the years since.

The Trump administration recently released a new national security strategy [NSS] and a national defense strategy [NDS], which emphasizes the priority of near-peer competition, the danger of rogue nations, and the enduring threat of terrorism. The national defense strategy is a frank and realistic view of the global strategic environment. It offers a blueprint for protecting our national interests and reestablishing America's position as the undisputed leader of the free world, and it shows a commitment to restoring our military advantage across all domains and strengthening and expanding key alliances.

So we just ask each of you to help us think through the strategy. The members of this committee are well aware that the key to success of any strategy requires resources. We need to cast aside partisan politics and pass an appropriation bill while finding a way to fix the defense spending caps that have decimated our military in terms of readiness and modernization. So we thank you for your service and look forward to your testimony.

Senator Reed?

STATEMENT OF SENATOR JACK REED

Senator REED. Well, thank you very much, Mr. Chairman.

I would like to welcome Dr. Kissinger and Secretary Shultz and Secretary Armitage. This is certainly a distinguished panel, and we are grateful that you are here today. Each of you have played a very important role in some of the most monumental foreign policy decisions in our nation's history, and on behalf of all the members of the committee, we look forward to your testimony.

This morning's hearing on global challenges and U.S. national security follows the release last week of the new national defense strategy. This strategy, which supports the President's recently released national security strategy, states that the central challenge facing our nation is the reemergence of long-term strategic competition with Russia and China and that this competition replaces terrorism as the primary concern in the U.S. national security.

Without question, Russia remains determined to reassert its influence around the world, most recently by using malign influence and active measures and activities to undermine the American people's faith in our election process, as well as other Western elections.

Likewise, China continues to threaten the rules-based order in the Asia-Pacific region by economic coercion of its smaller, more vulnerable neighbors and by undermining the freedom of navigation.

Given the experience of our panel, I would welcome their assessment of the strategic threat posed by both Russia and China and what recommendations they have for how the United States can counter these powers both militarily and by utilizing other critical elements of national power.

Great power competition may be the current geostrategic reality, but we must not neglect other equally complicated challenges: North Korea's nuclear and ballistic missile efforts, our immediate and grave national security threat. Likewise, Iran continues their aggressive weapons development activities, including ballistic missile development efforts, while pursuing other destabilizing activities in the region. Finally, the United States must remain focused on countering the security threat from the Islamic State of Iraq and Syria (ISIS) and its spread beyond the Middle East region while also building the capabilities of the Afghan National Security Forces and deny any safe haven for extremists.

In the coming weeks, this committee will hear directly from Secretary Mattis and senior leaders in the Defense Department on how the national defense strategy will address the threats facing our nation. As we begin our review of the national defense strategy, it would benefit this committee to get our witnesses' assessment of the new strategy and whether it strikes the appropriate balance between great power competition and the ongoing threats posed by rogue regimes, terrorist organizations, and other non-state actors and criminal organizations.

Finally, the new strategy emphasizes a simple but key fact: the importance of allies and partners. The esteemed panel before us knows better than most that robust international alliances are essential to keeping our country safe. The national defense strategy unveiled last week puts a premium on bolstering current alliances while pursuing new partners.

As I have stated many times, I am deeply concerned about statements from President Donald Trump that have undercut America's leadership position in the world, alienated our longtime allies, and dismissed the global order the United States helped established following World War II. These actions isolate the United States and weaken our influence in the world, ultimately leading to uncertainty and the risk of miscalculation.

At the same time, the Trump administration has proposed dramatic cuts to the State Department and career Foreign Service officers are leaving the government at an alarming rate. I am concerned we may seek to counter the "whole of nation" strategies pursued by Russia and China simply by reinvesting in our own comparative military advantage at the expense of necessary investments in diplomacy and development as essential tools of national power. Given our panel's extensive experience cultivating allies and promoting diplomacy, I would welcome their assessment of our current alliances, what more can be done to sustain these critical relationships, and the importance of non-military elements of national power to our security.

Once again, I want to thank the witnesses for being here and, more importantly, for their lifetime of service and dedication to the United States of America.

Thank you, Mr. Chairman.

Senator INHOFE. Thank you, Senator Reed.

Normally we ask our witnesses to confine their remarks to a certain time. I would not be so presumptuous. Talk as long as you want to.

[Laughter.]

Senator INHOFE. Dr. Kissinger, you are recognized. Thank you so much for being here.

**STATEMENT OF DR. HENRY A. KISSINGER, CHAIRMAN OF
KISSINGER ASSOCIATES AND FORMER SECRETARY OF STATE**

Dr. KISSINGER. It is a great honor to have this opportunity, and I would like to say one word about our chairman who I have known for 50 years since he returned from Vietnam. At that time, I had been in Hanoi and they had offered to let me take him on my plane back to the United States. I refused on the ground that nobody should get special treatment. When I met him here at the White House, he came up to me and said, "Thank you for saving my honor." Senator McCain has preserved the honor of our country as a great warrior but also as someone who wherever the weak were threatened and the judged were persecuted, he made it clear that America was on their side and that he was not simply a warrior but a defender of our values all over the world. So thank you particularly for this occasion.

You have asked me to review the international situation, and I have taken the liberty of submitting a statement to the committee, and I will use my time here just to make a few general points and then reply to your questions.

I would also like to say how meaningful it is to me to sit next to my friend and mentor, George Shultz, from whom I have learned so much, and Mr. Armitage, who has performed such great national services.

I will deal with your query in three parts: the urgent, exemplified by the North Korean nuclear challenge; the intermediate, exemplified by the Middle East, especially Iran; and the long term, to which the chairman referred, exemplified by great power relationships and by the reentry of great power politics as the key elements of international affairs.

The international situation facing the United States is unprecedented. What is occurring is more than a coincidence of individual crises. Rather, it is a systemic failure of world order which is gathering momentum and which has led to an erosion of the international system rather than its consolidation, a rejection of territorial acquisition by force, expansion of mutual trade benefits without coercion, which are the hallmark of the existing system are all under some kind of strain. Confounding this dynamism is the pace of technological development whose extraordinary progress threatens to outstrip our strategic and moral imagination and makes the strategic equation tenuous unless major efforts are made to sustain it.

The most immediate challenge to international security is posed by the evolution of the North Korean nuclear program. Paradoxically, it is only after Pyongyang has achieved nuclear and intercontinental missile testing breakthroughs, accompanied by threatening assertions, U.S. and international measures to deal with it have begun to be applied. That has raised the possibility that, as in the case of Iran, an international effort intended to prevent a radical regime from developing a nuclear capability will culminate at the very point that that regime is perfecting its capacity. For the

second time in a decade, an outcome that was widely considered unacceptable is now on the verge of becoming irreversible.

My fundamental concern about the nuclear program of Korea is not the threat it poses to the territory of the United States, significant as it is. My most immediate concern is the following. If North Korea still possesses a military nuclear capability in some finite time, the impact on the proliferation of nuclear weapons might be fundamental because if North Korea could maintain its capability in the face of opposition by China and the United States and the disapproval of the rest of the world, other countries are bound to feel that this is the way for achieving international prominence and the upper hand in international disputes.

So, therefore, I think the denuclearization of North Korea must be a fundamental objective. If it is not reached, we have to prepare ourselves for the proliferation of weapons to other countries which will create a new pattern of international politics which will affect our concept of deterrence and a possibility of deterrence and which will have to be carefully examined and which this committee will want to address.

In the Middle East, we face the disintegration of the international system as it has existed at the end of the First World War and at the end of the Second World War. And every country in the region is either a combatant or a theater of conflict. And to me, the overriding concerns at the moment are these.

We have successfully defeated the Islamic State in Iraq and Syria (ISIS), but the question now is the succession, what happens next. And I am concerned that in the territory once occupied by ISIS, Iranian and Russian forces will become dominant and we will see a belt emerging that goes from Tehran to Beirut, therefore undermining the structure of the region and creating a long-term challenge.

Finally, I want to refer to what has been identified by the Trump administration as the dominant element now, the great power relationship between the United States and China and Russia. There is no doubt that the military capacity of China, as well as its economic capacity, is growing, and there have been challenges from Russia that have to be met especially in Ukraine, Crimea, and Syria. This raises these fundamental questions. What is the strategic relationship between these countries vis-a-vis the prospect of peace? Is their strength comparable enough to induce restraint? Are their values compatible enough to encourage an agreed legitimacy? These are the challenges that we face. The balance of power must be maintained, but it is also necessary to attempt a strategic dialogue that prevents the balance of power from having to be tested. This is the key issue in the United States relationship with Russia and China.

Let me conclude by stressing that I think that the fundamental situation of the United States is strong, that we have the capacity to meet these challenges. China has to deal with significant domestic adjustments and it is possible that it will balance those against the pressures that it can exert outside. Russia is domestically also in considerable difficulty. My basic point is that we can maintain a favorable balance of power, but we must couple it with a political structure in which the issue of war and peace can be used as a dip-

lomatic as well as a military expression. This is because the evolution of Weapons of Mass Destruction (WMD) is so great and the challenges of technology are multiplying that both elements of our national strategy must be stretched. And I am confident that we can achieve these objectives in that spirit.

Thank you.

[The prepared statement of Dr. Kissinger follows:]

PREPARED STATEMENT BY DR. HENRY A. KISSINGER

Mr. Chairman, Ranking Member Reed:

Thank you for the honor of appearing before this Committee. You have asked me to comment on the international challenges facing the United States and "what from the standpoint of national strategy" we can do to best position ourselves "to succeed" in this "competitive global environment." I shall do so in three parts: the urgent, exemplified by the North Korean nuclear challenge; the intermediate, exemplified by the Middle East, especially Iran; and the long term, exemplified by great power relationships.

The international situation facing the United States is unprecedented. What is occurring is more than a coincidence of individual crises across various geographies. Rather, it is a systemic failure of world order which, after gathering momentum for nearly two decades, is trending towards the international system's erosion rather than its consolidation, whether in terms of respect for sovereignty, rejection of territorial acquisition by force, expansion of mutually beneficial trade without geoeconomic coercion, or encouragement of human rights. In the absence of a shared concept among the major powers expansive enough to accommodate divergent perspectives of our national interests, partially derived from our diverse historical experiences, traditional patterns of great power rivalry are returning. Complicating this dynamic is the pace of technological development, whose extraordinary progress threatens to outstrip our strategic and moral imaginations—and in the field of artificial intelligence, may redefine our consciousness altogether. This creates new potential for truly catastrophic confrontations between nations.

NORTH KOREA

The most immediate challenge to international peace and security is posed by North Korea. Paradoxically, it is only after Pyongyang has achieved nuclear and intercontinental missile breakthroughs, accompanied by threatening assertions and demonstrations, that measures to thwart these activities have begun to be applied. This has raised the possibility that—as in the case of Iran—an international effort intended to prevent a radical regime from developing a destabilizing capability will coincide diplomatically with the regime perfecting that very capacity. For the second time in a decade, an outcome that was widely considered unacceptable is now on the verge of becoming irreversible.

While the pressure campaign against North Korea appears to have achieved gains in the last year, no breakthrough has taken place on the essence of the matter: North Korea acquired nuclear weapons to assure its regime's survival; in its view, to give them up would be tantamount to suicide. North Korea's nuclear arsenal is often presented as a threat to the territorial United States. But its most profound impact will be on its neighbors in Asia. South Korea will reject an outcome that leaves North Korea the only nuclear power on the Peninsula. For its part, Japan will not live with either version of Korean nuclear military power.

Successive American administrations have appealed to China to "solve" the problem by cutting off Pyongyang's supplies. China has not done so because it could lead to the collapse of North Korea. In a comparable situation in 1950, the proximity of Korea to major Chinese population and industrial centers was sufficiently ominous to cause China to intervene in the conflict. An agreement on the future of Korea, perhaps by the revival of the established Six-Party Forum—or failing that, energized by the United States and China—is the best road to the denuclearization of the Peninsula and also, vis-à-vis Iran, to the stability of the Middle East.

The widely discussed "freeze for freeze" scheme—halting North Korean missile tests in return for abandoning defined Allied military exercises—will not, however, fulfill this purpose or even advance it. That would equate legitimate security operations with activities which have been condemned by the UN Security Council for decades. And it would encourage demands for additional restraints on, and perhaps the dismantling of, America's alliances in the region. In its ultimate sense, a freeze

would legitimize North Korea's nuclear establishment as well as the results of its previous tests.

Interim steps towards full denuclearization may well be part of an eventual negotiation. But they need to be steps towards this ultimate goal: the dismantlement of Pyongyang's existing arsenal. They must not repeat the experience of the Vietnamese and Korean negotiations, which were used as means to buy time to further pursue their adversarial objectives.

