Mr. Chairman, Ranking Member Reed:

Thank you for this invitation to address the Committee as a new Congress begins.

The United States finds itself in a paradoxical situation. By any standard of national capacity, we are in a position to achieve our objectives and to shape international affairs.

Yet as we look around the world, we encounter upheaval and conflict. The United States has not faced a more diverse and complex array of crises since the end of the Second World War.

One reason is that the nature of strategy has shifted—from an emphasis on objective strength, to include a major component defined by psychological contests and asymmetric war. A second reason is that the existing international order itself is being redefined:

- First, the concept of order within every region of the world is being challenged or revised.
- Second, the relationships between the different regions of the world are being redefined.
- Third, for the first time in history, every region now interacts in real time and affects each other simultaneously.
And finally, the nature of security threats has expanded and become more fluid. The problem of peace was historically posed by the accumulation of power—the emergence of a potentially dominant country threatening the security of its neighbors. In our period, peace is often threatened by the disintegration of power—the collapse of authority into “non-governed spaces” spreading violence beyond their borders and their region. This has led to the broadening of the challenge of terrorism—from a threat organized essentially from beyond borders, to a threat with domestic networks and origins.

The current international order—based on respect for sovereignty, rejection of territorial conquest, open trade, and encouragement of human rights—is primarily a creation of the West. It originated as a mechanism to end Europe’s religious wars over three centuries ago. It spread as European states advanced technologically and territorially. And it evolved in the decades since World War II, as the United States became its guarantor.

Yet for most of history, the other regions of the world were ordered by different patterns. Their experience was central empire (such as classical China), or universal theocracy (as in the Islamic caliphate), or a hybrid system of authoritarianism (for example, czarist Russia).

In key regions of the world, the present order is in the process of change:

- In Europe, after two cataclysmic wars the leading states reconceived their objective. They set out to pool their sovereignty and turned to tasks of internal construction. Now crises cast the question of Europe’s identity and world role into sharper relief—and along with it, the definition of transatlantic partnership. Europe is suspended between a past it is determined to overcome and a future still in the process of redefinition. The Atlantic partnership faces the challenge of adapting from an essentially regional grouping to an alliance based on congruent global views.

- Russia meanwhile is challenging the strategic orientation of states once constrained in its satellite orbit. The West has an
interest in vindicating their independence and vitality. Still, Russia is mounting an offensive on the border on which, paradoxically, it is least inherently threatened. On many other issues—for example, Islamist extremism—American and Russian interests may prove compatible. We need to address the immediate challenges Russia poses while also defining a context for its long-term role in the international equilibrium.

- In Asia, many economies and societies are flourishing. At the same time, a number of these countries are contesting with each other over territorial claims, so far without clear limits or arrangements to constrain their rivalries. This introduces a measure of volatility to even seemingly local disputes.

A special aspect of any Asian system will be the relationship between the United States and China. It is often described as one between a rising power and an established power. Two successive American and Chinese presidents have announced their joint aim to deal with this matter on the basis of cooperation. Significant spokesmen in both countries have stressed the adversarial aspect. The direction taken will play a defining role in our period.

Now India is entering this equation. With vast economic potential, a vibrant democracy, and cultural links to Asia, the Middle East, and the West, India plays a growing role that the United States will naturally welcome. The emphasis should be on social and political alignments, not strategic groupings.

- In the Middle East, multiple upheavals are unfolding simultaneously. There is a struggle for power within states; a contest between states; a conflict between ethnic and sectarian groups; and an assault on the international state system. One result is that significant geographic spaces have become ungovernable, or at least ungoverned.

Iran has exploited this turmoil to pursue positions of power within other countries beyond the control of national authorities,
such as in Lebanon and Iraq, and while developing a nuclear program of potentially global consequences. Nuclear talks with Iran began as an international effort, buttressed by six UN resolutions, to deny Iran the capability to develop a military nuclear option. They are now an essentially bilateral negotiation over the scope of that capability through an agreement that sets a hypothetical limit of one year on an assumed breakout. The impact of this approach will be to move from preventing proliferation to managing it.

In each of these critical regions, the old order is in flux while the shape of the replacement is uncertain.

The role of the United States is indispensable. Especially in a time of global upheaval, the consequence of American disengagement is greater turmoil. This tends to require intervention later, but as an emergency measure and at heavier cost. The United States, especially working together with Mexico and Canada in an economic partnership, can help shape the emerging world in both the Atlantic and Pacific regions.

All this calls for a long-term, bipartisan definition of the American national interest and world role. So we should ask ourselves:

- What do we seek to prevent, no matter how it happens, and if necessary alone?

- What do we seek to achieve, even if not supported by any multilateral effort?

- What do we seek to achieve, or prevent, only if supported by an alliance?

- What should we not engage in, even if urged by a multilateral group or an alliance?

- And what is the nature of the values we seek to advance? Which applications of them are absolute, and which depend in part on circumstance?
The answers require a process of public debate and education. But we must recognize that the answers will be determined by the quality of the questions we ask.

Let me close with a few words on a topic at the heart of this Committee’s mission.

American military power plays an essential role in upholding a favorable international balance, restraining destabilizing rivalries, and providing a shield for economic growth and international trade to flourish. The sense of basic security that a strong and consistent American political presence provides has made possible many of the great strides of the post-World War II era. It is no less important now.

Therefore the United States should have a strategy-driven budget, not budget-driven strategy, as your Chairman has emphasized. And serious attention must be given to the lagging modernization of our strategic forces.

I know that this Committee will make important contributions to the understanding of these issues, and to the strong American defense that underpins so many of our great aspirations and achievements. Thank you, and I welcome any questions you may have.