

Sent: Mon, 19 May 2014 13:04:29 -0400
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Subject: Larry speech in Yinchuan on US-China relations text

John,
Hope you are doing well. Just returned from giving a keynote at a conference in China.

Larry

PS Speech text is below.

P6/b(6)

On May 6, 2014, I was asked to give the keynote speech at the Opening Ceremony of the Fifth China-US Civil Peace Forum, held in Yinchuan, Ningxia, China. The conference was attended by 22 US and 37 Chinese delegates, and was broken down into five panels, each of which dealt with a major issue facing the two most powerful countries in the world. Only the delegates participated in the panels, but the opening ceremony was open to the public and the media and was attended by about 250 people.

Speech:

Thank you very much for convening this forum and inviting me to give an American perspective on the critical issues currently confronting our two nations. Given President Obama's recent trip to Asia, this conference comes at a very critical time in the history of our two nations and the American Friends Service Committee and the Chinese People's Association for Peace and Disarmament should be commended for convening this group of distinguished scholars and practitioners, including people who have served at very high levels in government and the military.

While I do not have the expertise of most of the American delegates, I have been personally involved in this part of the world for the past half century. Let me use that experience to place the current situation in perspective.

In the mid-1960s, as a Naval Flight Officer based in Japan, I flew intelligence and reconnaissance missions of the coast of China, as well as North Korean and Russia, and through the Taiwan Straits, because the US perceived all of these countries as enemies that needed to be contained. In my last year on active duty, one of my commanding officers' responsibilities was the Taiwan Patrol Force, and we visited that island several times a year to analyze their military plans for defending the island from what they assumed was an impending attack from the mainland. Interestingly enough, given the current disputes over islands in the South and East China Seas, one of our main sources of friction at that time were two small islands, Quemoy and Matsu, which were claimed by both Taiwan and the mainland. In addition, the war in Vietnam, which was raging at this time, was also partly an attempt by the United States to prevent China and the Soviet Union from expanding their influence into

Southwest Asia, following the logic of the so-called "Domino Theory." And we discovered that both China and the USSR were providing assistance to the North Vietnamese during that conflict. Our policy of aggressively containing China obviously ended with President Nixon's visit to China in 1972, and President Carter's subsequent establishment of formal diplomatic relations with China. President Carter also supported China taking a seat on the UN Security Council. During his eight years in office, President Reagan, for whom I had the privilege of serving for five years as Assistant Secretary of Defense for Manpower, Installations and Logistics, deepened ties with China, including with China's military. As a result of his policies I came to China in 1984 with a group of military logistics experts to help the PLA modernize their military logistics system. Since, as students of military affairs know, amateurs worry about strategy but professionals worry about logistics, this was a significant undertaking. It was during this visit that the US also began selling military equipment to China.

While the US did not ignore Asia after the 1980s, the ascent of Mikhail Gorbachev to power in the Soviet Union and the subsequent breakup of the Soviet Empire focused our attention on the European Continent. This involved attempting to integrate Russia into what President George H.W. Bush called "the New World Order," integrating those Eastern European countries that had been controlled by the Soviet Union into free Europe, repelling Saddam Hussein's invasion of Kuwait, which had the potential of cutting off oil supplies to Europe, and waging wars in the Balkans to prevent the massacre of innocent civilians. Obviously as a result of the attacks of 9-11, the attention of our policymakers and military leaders was focused on Afghanistan and Iraq for the first decade of this century.

By 2010, it was clear that the U.S. would never again send hundreds of thousands of ground troops into Middle Eastern countries to do nation-building, and that given the fact that it fought the wars on a credit card (in fact borrowing a lot of money from China), it could not increase defense spending as it had in the period after 2001. Therefore, the Obama administration felt it needed a new strategy to decide what kind of military it wanted to fund. This led to the promulgation of the now-infamous "Pivot to Asia," and the Air-Sea Battle military strategy.

Before getting into the reasons for and the significance of the Pivot, or as it is now called, the "Rebalance" to Asia, let me emphasize that whatever it is, or is supposed to be, it is not a strategy for containing China like the one we employed against the USSR. I have been involved in this form of containment, both on the ground and at the policy level, and can say with absolute certainty that it is not nor was intended to be a Soviet-type strategy of Containment 2.0. If you remember nothing else about my speech, please remember this.

As pointed out by James Steinberg, Obama's First Deputy Secretary of State, and Michael O'Hanlon, the rebalance is based on two pillars:

First, the US will pursue its long term interests in peace and stability in East Asia through its sustained commitment to its traditional allies.

Second, the U.S. will build a cooperative relationship with a rising China while managing differences. Having said that, it is clear why some would misinterpret the Rebalance. It was rolled out by a Secretary of Defense who was a career politician and was trying to influence the budget debate with his former colleagues for his client, the Department of Defense. Essentially what it means for the Pentagon, is that the marginal dollars in the annual Pentagon budget will go first to the Navy, second to the Air Force, and last to the ground forces – something that would have occurred even without the "Pivot."

Moreover, it will not result in more forces being employed in the region. For example, before the pivot, approximately 55% of our naval forces were deployed to the Pacific. After the rebalance, the number would eventually rise to 60%. However, it will not mean that more ships will actually be in the Pacific, since the size of the Navy has declined over the past three years.

Rather than containing China, the U.S. needs to work with China on our common interests while not taking core interests off the table. Let me mention three:

First, the economies of our two nations are intertwined. In 2013, the US and China had \$600 billion in trade, invested \$1000 billion in each other's countries, and US-China trade created 700,000 jobs in the U.S. Therefore, we need to ensure that our trade policies are fair to both nations and are not undermined by other issues. As President Obama noted in an interview with ABC/CNBN on April 27th of this year, "As part of my commitment to develop a constructive relationship with China, I have been clear and consistent in stating that the U.S. and China need to support efforts to peacefully manage and resolve maritime and territorial issues through dialogue, not intimidation, including in the South China Sea."

Second, we need to work together to deal with what President Obama correctly called "outlier states," like Iran, North Korea, and recently? Russia, that present challenges to existing international norms.

Third, we must work together to deal with what our military, including the commander of all of our forces in the Pacific, argues is the greatest threat to our national security: climate change.

In conclusion, let me make two observations. First, geo-economics is becoming more important than geopolitics in relations among nations. We have seen this in the cases of Iran and Ukraine.

Therefore, in dealing with crisis, the military option should not be the first option. As President Obama put it, "Why is it that everyone is so eager to use military force after we have gone through a decade of war at enormous cost to our troops and to our budget. And what exactly is it that the critics think force would accomplish?"

The implication is that when a country violates one of these norms the U.S. should go to war or engage militarily, and if we do not, we are not serious about these norms. Not the case.

Second, we cannot be complacent lest we repeat the mistakes of 100 years ago that led to the outbreak of the bloodiest war in human history. In 1914, as German power grew, its actions became increasingly worrying for Great Britain. And as Henry Kissinger pointed out, all of the concerns voiced by the British exist in the US-China relationship today.

Therefore, we need honest, continuous dialogue that addresses these issues, as this conference does, keeping in mind the motto of Shared Security: "Peaceful ends through peaceful means," that is espoused by the American Friends. As President Obama said, "American will have to show strength in the way we end wars and prevent conflict – not just how we wage wars."

Thank you.

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