THE MIDDLE EAST

While North Korea poses the most immediate danger, the interacting conflicts across the Middle East pose the most entrenched and expanding. Almost every country is either a combatant or a battlefield in one or more wars. The challenge in Asia is to maintain a generally stable equilibrium; in the Middle East, it is to restore a legitimate structure to a wide swath of territory where state authority has deteriorated or dissolved.

Across the Middle East, the system of order that emerged from the First World War is now in shambles. Conflicts are occurring on ideological grounds, as between Shia and Sunni; between ethnic groups; and against the state system. Four states have ceased to function as sovereign: Syria, where a civil war, now in its seventh year, rages; Iraq, where ISIS, though beaten back, continues to attempt to challenge efforts to reconsolidate the state; Libya; and Yemen have all become battlegrounds for factions and outside influences seeking to impose their rule.

The multiplicity of contestants roils the region with ever-evolving challenges. The world's war against ISIS is an illustration. Most non-ISIS powers—including Shia Iran and leading Sunni states—agree that ISIS must be destroyed. But the disposition of the territory regained from ISIS presents a new challenge. If ISIS' former strongholds come to be occupied by Iran's Revolutionary Guard or Shia militia subject to it, the result will be a belt of Iranian influence stretching from Tehran through Baghdad and Damascus all the way to Beirut. Tehran's version of jihadism would replace the Islamic State's, and a restored Iranian empire would emerge.

In this regard, Iran has become the key contemporary challenge in the Middle East. Historically and politically, it has been the most consistently cohesive power of the region, the only one which preserved its language and historic culture during the Islamic conquest. Its present impact results from its emergence, in the eyes of many of the region's leaders, as a nuclear threshold state in the aftermath of the JCPOA, a status seemingly conferred by that deal on Iran in 2015. Its reach is further enhanced by the subtle and aggressive strategy of its leadership: on one hand, defining Iran as a sovereign state within the UN system subject to its restraints and obligations; but on the other, identifying Iran as a revolutionary power attacking the existing world order. In that capacity, Iran's proxies in Yemen, Lebanon, and Iraq undermine or subsume existing governments.

Two measures should be taken by the United States and its allies: to oppose Iranian hegemonic expansion; and to commit to preventing an Iranian nuclear weapon. The first task has some similarities to America's role in conducting and ending the Cold War. In the aftermath of the Second World War, a group of historic countries confronted a Soviet Union enhanced by the war and imbued with a revolutionary ideology. Under American leadership, a coalition was formed that drew a line defining the limit of Soviet expansion that would be tolerated, eventually achieving containment and a negotiated end of the Cold War.

The enforcement of the JCPOA is the prerequisite to arresting nuclear proliferation which, if spread across the Middle East and Asia, will require recasting the system of deterrence that now exists. That United States needs to make clear that beyond the enforcement of the JCPOA, it will oppose the emergence of any Iranian nuclear military capability. These steps are essential to shoring up and reshaping world order.

GREAT POWER RELATIONS

Beyond the issues of the moment looms the fundamental question of world order. How does the conduct of the major countries affect the prospects for peace? Is their strength comparable enough to induce restraint? Are their values compatible enough to encourage an agreed legitimacy?

Administration pronouncements—both in the National Security Strategy statement and in comments by the Secretary of Defense—about America's strategic future have identified China and Russia as potential threats to the world's equilibrium and have defined America's national security objectives as thwarting their designs.

The practical requirements of our stated defense policy, which I endorse, do not exhaust the range of necessary security policies. If history teaches any lesson, it is that calculations of balance of power are not always unambiguous, especially in a period of rapid technological change which characterizes our period. The outbreak of World War I is a good example. The nations of Europe, in a crisis not significantly different from several previously overcome, challenged the existing equilibrium with consequences from which Europe has not fully recovered in the century since.

In a world of admitted rivalry and competition, a balance of power is necessary but not sufficient. The underlying question is whether a renewed rivalry between major powers can be kept from culminating in conflict. This presupposes an agreed concept of legitimacy or, at a minimum, a quest for it.

For most of the past quarter-century, Americans assumed that post-Cold War China and Russia would join the United States as pillars of the liberal international order and that our shared challenges, such as preventing nuclear proliferation and managing the global economy, would facilitate our ever-closer cooperation. But we have been reminded that our national interests, based on our diverse histories, do not automatically converge, creating a need to manage our differences. A new strategic concept of major power relations, which seeks both to stabilize the military equation and shield the world from catastrophe, is imperative. Two principles must guide this effort. I will say a few words about each.

First, the balance of power must be maintained. This requires an acute understanding of the principal elements of power, especially in this era of accelerating change. It also requires answers to these challenges: What threats are so central to American security that we will resist them alone, if necessary? What threats will we deal with only with allies? What challenges do not rise to the level of military confrontation?

Second, balancing world power, while essential, must not constitute the entirety of our policy. Today, the complexity, ambiguity, and volatility of highly advanced weapons, combined with emerging cyber and space-based technologies and artificial intelligence, would render a conflict between major powers a catastrophe unique in human history. The requirements of a balance which avoids such a conflict can be sustained only by governments whose publics believe in their peaceful purposes.

Our concept of major power relations must therefore include a diplomacy of world order side by side with a military element. Such an outcome presupposes that all parties' core interests are compatible, or seek to be so, through continual dialogue as these interests evolve. This policy also assumes strict reciprocity.

Never before has such a project been carried out in comparable circumstances dealing with such vast potential consequences. But it is our historic task. In this, China and Russia, though each possesses a profound capacity to impact world order, pose different challenges.

China is a rising power, as a matter of both policy and historical inevitability. Both it and the United States, an established power, are obliged by necessity to undertake a reexamining of their historic thinking. Not since it became a global power after World War II has America had to contend with a geopolitical equal. And never in China's centuries-long history has it conceived of a foreign nation as more than a tributary to the centrality of its power and culture. Each thinks of itself as exceptional, but differently: the United States believes its values ultimately will be universally adopted. China believes less in emulation than in the impact of a majestic example that will motivate other societies to turn towards Beijing on the basis of respect. The Belt and Road Initiative, by seeking to connect China to Central Asia and eventually Europe, is an expression of this thinking: it is a quest to shift the world's center of gravity.

With China, the challenge of world order involves the possibility of enabling two different concepts of nationhood to exist at least peacefully—and ideally cooperatively—side by side. American presidents of both parties and Chinese leaders have, for the past decades, sought cooperation at various summits. They have made some progress but have been inhibited by differences in culture: America seeking practical solutions to relatively short-term issues; China in quest of longer perspectives. If the goal of developing a concept of peaceful coevolution is not achieved, the risks of conflict may become unmanageable.

RUSSIA

Russia exhibits occasionally a quest of naked dominion as vis-&-vis Ukraine. Historically impelled by its geography—eleven time zones, few natural defensive demarcations—Russia developed a definition of absolute security that has driven it to seek to dominate its neighbors. In recent decades, the collapse of the Soviet Union has led almost all peoples at Russia's borderlands to reassert their independence.

Many sought to preserve their sovereignty by aligning with the West and joining NATO.

I strongly supported NATO's expansion to countries that traditionally were part of Europe's system of statehood. A special issue has arisen, however, with respect to countries with historic, cultural, and religious ties to both East and West, principally Georgia and Ukraine.

The challenge of Russia is whether it is possible to develop a concept of coexistence that addresses both the requirements of Europe's defense and a stable security architecture for the lands adjacent to it. Surely, the wisest course is to couple firm resistance of transgressions against international order with prospects for Russian participation in dialogues on international order. Rather than comprise a permanent zone of confrontation, criteria should be sought for Russia's geographic tangents to involve a zone of potential cooperation.

Few countries in history have started more wars or caused more turmoil than Russia in its quest for absolute security. But paradoxically, it is also true that at several key points in the last millennium, the balance of power in Europe has been preserved by Russian effort and sacrifice—against the Mongols, then against the Swedes, then Napoleon, then Hitler. While Russia's strength is our current preoccupation, history suggests that Russian weakness, in the final calculus, could produce its own dangers to world order by unleashing an orgy of violence in the contest over control of the territory east of the Urals.

THE FUTURE OF NATO

The traditional patterns of the Atlantic Alliance, which was established in a concerted effort to balance against a singular threat, will not be easily applied to the world I just described. NATO was formed in 1949 to protect its members from Soviet assault. It has since evolved into a network of nations attempting to coalesce and react jointly to destabilizing international crises outside the original treaty area.

In the world I have just described, there will be a temptation for Europe to maneuver between Asia and America, exploiting the fluctuations which surround it. But the realities of demographics, resources, technology, and capital continue to assure a decisive role in the world for an engaged America and a Europe committed to Atlantic principles. It will not, however, come about automatically. NATO's contribution to world order requires it to be clear about its strategic purposes. What outcomes, other than violations of its members' sovereignty, does it seek to prevent, and by what means? What are its strategic goals? By what means will it achieve them? To determine whether a unified Atlantic outlook can be renewed and applied to this new world is a key to long-range strategy.

CONCLUSION

The United States must address all these questions at a moment when many in the wider world believe Americans have voluntarily stepped back from strong leadership, so no longer can be expected to shoulder the burdens that come with an integrative, large-minded policy of support for the international state system.

This is ironic. The reality is that America is in a strong position. China has important domestic agenda considerations and does not want attention to these disrupted by external conflict. Russian actions in Eastern Europe and the Middle East have evoked reactions in the direction of retrenchment. Iran's pursuit of empire is creating countervailing forces that make possible its containment.

The stakes are high. The liberal world order, now some 300 to 400 years in development, has been the only truly international, indeed global, structure open to all peoples everywhere. Uniquely, it is procedural, not ideological. That means it is flexible, open, cooperative, and able to make mid-course corrections as needed. But it is not self-executing. America's initiatives and its integrative approach will spell the difference between stability and calamity.

Senator INHOFE. Thank you very much, Dr. Kissinger.

We pause for a moment here. We have a quorum, and so I ask the committee to consider a list of 1,056 pending military nominations. All of these nominations have been before the committee the required length of time.

Is there a motion to favorably report this list of 1,056 pending military nominations to the Senate?

Senator REED. So moved.

Senator INHOFE. There is a motion.
 Is there a second?
 Senator WICKER. Second.
 Senator INHOFE. All those in favor, say aye.
 [Chorus of ayes.]
 Senator INHOFE. Opposed, no.
 [No response.]
 Senator INHOFE. The ayes have it.
 [The list of nominations considered and approved by the committee follows:]

MILITARY NOMINATIONS PENDING WITH THE SENATE ARMED SERVICES COMMITTEE
 WHICH ARE PROPOSED FOR THE COMMITTEE'S CONSIDERATION ON JANUARY 25, 2018.

1. **MG Scott D. Berrier, USA to be lieutenant general and Deputy Chief of Staff, G-2, U.S. Army** (Reference No. 1120)
2. **BG Charles L. Plummer, USAF to be major general** (Reference No. 1217)
3. **Col. Sharon R. Bannister, USAF to be brigadier general** (Reference No. 1223)
4. In the Air Force there are 35 appointments to the grade of lieutenant colonel (list begins with Sarah E. Abel) (Reference No. 1233)
5. In the Navy there are 2 appointments to the grade of commander (Paul F. Magoullick) (Reference No. 1244)
6. **MG Jeffrey A. Rockwell, USAF to be lieutenant general and Judge Advocate General of the Air Force** (Reference No. 1295)
7. In the Navy there is 1 appointment to the grade of lieutenant commander (Nicholas H. Steging, Jr.) (Reference No. 1303)
8. In the Navy there is 1 appointment to the grade of lieutenant commander (Jonathan S. Durham) (Reference No. 1304)
9. **In the Army there are 2 appointments to the grade of brigadier general (list begins with Anthony R. Hale)** (Reference No. 1320)
10. In the Air Force there are 2 appointments to the grade of major (list begins with Brett L. Hedgepeth) (Reference No. 1321)
11. In the Air Force there are 2 appointments to the grade of lieutenant colonel and below (list begins with Joanna K. Kowalik) (Reference No. 1322)
12. In the Army there is 1 appointment to the grade of major (Aleksandr Gutman) (Reference No. 1323)
13. In the Navy there are 3 appointments to the grade of lieutenant commander (list begins with Laura C. Gilstrap) (Reference No. 1324)
14. In the Air Force there are 19 appointments to the grade of major (list begins with Trish M. Arno) (Reference No. 1427)
15. In the Army there is 1 appointment to the grade of major (Robert L. Ozburn) (Reference No. 1428)
16. In the Navy there is 1 appointment to the grade of lieutenant commander (Todd D. Husty) (Reference No. 1429)
17. In the Navy there is 1 appointment to the grade of lieutenant commander (Dawn M. Stankus) (Reference No. 1430)
18. In the Marine Corps there is 1 appointment to the grade of major (Christopher N. Earley) (Reference No. 1431)
19. **MG Eric J. Wesley, USA to be lieutenant general and Deputy Commanding General, Futures/Director, Army Capabilities Integration Center, U.S. Army Training and Doctrine Command** (Reference No. 1451)
20. **MG Theodore D. Martin, USA to be lieutenant general and Deputy Commanding General/Chief of Staff, U.S. Army Training and Doctrine Command** (Reference No. 1452)
21. **Col. Susie S. Kuilan, USAR to be brigadier general** (Reference No. 1453)
22. **MG Leslie C. Smith, USA to be lieutenant general and The Inspector General, Office of the Secretary of the Army** (Reference No. 1454)

23. **RADM(lh) Johnny R. Wolfe, USN to be vice admiral and Director for Strategic Systems Programs** (Reference No. 1456)
24. **Capt. John C. Ring, USN to be rear admiral (lower half)** (Reference No. 1457)
25. **RADM(lh) Scott D. Conn, USN to be rear admiral** (Reference No. 1458)
26. In the Air Force Reserve there are 8 appointments to the grade of colonel (list begins with Jin Hwa Lee Frazier) (Reference No. 1460)
27. In the Air Force Reserve there are 12 appointments to the grade of colonel (list begins with Corey L. Anderson) (Reference No. 1461)
28. In the Air Force Reserve there is 1 appointment to the grade of colonel (Michael C. Maine) (Reference No. 1462)
29. In the Air Force Reserve there are 4 appointments to the grade of colonel (list begins with Melissa A. Day) (Reference No. 1463)
30. In the Air Force Reserve there are 8 appointments to the grade of colonel (list begins with Matthew M. Bird) (Reference No. 1464)
31. In the Air Force Reserve there are 4 appointments to the grade of colonel (list begins with Holly L. Brewer) (Reference No. 1465)
32. In the Air Force Reserve there are 119 appointments to the grade of colonel (list begins with John G. Andrade) (Reference No. 1466)
33. In the Air Force Reserve there is 1 appointment to the grade of colonel (Joshua M. Kovich) (Reference No. 1467)
34. In the Air Force Reserve there are 4 appointments to the grade of colonel (list begins with David M. Dersch, Jr.) (Reference No. 1468)
35. In the Air Force Reserve there are 5 appointments to the grade of colonel (list begins with Lance J. Kim) (Reference No. 1469)
36. In the Air Force Reserve there is 1 appointment to the grade of colonel (David L. Wells II) (Reference No. 1470)
37. In the Army Reserve there is 1 appointment to the grade of colonel (Jocelyn A. Leventhal) (Reference No. 1471)
38. In the Army Reserve there are 14 appointments to the grade of colonel (list begins with Alyssa S. Adams) (Reference No. 1472)
39. In the Army Reserve there are 2 appointments to the grade of colonel (list begins with Kenneth S. Katrosh) (Reference No. 1473)
40. In the Army there are 2 appointments to the grade of colonel (list begins with Joseph Kloiber) (Reference No. 1474)
41. In the Army there is 1 appointment to the grade of colonel (Erick C. Crews) (Reference No. 1475)
42. In the Army there are 3 appointments to the grade of major (list begins with Michael C. Bradwick) (Reference No. 1476)
43. In the Army there are 5 appointments to the grade of major (list begins with Zachary T. Busenbark) (Reference No. 1477)
44. In the Army there are 2 appointments to the grade of major (list begins with Gabby V. Canceran) (Reference No. 1478)
45. In the Army there is 1 appointment to the grade of lieutenant colonel (Adam T. Soto) (Reference No. 1479)
46. In the Army there is 1 appointment to the grade of colonel (Philip J. Dacunto) (Reference No. 1480)
47. In the Army Reserve there is 1 appointment to the grade of colonel (Lyle A. Ourada) (Reference No. 1481)
48. In the Army there is 1 appointment to the grade of major (Sherry M. Kwon) (Reference No. 1482)
49. In the Navy there is 1 appointment to the grade of lieutenant commander (Paul I. Ahn) (Reference No. 1485)
50. In the Navy there is 1 appointment to the grade of lieutenant commander (Allen G. Gunn) (Reference No. 1486)
51. In the Marine Corps there are 4 appointments to the grade of colonel (list begins with William Doctor, Jr.) (Reference No. 1487)
52. In the Marine Corps there are 2 appointments to the grade of lieutenant colonel (list begins with Paulo T. Alves) (Reference No. 1490)

53. In the Marine Corps there is 1 appointment to the grade of lieutenant colonel (Henry W. Soukup) (Reference No. 1492)
54. In the Marine Corps there is 1 appointment to the grade of lieutenant colonel (William W. Inns III) (Reference No. 1493)
55. In the Marine Corps there is 1 appointment to the grade of lieutenant colonel (Craig A. Elliott) (Reference No. 1496)
56. In the Marine Corps there are 3 appointments to the grade of lieutenant colonel (list begins with Bill W. Brooks, Jr.) (Reference No. 1497)
57. In the Marine Corps there are 734 appointments to the grade of major (list begins with Edward J. Abma) (Reference No. 1498)
58. In the Marine Corps there are 23 appointments to the grade of major (list begins with Justin R. Anderson) (Reference No. 1499)
59. In the Marine Corps there is 1 appointment to the grade of lieutenant colonel (Steven P. Hulse) (Reference No. 1500)

TOTAL: 1,056

Secretary Shultz, thank you so much for being here.

STATEMENT OF DR. GEORGE P. SHULTZ, THOMAS W. AND SUSAN B. FORD DISTINGUISHED FELLOW, HOOVER INSTITUTION, STANFORD UNIVERSITY, AND FORMER SECRETARY OF STATE

Dr. SHULTZ. Thank you, Mr. Chairman.

First, I would like to pay tribute to Senator McCain. Like Henry, I have known him a great, long time. He fought for his country in combat. He endured terrible suffering and privation as a prisoner of war, and he managed to handle himself with dignity and pride.

Then he has served as a Senator and a presidential candidate. I remember those days and the slogan "country first." That is John McCain. "Country first," always.

So, Senator, I am sorry you are not here, but I want you to know how much I admire how you have served our country.

I would like to express my appreciation to be testifying alongside my two friends here, Henry Kissinger and Rich Armitage.

And I take the occasion to particularly underline one of the things that Henry brought out in his testimony, that is, the concern we must have about nuclear proliferation. As you remember in the Reagan period, we worked hard. President Reagan thought nuclear weapons were immoral, and we worked hard to get them reduced. And we had quite a lot of success. In those days, people seemed to have an appreciation of what would be the result of a nuclear weapon if it were ever used. I fear people have lost that sense of dread. And now we see everything going in the other direction, nuclear proliferation. The more countries have nuclear weapons, the more likely it is one is going to go off somewhere and the more fissile materials lying around—anybody who gets fissile material can make a weapon fairly easily. So this is a major problem. It can blow up the world. So I think we have to get at it.

And the right way to start is what Henry said, is somehow to be able to have a different kind of relationship with Russia—after all, Russia and the United States have the bulk of all the weapons—and then start a dialogue. I will have some comments to make about Russia in a minute.

I distributed two things. Number one is a demographic outline, and I want to speak about that. And I also distributed a pre-publication book, and I am going to talk particularly about two of the

articles in the book. One is by T.J. Hammis, a retired Marine Corps colonel. He is at the National Defense University. Another is by Lucy Shapiro and her husband. Lucy is a biologist. Her husband is a physicist at Stanford. Lucy is the smartest person in any room she is in and she is also fun. So sometime if you were looking for something really good, get Lucy to come and testify and you would have a ball but you would also learn something. But anyway, I am going to draw on these two papers. So you have that book.

But I think my main point is that there are four major forces acting in the world that are going to disrupt it greatly and rapidly. And anything we do has to be aware of these disruptions.

The first is demography. And this chart is one of the things that just shows you briefly what is happening. You can see the blue lines are 2015 to 2035, and then 2035 on out are the golden lines. And you can see how things are shrinking rapidly. Birthrates are falling. Longevity is rising. In a sense we used to think of populations as being a lot of young people and a few older people. Now it is totally reversed with huge implications.

I think it is worth also noting the big declines coming in the populations of China and Russia. I might say on Russia, Russia's economy is not as big as Italy's and it has twice the number of people. It shows you how poorly they are running their economy, and their population is shrinking. And I think in a sense we have Russia playing a weak hand aggressively, and we need what I think of as a Pershing moment to put a stop sign on that and then get on to talking.

So I think the first thing to notice is the world population is changing. It is getting older. For the most part, the places in the world that are seeing big increases in population are mostly in Africa and some parts of Asia. These are places where there are the big explosions of populations. These are also places where the economies are not good and where probably adverse conditions are most likely to arise. So I think it is almost certain that there is going to be a big effort for people to migrate away from those places, and how the world is going to handle this large migration—we got to start thinking about it. You cannot ignore it. So that is point one.

Point two has to do with governance. We are surrounded by information and communications. Information is everywhere. Some of it is right. Some of it is wrong. Some of it is put out for a purpose. Some of it is just neutral. It is hard to sort it out. And diversity is everywhere. People can look at this information. They can communicate. They can organize and they do. So you have got a lot of government by protest of one kind or another. We have to learn all over again how we govern over diversity. Just as government is having a hard time, things like nuclear proliferation come along that can only be dealt with by intergovernmental cooperation. So this crisis in government I think is a very important thing to address and try to think through.

The third and fourth big changes have to do with technology. The first is artificial intelligence, and the second is what is called 3-D printing. It really should be called additive manufacturing. But it is a big deal really coming hard. So I am going to focus on what is happening with this.

First, let me talk about the economy. What is happening as a result of these forces is deglobalization. This is already happening. This is not something for the future. The reason is that it is becoming more and more possible to produce the things you want close to where you are. So the advantages of low labor costs are disappearing. And the more you produce things near where you are, the less you need shipping and it has a big impact on energy and it has a huge impact on the countries that are providing low-cost labor and a huge impact on places like ourselves which will wind up being able to produce these things near where we are. It is a revolution. And a revolution in the economy has all sorts of security implications that need to be thought about. But this is a very big deal.

Here is just a sample in terms of information: “Over \$700 billion in capital left developing economies, greatly exceeding the \$125 billion net outflows during the great recession. In contrast, foreign direct investment into the United States is growing rapidly. In 2016, FDI flows into the United States reached \$391 billion, more than double the \$171 billion inflow in 2014. Outflows in 2016 were only \$299 billion. Thus in 2016, the United States saw a net inflow of investment capital of \$192 billion. In 2015, the latest statistics available from the Department of Commerce, nearly 70 percent of the FDI was invested in the manufacturing sector. This is just by way of putting an underline on the point that I was making.

Robotics, 3-D printing, and artificial intelligence are driving manufacturers to reconsider not only how and what they make but where they make it. The world is on the very front end of a big shift from labor to automation. Robot sales are expected to reach \$400,000 annually in 2018. This estimate does not account for the newly developed cobots, that is, collaborative robots. They assist human workers and thus dramatically increase human productivity.”

There are other things about all this that I will go into which underline it.

“But the new technologies are bringing manufacturing back to the United States. The United States has lost manufacturing jobs every year from 1998 to 2009, a total of 8 million jobs. Over the last 6 years, it regained about a million of them. With the cost of living no longer a significant advantage, it makes little sense to manufacture components in Southeast Asia, assemble them in China, and then ship them to the rest of the world when the same item can either be manufactured by robots or printed where it will be used. So this is a huge revolution taking place. It also underlines the enhanced ability to protect your intellectual property because you do not have to ship it around” (“Technological change and the Fourth Industrial Revolution.” *Beyond Disruption: Technology’s challenge to Governance*, ed. George P. Shultz, Jim Hoagland, and James Trimble, Hoover Institution Press, 2018).

So that is the economic side.

“Now, fourth, the industrial revolution”—I am reading now from Hammis’ text—“will drive massive changes in the economic, political, and social spheres and will inevitably change warfare too. (“Technological change and the Fourth Industrial Revolution”).

So you want to look at the dramatic improvements in nano-energetics, artificial intelligence, drones, and 3-D printing. They are producing a revolution of small, smart, and cheap weapons that will redefine the battlefield.

Open source literature says nano-aluminum created ultra high burn rates which give nano-explosives four to ten times the power of TNT. The obvious result, small platforms will carry a very destructive power. Then you can put these small platforms on drones” (“Technological change and the Fourth Industrial Revolution.” Beyond Disruption: Technology’s challenge to Governance, ed. George P. Shultz, Jim Hoagland, and James Trimble, Hoover Institution Press, 2018)/ Drones can be manufactured easily and you can have a great many of them inexpensively. So then you can have a swarm armed with lethal equipment. Any fixed target is a real target. So an airfield where our Air Force stores planes is very vulnerable target. A ship at anchor is a vulnerable target. So you have got to think about that in terms of how you deploy.

“And in terms of drones, while such a system cannot be jammed, it would only serve to get a drone—we are talking about getting a drone to the area of where its target is, but you would be sure it can hit a specific target. At that point, the optical systems guided by artificial intelligence could use on-board, multi-spectral imaging to find the target and guide the weapons. It is exactly that autonomy that makes the technologic convergence of threat today. Because such drones will require no external input other than the signature of the designed target, they will not be vulnerable to jamming. Not requiring human intervention, the autonomous platforms will also be able to operate in very large numbers” (“Technological change and the Fourth Industrial Revolution”). So that is a revolution in the way warfare will be conducted.

You have all sorts of ways of enhancing the impact of the weapon by explosively formed penetrators and by what they call bringing the detonator, that is, learning how to hit something that has a lot of explosives in it and blowing them up.

“Now, the Chinese are very much on to this. The Chinese can transport, erect, and fire these fairly large drones, 9-foot wing span, with a two-person crew. A similar size truck can be configured to carry hundreds of Israeli hero size drones. Thus the single battery of 10 trucks could launch thousands of autonomous active hunters over a battlefield” (“Technological change and the Fourth Industrial Revolution”). So the Chinese know how they can—we have bases in Japan, airfields. They can take them out. We have got to learn how to disperse and change the way you deploy.

This makes domain denial much easier than domain usage. I think there is a great lesson here for what we do in NATO to contain Russia because you can deploy these things in boxes so you do not even know what they are and on trucks and train people to unload quickly and fire. So it is a huge deterrent capability that is available and it is inexpensive enough so that we can expect our allies to pitch in and get them for themselves.

I might say on cyber—there was some mention of that earlier. There is a big problem, but it is important to remember that all networks have nodes in the real world. Some of them are quite ex-

posed. So we combine that fact with the possibility of autonomous drones and maybe you can do something about those nodes.

The creative use of swarms of autonomous drones to augment current forces would strongly and relatively cheaply reinforce NATO, as I said, that deterrence. If NATO assists frontline states in fielding large numbers of inexpensive autonomous drones that are pre-packaged in standard 20-foot containers, the weapons can be stored in sites across the countries under the control of reserve forces. If the weapons are pre-packaged and stored, the national forces can quickly deploy the weapons to delay a Russian advance.” (“Technological change and the Fourth Industrial Revolution.”)

What is happening is you have small, cheap, and highly lethal replacing large, expensive platforms. This change is coming about with great rapidity, and it is massively important to take it into account in anything that you are thinking about doing.

Now, let me turn to a completely different aspect of the change that is going on. Excuse me for rattling around in my papers.

Now I turn to Lucy’s paper. She says, “breakthrough advances in the sequencing, decoding, and manipulation of genomes of all organisms are occurring at the same time as destructive changes in the world’s ecosystem. We are in the midst of the sixth grade extension which is predicted to culminate in the elimination of about 30 percent of all ocean corals”—that is going on now—“sharks and rays, 30 percent of all freshwater mollusks, 25 percent of all mammals, 20 percent of all reptiles, and about 15 percent of all birds currently alive” (“Technological Change and Global Biological Disequilibrium.” Beyond Disruption: Technology’s Challenge to Governance, ed. George P. Shultz, Jim Hoagland, and James Timbie, Hoover Institution Press, 2018). There is a gigantic change taking place.

And tropical diseases are everywhere, and we are not getting up to scale on our diagnostics of them and our treatment capabilities.

We also, as Lucy brings out, know how to manipulate genes in a way we never have before. So why are we not getting some of these mosquitoes that do such much damage and fixing them so they do not do so much damage. That can be done. This is all, of course, happening as a result of the warming climate.

As Lucy says, climate change is the cause of the global redistribution of infectious diseases” (“Technological change and Global Biological Disequilibrium”). So that is happening.

So she gives an example here. She refers to the worst animal disease pandemic in U.S. history. “That was back in 1914–1915 when 50 million domestic poultry in 21 states were slaughtered” (“Technological Change and Global Biological Disequilibrium”). How does this happen?

“Global warming has shifted migratory bird flight paths leading to an overlap of the south to north Asia-Pacific flyway, the North American Pacific flyway to the Bering Straits. The Arctic waters are warming faster than other regions on earth so that the Bering Straits has become a meeting and mingling spot for flocks following flyways that formerly rarely mixed. DNA sequencing enable identification of specific avian flu strains that were hitching a ride in these mingling flocks as well as their sites of origin and their mu-

tation rates” (“Technological Change and Global Biological Disequilibrium”). So out of all this, we get big trouble.

Well, so my point—and I will not keep belaboring these points, but I think it is quite apparent that what we are seeing as a result of technological change in the biological area is a new world, a very different world. It is going to be de-globalized, and at the same time, there are weapons available that will change the battlefield landscape.

We are on top of these things. So are the Chinese. I think the Russians are probably a little less able, but nevertheless can get these.

But going back to the nuclear problem that Henry mentioned, somehow we have to get our arms around the nuclear proliferation, and the way to do it is to put a stop sign in front of Russia and have them come to their senses, then start working with them on the nuclear matters, as well as other things. From that, we can try to create a kind of joint enterprise to work on this issue because it threatens mankind.

Thank you, Mr. Chairman.

Senator INHOFE. Thank you, Secretary Shultz.

Secretary Armitage, nice to have you back.

STATEMENT OF RICHARD L. ARMITAGE, PRESIDENT, ARMITAGE INTERNATIONAL AND FORMER DEPUTY SECRETARY OF STATE

Mr. ARMITAGE. Thank you, sir. Acting Chairman Inhofe, Ranking Member Reed, ladies and gentlemen.

Now I get it. I know what my job is here today. I am a little like that fellow who followed Noah to the podium to talk about my experiences in a recent rain shower.

[Laughter.]

Mr. ARMITAGE. I do realize that your patience is in inverse proportion to the length of my opening statement. I have been here before. So if you would allow me to make only three points.

The first, to join my distinguished colleagues to send all best wishes and prayers to John McCain. I miss him and I miss his voice, and I think it is important that he knows that.

Second, much to my amazement, the national security strategy and the national defense strategy actually comported with each other to a very high degree. And this is no small chore, no small feat. Having participated in many of those historically, they do not often comport. This does.

But I particularly want to call to note the national defense strategy because I think it is a very clear-eyed, well written, succinct document that accomplishes things. First of all, it accomplishes a direction for the political appointees in the Pentagon. They know what the President and the Secretary of Defense want. They get it.

Second, it is a clear guidepost to our uniformed military and our bureaucrats—and I mean that term in a positive sense—who populate our Pentagon and beyond. They know what the President's priorities are. And it is also very clear to you as authorizers what the President's priorities are. Set curbs, if you will, barriers along the street to show you what is important and what is not as far as the President and the Pentagon are concerned.

Finally, equally important is what that document does not say. It does not say that we face an existential threat today. It talks about peer competitors. I am all for competition. And if we do our job as a military and diplomats, peer competitors will not become adversaries and then enemies.

To be an existential threat, it seems to me you have to have the capability to annihilate the United States and the desire to do so. China has the capability. It does not have the desire. She has too much skin in the game. Russia has the capability. It does not have the desire. She prefers to use other methods to undermine the United States in Eastern Europe and Ukraine, et cetera. North Korea, Iran, they do not yet have the capability and their intention, at least to me, is still unknown. Now, the Islamic State of Iraq and Syria (ISIS) and terrorist groups, they have got the intention to destroy us but they do not have the capability. So we have got to keep our eye on the ball, and the ball is to keep our peer competitors from becoming enemies and adversaries.

Thank you.

[The prepared statement of Mr. Armitage follows:]

PREPARED STATEMENT BY RICHARD L. ARMITAGE

I am grateful for the opportunity to come before this committee to discuss the national security challenges facing our country. I am particularly honored to testify alongside Secretaries Kissinger and Shultz, two of our nation's leading statesmen. I also want to thank Chairman McCain and Ranking Member Reed for their leadership and to wish Chairman McCain well in his current fight.

This hearing examines how policymakers can execute a coherent strategy to address the threats facing the United States. Unfortunately, the lack of consistency in recent U.S. foreign policy has created uncertainty about America's role in the world. According to a survey published by the Pew Research Center on June 26, 2017, global confidence in the U.S. president fell from 64 percent to 22 percent in just one year. Nature abhors a vacuum, so if our competitors believe that the United States is stepping back, they will step forward.

We are already seeing concerning signs about the loss of American leadership. A few months ago, Singapore's Prime Minister Lee Hsien Loong came to Washington and warned that his counterparts might decide, "I want to be friends with both the U.S. and the Chinese—and the Chinese are ready, and I'll start with them." We must choose whether the United States will accept the mantle of global leadership or cede that responsibility. For my part, I believe it is critical that the United States stay actively engaged to protect our interests around the globe.

Regaining confidence in the United States will require a clear and consistent approach to the challenges we face. In this regard, I find parts of the recently released National Security and Defense Strategies refreshing. The National Security Strategy does not mince words about the challenges posed by China and Russia. The National Defense Strategy makes its top priority "the reemergence of long-term, strategic competition" with these states. This message was amplified by Secretary Mattis's comment last week that "Great power competition, not terrorism, is now the primary focus of U.S. national security."

Inconsistencies lie, however, in the difference between the administration's words and deeds. Thus far, the administration's approach to both China and Russia has been mixed. Under Xi Jinping, China appears to be embracing authoritarian mercantilism. Beijing's growing economic and military might have enabled greater assertiveness in the South China Sea, more coercive practices against Taiwan, and efforts to restructure geostrategic relationships across the Eurasian continent. In my view, the administration missed a golden opportunity to push back against China's destabilizing activities when the President went to Beijing last fall.

Russia is far less capable than China, but its interference in the U.S. elections and its activities in Eastern Europe are no less serious. Once again, however, the administration has been far too hesitant to call out Russia's efforts to undermine democracy both at home and abroad.

Despite our ongoing efforts, terrorist groups, such as ISIS, will continue to present a threat to the United States so long as the root causes of terrorism remain. Ter-

rorism is fed by youth bulges, lack of opportunity, lack of women's empowerment, lack of political legitimacy, ethnic strife, and sectarian rivalry. We will have to continue to manage the threat from ISIS and other terror groups by addressing these underlying dynamics while also upholding our core values and principles.

The final set of challenges comes from rogue states. Although the nuclear deal with Iran has limited Tehran's nuclear capabilities, Iran continues to threaten regional security. I believe that the Joint Comprehensive Plan of Action should have been followed by a series of efforts to force Iran to cease other types of cancerous behavior, such as support for terrorism. There is more work to be done in this regard, and I urge the administration and members of Congress not to overlook this equally necessary approach toward Iran.

North Korea also embraces an array of destabilizing activities. The prospect that Kim Jong-un might be able to launch a nuclear-armed missile against the continental United States requires renewed cooperation with South Korea, Japan, and others. I believe that deterrence and containment are the best approach, as long as they are executed in coordination with our allies.

These challenges are real, but none yet rise to the level of an existential threat. An existential threat requires not only the capability to threaten our survival, but also the intent to carry out that threat. Although China and Russia are the two most capable competitors we face at present, I do not believe that they presently possess that intent, and it should be our goal to dissuade them from doing so. Iran, North Korea, and terrorist groups may desire to undermine our system, but they do not yet have the capability to threaten our way of life.

Even without an existential threat to our nation, we cannot sit idle while our competitors advance. We must prioritize the threats we face and then devote attention and resources appropriately. The National Security Strategy and National Defense Strategy set forth China and Russia as the top tier concerns, but it remains to be seen whether the administration is capable of working with Congress to pass a defense budget that reflects this prioritization. Such an effort will be critical to the United States' strategic standing.

We must also engage more deeply with our allies and partners. President Eisenhower once noted, "We could be the wealthiest and the most mighty nation and still lose the battle of the world if we do not help our world neighbors protect their freedom and advance their social and economic progress." This is as true now as it was then, and we must be vigilant that this basic underpinning of our national security is not lost to the forces of isolationism.

It also is unclear whether the President himself will support the approach that his administration has identified. Although the National Security Strategy discusses the importance of "pursuit of shared interests, values, and aspirations," the President has at times undermined these concepts.

My view is that the United States must maintain a leadership role in the world both in word and deed. The United States—along with its allies and partners—has the strength, wisdom, and experience to lead. The world needs a renewed U.S. commitment to global security, prosperity, and values. The time is now for our leaders to take on the mantle of leadership, and I look forward to discussing with you how the United States might do so.

Senator INHOFE. Thank you, Mr. Secretary.

We have a full house here and so I am going to be very brief. But one of the things that came across very clear from all of you, comparing our problems today with the problems of the past. We have threats that we have not had before. All of you have served with Director Clapper, the former Director of National Intelligence. The quote that he has given us—and I am sure you are aware of that—"looking back over now more than a half century in intelligence, I have not experienced a time when we have been beset by more crises and threats around the globe." And then we have our Chairman of the Joint Chiefs of Staff who even suggests that we are losing our qualitative and quantitative advantage. So it is very frightening.

So I would just like to ask each one of you. Secretary Armitage, you were very specific on the national defense strategy that came out from President Donald Trump and specifically the two-three strategy. Would anyone like to elaborate any more on their support

or non-support of that strategy that just came out in January 2018?

Dr. SHULTZ. Like Rich, I am very impressed with what they laid out, but I think it does not adequately address the fact of the huge change that is taking place in de-globalization and a new kind of weaponry that is coming about and what the implications of that are. Those things need to get factored in. I am sure they will.

We had the privilege of having Jim Mattis at Stanford's Hoover Institution for about 3 years. His office was around the corner from mine. So whenever I would see his light on, I would go, sit down, and start talking. He is one wonderful man. He is smart. He is into everything. He knows what is going on. If you ask him his opinion, he tells you what it is right between the eyes. There is no ambiguity about it.

Senator INHOFE. I think you both do that.

Dr. SHULTZ. He is a jewel and I am sure he is into all this.

Senator INHOFE. Any other comments on the two-three? Yes, Secretary Armitage.

Mr. ARMITAGE. Yes, sir. Two comments.

First of all, on the qualitative and quantitative edge that we are losing, well, is it no wonder? We are marching and counter-marching all up and down Europe, Afghanistan, and Iraq for a long time. We really run these folks ragged in my view. Africa now. So it is no question that we are losing our training edge, our qualitative edge. The equipment is being run into the ground. So I think the military leadership of the United States, the Secretary of Defense, and you all ought to think through this problem to make sure that we are deploying people that we really need to deploy and we are keeping people at home that we need to keep at home.

Second, I want to dispute to a tiny degree the fact that this is the messiest and most disorderly world we have ever seen. I think with 40 million refugees after World War II and 40 million dead, someone might say no, it was pretty bad. Here is a man who participated in the Pacific in that conflict, and he can tell you personally. So it is messy and it is disorderly, but is it the worst it has ever been? I am not sure. Maybe it seems worse because there are questions in the international community about whether the United States is going to take our traditional lead as we have for the past 70 years.

Senator INHOFE. And while you have the floor, just one brief answer to this on the nuclear strategy. We have had a hearing recently and it has been obvious to everyone—and you all three remember this—that China and Russia have been modernizing their nuclear arsenals while we have been sitting around not doing anything on ours. If you look at our nuclear triad, all three legs are aging. Do you have any comments to make on your recommendation as to what we should be doing right now? Any one of you.

Dr. SHULTZ. I am a great believer in the tremendous importance of getting rid of nuclear weapons, but I think the way to do that is, as long as there are nuclear weapons, the United States must have a robust, secure, and safe arsenal to use for deterrence and for a basis from which to negotiate down.

Senator INHOFE. We really have not been doing any modernization since you guys were at the helm. So that is the only point I wanted to make. Do you agree with that?

Dr. SHULTZ. Well, I read what I guess was an early version—somehow it was sent to me—of the national security strategy. And I liked the beginning of it because it talked about our commitment to getting rid of nuclear weapons. But as you read on, it almost sounded a little bit as though there might be this or that occasion where we would use nuclear weapons. And this notion of using them that is spreading around is deeply disturbing to me because of the consequences.

You remember the Chernobyl nuclear power plant accident was vast damage. I remember the first meeting I had with Gorbachev after that. I found that he had asked the same question I had. What is the distinction between what happened at Chernobyl and what would have happened if a nuclear weapon had been dropped there? Answer: nuclear weapon much more devastating. So you could sense the utter destructiveness of these things.

Senator INHOFE. Senator Reed?

Senator REED. Thank you all, gentlemen, for the extraordinary testimony and again for your service to the nation. All have reflected the importance of diplomacy and also the multifaceted challenges we face. They are not simply in the military dimension. There are environmental issues. There are demographic issues. Secretary Shultz has made that very clear.

Can you comment—and you might begin, Secretary Shultz, and then I will ask Secretary Kissinger and Secretary Armitage. Our whole-of-government approach to these problems—is it adequate at the moment?

Dr. SHULTZ. Well, it has been over a quarter of a century since I have been here. I come occasionally to testify. But what is going on—I know having run four departments, that if you are not there, you really do not have a good idea of what is going on.

But I think the challenge is really tremendous to coordinate efforts and they need to certainly be coordinated. And my impression is—it is an impression—that since the Defense Department people can actually go and do something, there is a tendency to rely on them probably more than we should and we should delegate other people to do more of their share. But that is just an impression.

Senator REED. Thank you.

Dr. Kissinger, do you have any comments about the whole-of-government approach in terms of how well we are doing?

Dr. KISSINGER. The challenge we face at this moment is determining what our national objectives are and how to reach them in a strategic manner. The Defense Department statement about our objectives seems to me very adequate and expresses the necessity. But I would like to point out as a student of history that if one relies entirely on abstract military planning without having thought through the political consequences, one may find oneself in an irreversible position. None of the leaders who started World War I would have done so if they had known what the end result would be like. So when weapons are being procured, which in principle I favor strongly, one should also relate them to a military strategy that one is prepared to implement, and a diplomatic strategy that

looks for the creation of a system of world order by which you can determine the nature of the challenges and the extent to which they can be opposed.

On the diplomatic side, I think we need a more systematic approach to what we are attempting to do. On the military side, I support what the Defense Department is trying to do. And I agree with the objectives that have been stated with respect to North Korea and with the Middle East, but they have been, up to now, conducted in a fragmentary rather than a coherent manner.

Senator REED. Thank you, Dr. Kissinger.

Secretary Armitage, please.

Mr. ARMITAGE. Just briefly, sir. The whole-of- government sounds great, but in order to have a whole-of- government approach, you have to have buy-in by all the leadership and you have to have an inventory of what your arrows are to put in your quiver. I do not think we have got that.

Second, you have to have resources, and it does not seem to me you can have a whole-of-government approach if you resource the State Department in an insufficient way. If it was not for the Congress, we would be down 30 percent in the State Department instead of the 10 percent that the State Department is down now.

Finally, the whole-of-government approach has to embrace friends and allies. For us to do everything alone is wrong in my view. So it has to be seen that a whole-of-government is also diplomacy, is also getting coalitions together of allies, likeminded people, et cetera.

Senator REED. Thank you very much.

Dr. SHULTZ. I think that was a very important point that Rich made. It is not only us but our allies that we have to work with.

Senator REED. Thank you all very much.

Just a point. You have all signaled that the proliferation issue is absolutely critical, and Korea, if it continues on its projection, raises huge proliferation problems. That may be a way in which we can get the Chinese and the Russians and us to work together because my sense is that they too fear a proliferation problem. But I will leave that to the next round, if there is a next round.

Thank you.

Senator INHOFE. Senator Wicker?

Senator WICKER. Thank you, gentlemen. This has really been wonderful, very, very valuable to members like me.

Dr. Kissinger, let me ask about NATO in a statement that you made. After you follow up, I will ask our other two witnesses to comment. You say NATO needs to be clear about its strategic purposes. What outcomes other than violations of territorial integrity does NATO seek to prevent? What do you suggest should be the answer to that question among NATO members?

Dr. KISSINGER. The challenge that NATO faces now seems to me to be this. For 300 years, Europe was the designer of the international system and provided the leadership in the structure of the world, the United States in those periods standing apart. At the end of World War II, Europe was devastated, and the United States undertook the leadership of bringing together these various nations and guaranteeing their territorial integrity. The challenge

was primarily conceived to be from the Soviet Union as a military attack on Europe.

Europe under the Marshall Plan recovered economically its capacity to act as a civil society. But it has not regained its leadership in international politics. Therefore, at the same time, the challenges have altered from the attack from the Soviet Union to a series of crises around the world that have potential dangers but not immediately overwhelming dangers. So it requires a higher degree of assessment.

So NATO has constantly been faced with a series of what are called out-of-the-area problems which are central in many ways to the overall equation but not central to how they conceive it domestically. So it is important, and I support strongly the Trump administration in that effort to give Europe a more active role in some of the issues that I outlined with my colleagues.

Senator WICKER. Is Ukraine one of those out-of-the-area or in-the-area problems? And what is the definition of success there, sir?

Dr. KISSINGER. That is exactly the issue. For Russia historically, Ukraine has been part of their territory at least for 400 years. On the other hand, it is tied in many respects to Europe. So I personally, which is a minority view—I have thought it was unwise to try to include Ukraine in NATO, but it is also impossible to let it exist as a satellite of Russia.

So the way I express that issue is this. If the security border of Europe is the eastern border of Ukraine, it is within 300 miles of Moscow and will create tensions with Russia. If it is on the western border of Ukraine, it is at the border of Poland, Hungary, Romania, the Baltic States, and that is unacceptable for Europe and the United States. So, therefore, is it possible to have a Ukraine solution in which Ukraine is free in the political and economic field to relate itself to its preferences, something like Finland, without the NATO participation?

In any event, Russia has to adhere to the Minsk Agreement because it cannot claim Ukrainian territory by force. But Ukraine is sort of at the borderline of this conception. It should be politically and economically where it wants to be. The question is can one think of a military arrangement there that is not directly confrontational.

Senator WICKER. The chair has told me that I can ask one of you to follow up. So, Mr. Armitage, would you care to follow up on that?

Mr. ARMITAGE. From my point of view, Senator, the most important thing that we can do for NATO, first of all, is make sure they have a full understanding of the ironclad nature of NATO's Article 5, the affection that we have for article 5. And we have to be credible in that. In return, it seems to me NATO has got to do something. It is not just 2 percent of GDP. I read recently that the British have no warships right now, that they are outside of their ports. They are in port. I think I am correct to say the German submarine fleet is either inoperable or nearly so. This is not acceptable. So in exchange for an article 5 commitment by the United States, I think we have got to get a commitment that they will stand up their capabilities.

Senator INHOFE. Senator Shaheen?

Senator SHAHEEN. Thank you, Mr. Chairman.

And thank you all very much for being here and for your years of service to the country.

Dr. Shultz, I could not agree more with the discussion about the impact of technology and artificial intelligence and how that will affect warfare.

My concern is, as we look at the potential for change in that area, how do we engage with the defense industrial base, which has been I think sometimes reluctant to acknowledge the need to move. And when we have weapon systems that are very expensive and have started down the road to development, how do we make that switch in a way that allows us to keep up with this evolving technology?

Dr. SHULTZ. Well, I suppose we have to start taking action and creating our banks of 3-D printers and start using them. And the obvious fact that small, cheap, and many is better than a few very expensive and vulnerable—just that logic has to pervade and we have to change.

Senator SHAHEEN. I share the concern about nuclear proliferation and where we are now and what appears to be moving closer to a nuclear war in some way. Not just in how we respond to what is happening in North Korea but as we look at modernization of our nuclear weapons, the move to smaller nukes and this whole Russian idea that has been put forward that we can escalate to de-escalate by the use of small nuclear weapons. How should we think about responding to that threat? Because that does seem to be gaining some credibility in military circles.

Dr. SHULTZ. Well, a nuclear weapon is a nuclear weapon. You use a small one. Then you go to a bigger one. I think nuclear weapons are nuclear weapons, and we need to draw the line there. And one of the alarming things to me is this notion that we can have something called a small nuclear weapon, which I understand the Russians are doing, and that somehow that is usable. Your mind goes to the idea that, yes, nuclear weapons become usable, and then we are really in trouble because a big nuclear exchange can wipe out the world.

I have a great friend in San Francisco named Bill Swing. He is the retired Episcopal bishop of California. And he started something really terrific called the United Religions Initiative. And he made a statement about a year ago. I tried to get him to publish it, but he would not do it.

But he said when you put your hand on the Bible and swear to be President of the United States, that is the least of it. When you put your hand on the nuclear button and you can start something that might kill a million people, you are not President anymore. You are God. And who are we to say we are God?

The weapons are immoral, as President Reagan said many times. And we need to get rid of them.

Personally I think the way to get rid of them is, on the one hand, maintain our strength of our arsenal, but then we need to somehow get rearranged with Russia.

Personally I am very interested in Henry's comments on the Ukraine, but Russia signed an agreement when Ukraine got rid of its nuclear weapons that it would respect Ukraine's borders. They signed that. They totally ignored it. They do not even refer to it.

We should not accept that. And it seems to me with these new kind of weaponry, we can change the situation in Ukraine and maybe that is the place where we could have what I call a Pershing moment.

A Pershing moment for me is in the Cold War, the Soviets had intermediate range weapons that could hit Europe, Japan, and China, but not us. Their diplomatic ploy was that we would use our intercontinental missiles to defend our allies and risk using their intercontinental missile on us.

So we had a deal with NATO that we would negotiate, and if we could not agree, we would deploy intermediate range weapons in Europe. And we knew we were negotiating just as much with Europeans as we were with the Soviets because putting a nuclear weapon on your territory is not very comfortable.

At any rate, the negotiation was conducted. President Reagan did a very good job on it. When we came to the end, we deployed cruise missiles in Britain with Margaret's help and in Italy with Andreotti's help.

But then came the big deal. Ballistic missiles were called Pershings in Germany. And here is where the alliance came in. Everybody supported the Germans. It was very controversial. The Russians pulled out of negotiations. They did everything to fan war talk, but the Pershings got deployed. That was the turning point in the Cold War, and it showed the Russians something special.

There was a little side story if I could just take a minute. Nancy Reagan was my pal, and she was to fix me up with a Hollywood starlet at a White House dinner. So I got to dance with Ginger Rogers and stuff like that.

But anyway, after the deployment of the Pershings, gradually things softened. And I could go to the President and say, Mr. President, out of four different capitals in Europe, a Soviet diplomat has come up to one of our embassies and said virtually the same thing, which we think boils down to—Gromyko was invited to Washington. When he comes to the general assembly in September, he will accept. In other words, the Soviets blinked.

I said maybe you want to think this over because Jimmy Carter canceled these when they went into Afghanistan and they are still there. He said I do not have to think it over. Let us get them here. So it was a huge event.

And I went to Nancy and I said, Nancy, what is going to happen is Gromyko is going to come to the Oval Office. We will have a meeting, probably a fairly long one, and we will all walk down the colonnade to the mansion that is your home. And there is some stand-around time in their working lunch. So it would be a nice touch if you were there for the stand-around time. You are the hostess. It would be warm. So she agreed.

So Gromyko, as soon as he sees Nancy, knows she is influential. So he makes a beeline for her. And before long, he says does your husband want peace. And Nancy said, of course, my husband wants peace. Then he said, well, then every night before he goes to sleep, whisper in his ear, "peace". He was a little taller than she was. So she put her hands on his shoulder and pulled him down so he had to bend his knees. She said I will whisper it in your ear, peace. I said, Nancy, we just won the Cold War.

That was a Pershing moment, and I think we need another Pershing moment to get the Soviets to see there is a stop sign here and there is another path to peace. After all, they are staggering. Their economy is a mess. Their demography is a mess. They have really tough troubles in the Caucasus. So a different arrangement would benefit them greatly. Then we could start once again down the road talking about nuclear weapons. This time maybe we can have a inclusive joint enterprise of some kind to really get after this subject.

Senator SHAHEEN. Thank you.

Senator INHOFE. Senator Cotton?

Senator COTTON. Thank you, gentlemen, for your appearance today and your service to our country, not least in your youth in the armed forces of the United States.

Dr. Kissinger, I want to return to a point that you raised in your opening statement as well as your written testimony. I will just repeat it. You point out a paradox, a possibility that in North Korea, as in Iran, an international effort intended to prevent a radical regime from developing a destabilizing capability will coincide diplomatically with the regime perfecting that very capacity for the second time in a decade. An outcome that was widely considered unacceptable is now on the verge of becoming irreversible.

Would you elaborate on why you think that is the case and what we could learn from the situation?

Dr. KISSINGER. With respect to North Korea, it is the idea that there might be a negotiation based on a freeze for freeze. The concern I had with the Iranian agreement was that it legitimized the eventual emergence of Iran as a nuclear power. It only delayed it by some years. The situation with North Korea is even more acute because Iran did not yet have a nuclear weapon, but if one negotiates a freeze of the existing situation, one has thereby legitimized a Korean military capability. If that is established, other countries in the region, confronting their own security problems, are likely to come to the conclusion that it is safe to proceed with their nuclear programs. That then we would face a totally new situation where in a region in which there are considerable tensions, there is also an accumulation of nuclear weapons. Once that line is crossed, as George Shultz pointed out, you are then in a world in which we have no experience about escalation, where it is difficult to establish the principles. This would then start, in my opinion, a sequence of events in which some countries would resist this and other countries would insist on it.

So, therefore, I think the denuclearization of North Korea, which is not a direct, overwhelming threat to us, is important for the evolution of the international strategy with respect to nonproliferation. Therefore, we need to make a distinction between measures that might relieve the immediate tension make an ultimate crisis all the more severe and measures that need to be taken or could be taken to face the issue of the denuclearization of Korea. All the more so, the problem of Iran is just down the road under the existing deals. That is my basic point.

Senator COTTON. Thank you.

Dr. Shultz, in your conversation about four disruptive forces, the first one you mentioned was demography and migration. Another

eminent historian, Walter Russell Mead, who has testified in front of this panel before, published an op-ed in the "Wall Street Journal" a couple of days ago stressing that even though has been a source of controversy in United States, on which we understandably focus as Americans—we just had a 3-day government shut-down about immigration. The issue was a very contentious one in our campaign. It also is very contentious in Europe. In the elections in Germany last year, the SPD and the CDU had their lowest performance since World War II. Alternative for Germany, one seat in the Bundestag for the first time. And we have seen the rise of similar parties and politicians in Sweden and Austria and Czechia, Slovakia, Poland, Hungary, and so forth.

What ought Western leaders be doing to better manage the challenges posed by demographic change in migration patterns?

Dr. SHULTZ. I should think the first effort should be to do everything we can to see that the places people are coming from are made more habitable so they do not leave. And we have lots of things that we could do that would accomplish that goal.

But then we have to reflect in our own case how beneficial immigration has been for this country. I went to a session in San Francisco the other night where we were celebrating our old mint there, and it was Alexander Hamilton's birthday. We were all talking about how wonderful Alexander Hamilton was as the first Secretary of the Treasury. He was an immigrant. Henry Kissinger is an immigrant. Einstein was an immigrant. So we have benefited greatly. I dare say everybody in this room is either an immigrant or descended from one.

So we need to be looking carefully at our borders and have a sensible immigration policy. People in these places—there may be people that are perfectly okay for us. But I think the first thing is to do everything possible to help them have places where they want to stay.

Senator COTTON. Thank you all, gentlemen.

Senator INHOFE. Senator Heinrich?

Senator HEINRICH. Thank you, Chairman.

Secretary Shultz, you mentioned the coming changes from artificial intelligence, from additive manufacturing. And another rapidly changing part of our world, as you know, is the energy field. And you have been a strong voice for American leadership, a conservative voice for addressing climate and energy. But at the moment, we find ourselves in a position where the White House has obviously pulled back from the Paris Accord. They are implementing protectionist policies with regard to clean energy deployment in our country.

So I am curious as to your thoughts on what you believe America's posture with regard to climate leadership in the world and implementation of a clean energy strategy should look like.

Dr. SHULTZ. Well, just as we have a threat throughout the world from nuclear weapons, we have a threat that is global from the warming climate. The paper by Lucy Shapiro that I read from shows on the biological side some of those threats, but there are many others.

I think there are two things that should be done that will help a lot.

Number one, a lot of people object to all these regulations, the government telling you to do this, do not do that, and so forth. All right, let us get rid of all that. Let us put in place a revenue neutral carbon tax. Put a price out there and let the market decide. So in the program that I have been working on with Tom Stevenson, who is here, we would start with a \$40 a ton tax and make it revenue neutral. So you would pass the money back to, let us say, everybody who has a Social Security number. So they would make it a progressive tax and it would not have any fiscal drag. It would sort out people and get them to pay incentives they need to go for things that are low in carbon.

The other thing that I think is very important is to maintain a respectful government program supporting energy Research and Development (R&D). And it does not have to be huge. I am the chairman of MIT's Energy Advisory Board. They have a big program at MIT, and I have more or less the same role at Stanford. So I listen to what these guys are doing. And the R&D results are dramatic. As a result of their R&D, our solar costs are way down. Fracking was a result of R&D. And this can be very productive. So we want to keep that going.

A while ago we had an exchange at these two universities. We brought about 12 MIT scientists to Stanford, and we had about the same number. We had 2 days of talk about what we called game-changers. And at MIT, we did the same thing.

Then we came to Washington and John Boehner, who was then Speaker, set us up with the Republicans on the House Energy Committee. These are supposed to be the bad guys. It turned out that selling them energy R&D was a piece of cake. And somebody said, here is a great idea. Let us have the government go into business and exploit it. You lost everybody, including me. So let us have the government stay out of the business but support the energy R&D. And I think that has broad support.

There are things that are on the cusp right now that are very important. Of course, the holy grail is to get to a large scale storage of electricity. If we can do that, not only would you have an impact on solar and wind in the intermittency problem, but you also have some security because our grid is so vulnerable to attack. If we have some storage, to rely on that, that would be good.

But anyway, the R&D is very important. You pair R&D with a revenue-neutral carbon tax and I think you have the kind of program that will work.

Senator HEINRICH. Thank you for your thoughts on that subject.

My next question is for any of you to address. I am really concerned about some of the statistics we are seeing out of the State Department right now in terms of being able to attract talent and losing folks from that pool at rates we just have not seen before. You know, just attracting people for entry level positions—we are at about a quarter of what we were a couple of years ago. There are problems with the seasoned pool as well.

What should we be doing to address that?

Mr. ARMITAGE. I will give it a go, Senator.

The A-100 class, or the entry classes that we have in the State Department are down. People read the papers. They hear the news.

They think they are not particularly welcome in the Trump administration.

But the real impact of this of what is going on now will really be felt in about 15 years. As Deputy Secretary, I had a chair of the D Committee. The D Committee makes the decisions on who we are going to put forward as ambassadors to different posts. And I was having trouble toward the end of my tenure as Deputy Secretary because of a previous slowdown in the accession to the State Department, the A-100 class. We did not have a sufficient number of head and shoulders diplomats that I felt comfortable putting into leadership positions.

So we have got to change the attitude. I think that attitude needs to start with our President and stop talking about deep state and taking ownership of everything. Anyone who served in the military—Senator Reed will tell you this—we learned everything we ever needed to know in the first general order, which cautions young sentries to take charge of all—this post and all government property in sight, and stay on this post. That is all you need to know. And that is the position I think our President has to take and our Secretary of State has to take.

Dr. SHULTZ. I would like to say a word not only on behalf of the Foreign Service, but the career people generally. In 1969, I became Secretary of Labor, and I was told that it was an impossible job for a Republican because the Labor Department staff was a wholly owned subsidiary of the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO). We brought in a really top notch bunch of people and the bureaucracy knocked themselves out for us. We made friends with George Meany, but still they were there to serve.

I found the same thing when I was Director of OMB, same thing in the Treasury, the same thing in the State Department. The Foreign Service people are able, they are trained, they are experienced. They have been worked with, particularly by the Director of Foreign Service, to move them around to get the right kind of experience. They are invaluable.

I agree particularly with Rich's point. The future is the new people, and it takes time to bring them in, to train them, and to give them experiences. You cannot learn from just reading something. You have got to have experience, move around and learn things from that. So it is essential.

Dr. KISSINGER. I would like to make a point here.

I agree what George Shultz has said about the quality of the Foreign Service and also what my other colleague had said about the impact of current decisions 10 years down the road.

But I do think the State Department needs a combination of reorganization and rethinking in one respect. The military are used to deal with strategy because they have to have an ultimate objective. So the Pentagon is organized to make decisions in a conceptual framework. The State Department is more organized to have conversations. Various officials and Foreign Service officers in their experience abroad much of the time have to deal with immediate, current problems, and so they have a tendency to look for the immediate solution and not so much for the strategic outcome. Of course, there are great exceptions.

So I would think a reorganization of the State Department that leads more systematically to strategic thinking and less preoccupation with the very immediate problems would be highly desirable. And it is no reflection on the people that are there now. That has to do with the nature of foreign policy as it has evolved.

Dr. SHULTZ. Would that not mean, Henry, to do everything you can to improve the stature of the policy and planning staff? That is, they are supposed to be the people thinking strategically with the Secretary. And through the years, there have been some outstanding times of that, some not so good, but that is a key ingredient.

Dr. KISSINGER. Well, I tried to solve the problem to some extent by making sure that every action decision also went through the policy and planning staff, that the Department understood this. But I also think in the training of the Foreign Service officers and in the issues which they are asked to address, there is some more systematic opportunity to deal with grand strategy in addition to what they already do well, which is the day-to-day management.

Senator HEINRICH. I am afraid, Mr. Chair, we could use some lessons in short-term versus long-term strategy as well.

Senator INHOFE. Senator Rounds?

Senator ROUNDS. Thank you, Mr. Chairman.

Gentlemen, thank you all for your very distinguished service to our country.

I am just curious. I would like to begin with Secretary Shultz and then if either of you other gentlemen have a thought on it, I would appreciate it.

With regard to nuclear deterrence and the approach that we have taken specifically with regard to Russia, there appears to be a thought within the Russian military that there is an interest in being able to escalate in order to deescalate and the use of low-yield nuclear weapons in some cases, particularly in their region. My question is in your analysis, which is the greater deterrent force that should be brought to bear. Should we have the overwhelming force of a high-yield capability only, or should we have both the high-yield capability as well as the ability to respond in like kind? Would the Russians take the threat of an immediate retaliation to be greater if we had both options available to us?

Dr. SHULTZ. Well, as I said earlier, it seems to me the idea of a low-yield nuclear weapon is kind of a mirage. It is a nuclear weapon. It has all kinds of aspects to it. Even a low-yield weapon would have huge damage immediately and radiation and so on. It invites escalation. So my own opinion is I hate to see people start figuring out how they can use nuclear weapons—that is what it amounts to—because their use is so potentially devastating. You get an escalation going and a nuclear exchange going, and it can be ruinous to the world very easily.

Senator ROUNDS. Would you disagree with an analysis that concludes that Russia would actually use a low-yield nuclear weapon as a response to a conventional conflict?

Dr. SHULTZ. What the Russians will do I do not know. I read that they are developing what they call a low-yield weapon. I think it is a mirage. But if they wind up using one, it is going to lead to

an escalation, and maybe the best deterrent is for them to know that.

But I think the better way to go about it with Russia is to put a stop sign to the kind of thing they have been doing and say, now let us get back to where we can talk together in a sensible way. And we were able to do that before and we had very fruitful exchanges with the Soviets, not just with Mikhail Gorbachev but across the board and we got a lot accomplished as a result. And I think if we were able to get back to that kind of thing, then this time we could reach out to others and try to really move the ball ahead on getting rid of these weapons.

Senator ROUNDS. Thank you.

Mr. Armitage?

Mr. ARMITAGE. Just a historical tidbit, sir. We actually manned portable nuclear weapons at one time in our inventory, but we came to the conclusion that a nuclear weapon is a nuclear weapon. We also had a great deal of success, Secretary Shultz particularly, in the INF discussions in 1983 with the Germans when we wanted INF weapons, tactical nukes to blunt a Soviet thrust through the Fulda Gap. So this has been up and down the flagpole several different times, and I think the Russians and the Americans come to the same conclusion. A nuclear weapon is a nuclear weapon. You cannot control it.

Senator ROUNDS. Thank you.

I am just curious. Today we have talked about a number of different locations that are hotspots today. We have talked about Europe. We have talked about the South Pacific with China, the Middle East. And yet, during this entire discussion, there has been no discussion about the continent of Africa or the continent of South America. I am curious in regard to our diplomatic efforts and so forth and the opportunities that are there. I think about it because I know that Senator Inhofe has been one of those individuals who has been very active in Africa, having made 156 different country visits to Africa that I am aware of. The emphasis that is there—it seems to me that we are wide open for the opportunity for not only goodwill but for the creation of cooperative partnerships there in both South America and in Africa. I would like your thoughts in terms of the importance of those two continents and why it is, in the middle of a strategic discussion, we have not mentioned either one of them so far.

Dr. SHULTZ. I think your point is right on. As I said earlier, I think in the African countries, that is where the explosion of population is likely to come from, and I think, for various reasons, that is where the migration is likely to come from. If we have constructive relationships there, maybe we can help create the conditions where people are less anxious to leave, and that is, I think, probably the best way of dealing with the migration issue. So I agree with you.

As far as South America and Central America and Mexico are concerned, I remember when I took office, President Reagan said, foreign policy starts in our neighborhood. If you buy a house, you look at the house, but you also say what is the neighborhood. And if it is a good neighborhood, you will buy the house. If it is not, you will not.

So we worked very hard to bring Mexico into North America, and finally with NAFTA, Mexico became part of North America. And that worked wonderfully not only in economic terms but it gave you the basis for talking about many, many other things: terrorism problems, environmental problems, all kinds of little issues that come along. You develop a friendly, easy-handed relationship. The three amigos comes to mind.

So all of this is very positive about our neighborhood, and it has been a very hard thing for me to see us denouncing Mexico and trying to break it up because this is our neighborhood. This is where we live and we are working well. And we worry about—we say, oh, their drug gangs are coming over here. Where do the drug gangs come from? They come from the war on drugs in the United States. That is where the money comes from. That is where the guns come from. That is where the incentive comes from. So I think we ought to look at the war on drugs ourselves, and what we are doing. At the same time, obviously, our neighborhood deserves attention and not just Mexico but Central America and South America. There are some good things happening, some bad things happening down south, but this is where we live.

Senator ROUNDS. Thank you. My time has—

Dr. KISSINGER. Could I make a point on the nuclear weapons issue?

Senator ROUNDS. Yes.

Dr. KISSINGER. I have been part of this discussion since 1950, and my original reaction to the problems of massive retaliation was to see whether tactical nuclear weapons might provide a substitute or an alternative. And at that time, I came to the conclusion that has been presented here that the distinction could not be drawn in any manner that was workable at the time.

Now we are moving into an area in which apparently relatively smaller tactical weapons are being considered by opponents. It is not a course I would recommend as our preferred solution. But the issue will arise if this happens, if this becomes the technology, and if our only response then is an all-out nuclear war, that we will face again the same dilemmas we had with the massive retaliation concept.

So while I would like to maintain a dividing line between nuclear and non-nuclear weapons and while it would be highly desirable if some agreements could be made to enforce this, if the technology develops in such a way that other major countries possess them, we should think carefully before we put ourselves in a position where our only response is an all-out nuclear strike.

Senator ROUNDS. Thank you, gentlemen.

Senator INHOFE. Senator King?

Senator KING. Thank you, Mr. Chairman.

Dr. Kissinger, it is an honor to have you here and thank you for your service and providing wisdom today.

Mr. Armitage talked about China having the means but not the desire to attack us. My question is to you, based upon your long years of study of China and the book you wrote on China, what does China want?

Dr. KISSINGER. Of course, this develops out of a long culture. This is my assessment based on my observations.

We in the Western tradition think that for a country to be dominant, it has to conquer regions and occupy them. I think the Chinese historical view is that the Chinese, while they will use force, are thinking that their impact is through the magnitude of their culture, the signs of their achievements, and that they will attempt to impose respect rather than do it through a series of military confrontations. But it will also be backed by a force with which they can demonstrate the penalty of opposition.

So if you look at their conflicts in the communist period with India, with Vietnam, and to some extent with us, they have always been aimed at some dramatic demonstrations, followed by some negotiation that then benefits.

So I think the Chinese at this moment are proceeding by their cultural pattern. The Belt and Road concept is an attempt to restructure Eurasia but not entirely or largely by military conquest but through a performance that will lead these countries to look at China as the central kingdom. For us, the problem is hegemony by any one country over Eurasia is a potential threat to our security.

So the issue in my mind is, is it possible to have such a competition by political means with the backing of the military force that may be needed? But for that, we first have to know what we consider threats to our security, how we convey that to China.

In China, in my opinion now, there are probably two schools of thought: one that believes that a general conflict would risk everything that they have achieved and would even, in the long run, be very difficult to manage; and another one that thinks that America is basically on the decline. Therefore, no attention needs to be paid to our strategic concerns and that they can simply plow ahead not in a military way primarily but in a way that challenges the their system. That seems to me to be the key issue in our relationship with China.

I think it is of great importance that we attempt a conversation, a permanent relationship in which we decide we will not settle our conflicts by military means, that we will take account of the other's point of view. We will also make clear that if our central interests are touched, in the end a conflict will happen.

So this is partly a philosophical problem, and it depends on how we conduct our dialogue in this period when both countries are evolving in a new direction. China, after several hundred years, is reentering the international system. America is dealing not only with what we have discussed here, but I have been very much concerned with the impact of artificial intelligence and the whole evolution of science in which the scientists are running way ahead of what the political world has been able to absorb. How to master those trends seems to me the key issue in the China relationship, and I cannot conceive of a war between China and the United States. It will not do to the world what World War I did to Europe. So that should be in the minds of both leaders, but it may not be. And if it is not, then we will have to look to our interests and we must always have the capability to prevail in such a conflict.

Senator KING. I now understand why generations of United States Presidents have sought your counsel. That was brilliant and I appreciate it. Thank you.

Thank you, Mr. Chairman.

Senator INHOFE. Thank you, Senator King.

Senator Scott?

Senator SCOTT. Thank you, Mr. Chairman, and thank you to the panel for being here this morning.

Dr. Shultz, thank you for your service to our country. I was very interested in your comments about threats that we have not seen before. I think specifically about your comments new threats would be small, smart, cheap, and very lethal. I combined together your comments about drones with new technology and then new gene editing advancements carrying unique and specific biological weapons.

How do we create a national defense strategy around these new emerging threats the world has never seen before?

Dr. SHULTZ. I think it is a very hard question, and in our own little work at Stanford's Hoover Institution, we are trying to address it. We are trying to say to ourselves what is going to be the impact of this on us. What is going to be the impact on Russia and China, on Iran, and so on, and South America, around the world? And after we try to think our way through those things, then how we position ourselves in this new kind of world to be effective, to be effective in advancing our interests and taking care of our own population.

But the threat of pandemics coming from climate change, as Lucy Shapiro brings out in her paper—read that paper. I read that paper and I called her up. I said, Lucy, I just read your paper. I am shivering. It is very compelling stuff. But there are also things that you can do with this new technology that she talks about that will help us. So I think we ought to be pursuing these things very aggressively.

Senator SCOTT. Thank you, sir. I certainly would allude to the chairman Dr. Shultz's comments about perhaps having Lucy Shapiro come talk to us about the importance of the new gene editing opportunities whether it is Clustered Regularly Interspaced Short Palindromic Repeats (CRISPR) or CAS-9 and other new avenues that we will have to explore in the future.

Dr. Kissinger, I would love to ask you a question.

Dr. SHULTZ. I want to underline, Mr. Chairman, that you ought to get Lucy to come here and talk. She is so smart, but she is so much fun. She will just light up the place, but you also are going to learn a lot from her.

Senator SCOTT. You guys have been very engaging and also very intelligent. So thank you for being here.

Dr. Kissinger, this morning I had the privilege of having breakfast with one of your high school mates, Chairman Alan Greenspan, who said hello.

My question for you, sir, is would you talk a little bit about the utility of economic sanctions against Russia, specifically energy sanctions, as a way of impacting their aggressive behavior.

Dr. KISSINGER. Russia is in my view not a strong country. Russia is a weak country with a large military establishment and a very determined leader. Russia has presented historically a dual challenge to itself and to the world. It covers 11 time zones. It is involved in every region of the world. It has no natural borders. So it has always attempted to expand to extend its security belt.

On the other hand, at crucial moments in human history, it stood up to the Mongols, to the Swedes, to the French, and to the Germans and preserved the equilibrium of the world by the willingness of its people to suffer for their independence.

So when I talk about Russia, I try to recognize both of these aspects. We need a cooperative Russia for the peace of the world because of its reach. But we want to put an end to an aggressive Russia that seeks to impose its domination on neighboring countries. So one always faces this dual concern.

Russia being weak, sanctions are, of course, a normal weapon. One cannot accept the notion that Russia has a right to alter the shape of the Ukraine by its own unilateral position. But one's effort should be not to break up Russia, but to retain Russia in the system in some fashion.

So I would have agreed with the concept of sanctions, but now I would also think how to bring Russia back into a community of nations concept or even a cooperative relationship with the United States.

I met Putin 15 years ago, and at that time, the issue was the abrogation of the missile defense agreement in which I had been involved. And at that time, this was a month before 9/11. Putin said I am not so interested in the missile defense agreement. I am interested in radical Islam, and I want to know whether it is possible to have a strategic partnership with America going from Tehran to Macedonia. So that sort of thing is always in the back of their mind, but there is also in the front of their mind the environment.

So my answer to your question is I would reluctantly have agreed to sanctions. I would now look for a way to see whether we can restore a meaningful dialogue in the context that I mentioned, even keeping in mind some of the absolutely unacceptable things they did during our election campaign which have to be precluded. But I would now think in the restructuring of the world that I tried to indicate, we should make an effort to have a dialogue with Russia.

Senator SCOTT. Thank you, sir. Thank you, Mr. Chairman.

Senator INHOFE. Senator Warren?

Senator WARREN. Thank you, Mr. Chairman, and thank you to our witnesses for being here today and for your history of service.

Secretary Shultz, Secretary Kissinger, you, along with former Secretary of Defense Bill Perry and former Senate Armed Services Committee chairman Sam Nunn, have formed a group of former senior national security officials who have warned about the risk of nuclear proliferation. Together you have called for a global effort to reliance on nuclear weapons. In 2007, the four of you wrote we endorse setting the goal of a world free of nuclear weapons and working energetically on the actions required to achieve that goal.

Now, today in this hearing, we have talked about Russia and Russia's nuclear policy, but I want to ask about America's nuclear policy. In the coming weeks, the Trump administration will release its nuclear policy review, which is rumored to call for new nuclear weapons capability, more usable nukes, and expanded conditions under which the United States would contemplate using a nuclear weapon.

Secretary Shultz, do you continue to believe that the United States should reduce its reliance on nuclear weapons, and if so, why do you believe that would be in our national security interests?

Dr. SHULTZ. I think the use of nuclear weapons would promote an exchange and would be devastating to our planet. So I continue to believe that we should be trying to eliminate them. We were getting there for a while, and now that has all stopped. And now our problem is proliferation. So this is a new problem. We have to work at it and work at it hard.

Senator WARREN. Thank you.

Specifically, you have recommended to change the posture of our deployed weapons to increase warning time and to eliminate the class of short-range nuclear weapons that are designed to be forward deployed. How would taking these steps reduce the risk of miscalculation that could lead to a nuclear exchange?

Dr. SHULTZ. Well, actually the intermediate range nuclear weapons we did deploy in the Reagan period and particularly the ones we deployed in Germany, the Pershings, I think was the turning point in the Cold War. But we agreed with the then-Soviets to eliminate them. So that whole class of weapons was eliminated.

I read now that the Russians are in the process of violating that agreement. I have no knowledge, just what I read in the papers about it. And I think that is an ominous development.

But I agree very much with what Henry was saying earlier, that we need to somehow put a stop sign to the aggressive behavior of Russia and try to include them in a constructive dialogue which we could then expand to other countries and try to get a joint enterprise going that would have the objective of getting nuclear weapons out of the world.

Senator WARREN. Thank you. That is very helpful. I appreciate your answer.

There is one other topic I would like to ask you about. Last year, the Trump administration sought a significant cut to the funding for the Department of State, and many of us are concerned about reports of turmoil at the State Department, low morale, ambassadorships that have been left unfilled, senior career diplomats who are resigning in large numbers. I know that Senator Reed asked about morale at the State Department, but I want to ask the question from a different point of view.

The world still looks to the United States for leadership, and I am concerned that we are increasingly not there to answer the call. So let me ask, Secretary Kissinger and Secretary Shultz, what impact does the Trump administration's apparent downsizing of the State Department have on our national security and on advancing our interests around the world? Would you like to start, Dr. Kissinger?

Dr. KISSINGER. I do not look at the State Department primarily in terms of its size. I would look at it in terms of its missions. And, of course, its missions should be to supply us with a correct analysis of where we are functioning, of developing a group of people that can think strategically side by side with the Pentagon. So this must have a minimum size, and I would not make downsizing in the abstract a principle objective.

When one looks at the organization chart of the State Department, there are a lot of special assistants and sort of technical assignments that can probably be dispensed with. I have not thought that the size of the State Department as the principal obstacle to foreign policy.

Senator WARREN. Dr. Shultz? I am sorry.

Dr. KISSINGER. I think we should staff it to the level that we think is needed for our general foreign policy. I think this year it is too dramatic.

Senator WARREN. Thank you.

Secretary Shultz?

Dr. SHULTZ. You told me, Rich, earlier when we discussed this that the cuts that were proposed have not been gone through and that the Congress has limited them greatly, which I welcome. But I think it is essential that we have a strong Foreign Service to do the kind of analytical work that Henry was talking about and have the capacity in the field to execute. Execution is key. A strong analytical group.

When I was Secretary, I added a lot of work on the security side. In an odd way, as an economist, I had a little council of economic advisors (CEA) added because it seemed to me I was getting from people who knew a lot about subjects, something that did not have economic analysis in it. So we had a little CEA in the State Department. But those are just small organizational rearrangements.

But I think we need a strong State Department. And as Rich was saying earlier, it is particularly important to have a strong inflow of talent because these are the people 10, 15 years from now that you will be looking to. We have got to bring them in, train them, give them experiences. They are not going to learn from books. They have got to have experience out in the field, and that is what they get. So that is essential to keep going.

Senator WARREN. Thank you.

Senator INHOFE. Thank you, Senator Warren.

Senator WARREN. Thank you.

Senator INHOFE. Senator Sullivan?

Senator SULLIVAN. Thank you, Mr. Chairman.

Gentlemen, thank you for your decades of service and for being here. I apologize. The only thing that was going to keep me away from this hearing was my presiding duties over the Senate. So I just had to go preside for the last hour, but I am glad I made it back in time to ask a few questions. So it is great to see all of you again.

For really the whole panel maybe, our two former Secretaries of State, there has been a lot of focus, Dr. Kissinger, as you mentioned in your testimony, on the immediate challenge of North Korea. The Trump administration has pretty much put out a red line. I think they have called it that. Maybe they have not called it that, but they are not going to allow North Korea to have the capability of an intercontinental ballistic missile with the nuclear weapon on top. And yet, that red line has either already been crossed in terms of some intel analysts or is going to be crossed soon. So it has led to a discussion among many policy officials and military experts on what is really in some people's view a coming fork in the road, that if that is the policy of the administration,

that they are not going to allow that. And yet, North Korea either has it or is going to have it very soon. The fork in the road is either some kind of preemptive military option to prevent that capability with all its inherent risks or in increasingly tight sanctions regime perhaps with a naval blockade that would address clamping down on North Korea even more with China's help, hopefully, and addressing the issue that you mentioned, Dr. Kissinger, of proliferation.

Could you just in your expertise, for all the witnesses today, give us your sense on that fork in the road. Is that a false choice? How would you be thinking about that issue particularly given that this administration has said we are not going to allow this? And yet, it looks like it is going to happen soon.

Dr. KISSINGER. In terms of the analysis, we will hit that fork in the road. The temptation to deal with it with a preemptive attack is strong, and the argument is rational. But I have seen no public statement by any leading official. But in any event, my own thinking, I would be very concerned by a unilateral American war at the borders of China and Russia in which we are not supported by a significant part of the world, or at least of the Asian world. If China took an unqualified opposition to the nuclear program and they joined the program with us, I think it should be possible to develop the sort of sanctions and pressures that are irresistible. That would be my preferred course.

On the other hand, if it turns out that neither is available, then we better get used to the fact that South Korea, in my opinion, will not accept being the only Korea that has no nuclear weapons, that that will lead to similar trends in Japan, and then we are living in a new world in which technically competent countries with adequate command structures are possessing nuclear weapons in an area in which there are considerable national disagreements. That is a new world, which will require new thinking by us. And it will also require a rethinking, I believe, of our whole deterrent posture because right now our deterrent posture basically assumes one major enemy. But when you deal with a world in which there will be multiple possibilities of conflicts in which we are engaged so that we cannot hold back our strategic weapons for one decisive thing and we will have to rethink it. I do not know yet in which way. This is why I think this little country [North Korea] by itself cannot present an overwhelming threat to us in a way that presents a key issue right now.

I support the Trump administration's objective, but when we get to your question, we have to do some prayerful thinking because that will be to fight a war at the border of China and Russia without some agreement with them alone, that is a big decision. And I am telling you my doubts and my thinking. I agree with bringing pressure on North Korea, and I agree with the statements the administration has made up to now. I have not stated this publicly before, but if you ask me directly what do I think of a war with Korea, this is what I think.

Senator SULLIVAN. Secretary Shultz, Secretary Armitage, do you have thoughts on that very important question?

Dr. SHULTZ. Henry has given a very thoughtful statement.

I would say be careful with red lines. I remember at the start of World War II, I was a boot in the Marine Corps. I remember the day the sergeant handed me my rifle. He said take good care of this rifle. This is your best friend. And remember one thing. Never point this rifle at anybody unless you are willing to pull the trigger. No empty threats. Empty threats destroy you. So I would be very careful in drawing red lines that imply that if somebody messes with them, there is going to be a nuclear war.

I agree entirely with Henry here that we should be working with China and perhaps, Russia, but particularly China. As it dawns on everybody that what is potentially happening here is exactly what Henry said that there is going to be a proliferation of nuclear weapons all through Asia, and that is not very comfortable for China. And I think if we could work constructively with China on this, we just might get something done.

I know it has been a while, but my own experience with China, like Henry's, has been that you can work constructively with the Chinese. After all, they are losing population. They have plenty of problems. Their GDP per capita is not high, and they want to raise it. And they are not going to raise it by turning their back on the rest of the world. They are going to raise it by interacting and being part of it.

Senator SULLIVAN. Mr. Secretary?

Mr. ARMITAGE. Senator Sullivan, I am in the position of a guy who says that everything that can be said has been said, just not by me. So I am going to forgo the temptation.

Senator SULLIVAN. Mr. Chairman, may I seek the indulgence of you and the witnesses for one final question?

Senator INHOFE. Yes.

Senator SULLIVAN. Thank you.

Dr. Kissinger, you mentioned with regard to China, the rise of China. And the insights in your testimony when you mentioned that China in its centuries-long history has never conceived of a foreign nation as more than a tributary to the centrality of its power and culture.

I was wondering in that regard—there is an issue that a number of us have been focused on. It is the basic principle of reciprocity. It seems that increasingly in our relationship with China, us and other countries, that there seems to be a lack of reciprocity in how they operate and how we operate. Meaning that there are many things that China does here in our country that if you were an American citizen, an American diplomat, an American journalist, an American company, you could not do the same thing in China. You know, that goes across a broad spectrum of foreign direct investment. They come here. They buy American companies in all kinds of sectors. We could not do that over there. They have thousands of so-called journalists in our country. We could not do that over there.

Could you comment just on this issue, given your decades-long experience with China, and how this issue of reciprocity, which a number of us are starting to focus on as a key principle in our relationship, should be something that we could do, but it does not seem something that they currently seem interested in? Does that reflect your comments in your testimony about China never really

perceiving a foreign nation as an equal in the long history of that country.

Dr. KISSINGER. The history of a country sort of forms its character to some extent. China did not have a foreign ministry until 1911. Before 1911, foreign policy was conducted by something called the Ministry of Rituals, which placed the foreign country in a hierarchy vis-a-vis China. So it is part of their thinking, of their experience.

On the other hand, we have seen that President Xi Jinping at Davos last year presented a sort of global view, and I believe China has understood that in this world the principles of sovereignty and equality will be the governing ones. But in the natural analysis, to some extent, it is in the back of their mind. In my experience, I think the Chinese are compulsive students and they analyze each problem with enormous care.

So to your question, our approach is usually pragmatic. We want a solution to a problem. The Chinese approach is usually no problem gets finally solved. Every solution is an admissions ticket to another problem. So the issue between us when we talk is how do you marry the conceptual approach of the Chinese with the pragmatic approach. I think that the Chinese are very confident now of their achievements. At the same time, I believe it likely that the leadership realizes that it is very difficult, if not impossible, for them to carry out the domestic changes in an atmosphere of Cold War with the United States. And therefore, I have believed that at least an attempt should be made to see whether we could come to some understanding of the limits of our conduct towards each other and, where possible, where we can operate cooperatively.

But if you look at the One Belt One Road initiative, if it progresses, it goes across many great civilizations, and not all of them are going to adhere to that automatically. So there should be an occasion for the United States to develop its concept, and the Chinese with theirs with a lot of flexibility given the scope. But when there is no flexibility and a contest occurs, we have to be aware of the fact that it would have catastrophic consequences for the world and that it is hard to see who can win with modern weapons, with new weapons that one has no experience with, with weapons like George has described.

This is what drives my thinking on China. I recognize that by their scope and their history, they are a powerful force in the world. We cannot abolish that. We have to be sure that we understand what our role is in the world and develop a long-range dialogue that does not change every 4 years and the capacity to deal with it. And a part of that, of course, is that any lasting structure must have reciprocity, maybe not in every individual field, but the perception of the chief actors has to be that the relationship is reciprocal.

Senator SULLIVAN. Thank you.

Thank you, Mr. Chairman.

Senator INHOFE. Thank you, Senator Sullivan.

This has been just overwhelming to us to be able to hear from you. This was actually better than it was back in 2015. So I thank you very much for your patience and for your wisdom. You have done a great service to America. Thank you so much.

We are adjourned.
[Whereupon, at 12:22 p.m., the committee adjourned.]

