

Examining America's Role in the World

Prepared statement by

Thomas E. Donilon

Former National Security Advisor

Vice Chair, O'Melveny & Myers

Distinguished Fellow, Council on Foreign Relations

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Chairman Corker, Ranking Member Cardin, and distinguished members of the committee: thank you for giving me the opportunity to testify before you today. It is a privilege to be here alongside Secretary Baker, one of the most influential and honorable public servants of the last half-century. Secretary Baker once wrote that his grandfather counseled him to “keep out of politics.”¹ As a country, we are fortunate that Secretary Baker did not heed that advice.

This morning I will comment on the strategic context in which the United States must operate today, beginning by highlighting four of the most important macro trends that inform the current strategic environment. I believe that our nation remains uniquely well-positioned to contend with these trends. And last, I will address several specific challenges that we confront at this moment. If we can address these challenges, and I believe that we can, the United States will continue to be the world's leading and most powerful nation for a long time to come.

¹ James A. Baker III with Steve Fiffer, *Work Hard, Study . . . and Keep Out of Politics!* Putnam, 2006.

Global Trends and Challenges

The world is currently characterized by an unusually large number of unstable and volatile situations. It is a level of volatility we have seen only twice since World War II.

CIA Director Brennan discussed this development in a speech at the end of last year. He noted, “In the past three years, there have been more outbreaks of instability than at any time since the collapse of the Soviet Union, matching the rate we saw during decolonization in the 1960s. ... This has not just been a period of protests and government change, but of violent insurgency, and in particular of breakdowns in many states’ ability to govern.”² Challenges like these are compounded by the seemingly instantaneous pace of change in today’s world.

The current high levels of instability are rooted in four broad trends:

The first is the systematic breakdown of state authority in the Arab Middle East. In the years since the Arab revolutions beginning in 2011, a number of states have become failed or near-failed states. From Syria to Libya to Yemen, states have lost the ability to control those who operate within their borders and to maintain a monopoly on the use of force. As a result, vast ungoverned spaces now exist across the region, paving the way for the rise of ISIS and other terrorist organizations. And these upheavals have put extreme pressure on neighboring nations including Tunisia, Jordan, Turkey, and Saudi Arabia—all important partners of the United States. The breakdown of state authority has also fueled an unprecedented migrant crisis in Europe, threatening the very integrity of the European Union.

As Henry Kissinger observes in his most recent book, *World Order*, “When states are not governed in their entirety, the international or regional order itself begins to disintegrate... The collapse of a state may turn its territory into a base for terrorism, arms supply, or sectarian agitation against neighbors... A significant portion of the world’s territory and population is on the verge of effectively falling out of the international state system altogether.”³

The primary cause of this breakdown is the profound failure of Arab regimes, over the course of several decades, to provide their people with effective and accountable governance. But it also has roots in the external shock of the Iraq War and in the technological changes that led to the communications revolution, which has connected the region to the outside world. This newfound connectivity is what my predecessor Zbigniew Brzezinski has called the “Global Political Awakening”—where “for the first time in history almost all of humanity is politically activated, politically conscious and politically interactive.”⁴

Against this backdrop, it might be tempting to walk away from the Middle East and claim that its problems are not America’s to solve. To be sure, as President Obama has noted, “we [cannot] take the place of [our]

² Central Intelligence Agency, “Brennan Delivers Remarks at the Center for Strategic & International Studies Global Security Forum 2015,” November 16, 2015. <https://www.cia.gov/news-information/speeches-testimony/2015-speeches-testimony/brennan-remarks-at-csis-global-security-forum-2015.html>

³ Henry Kissinger, *World Order*, Penguin Press: New York, 2014, p. 143.

⁴ Zbigniew Brzezinski, “The global political awakening,” *New York Times*, December 16, 2008.

Arab partners in securing their region.”⁵ But what happens in the Middle East has profound external implications, particularly with respect to migration, terrorism, the proliferation of weapons of mass destruction, and the stable and affordable supply of energy. Turning a blind eye and walking away from our leadership role is simply not an option for the United States.

The second broad trend we face is the reemergence of great power competition.

For roughly 25 years after the fall of the Berlin Wall, the world enjoyed an era marked by generally constructive, productive, and non-hostile relations among and between the important world powers. During this time, the United States made a serious effort to integrate our former adversaries into a rules-based international order. That period ended in 2014, when Russia, among other things, seized Crimea and invaded eastern Ukraine.

The reemergence of great power competition is rooted in Mr. Putin’s return to the Russian presidency in 2012. I recall meeting with President Putin on the eve of his inauguration; even then, it was clear that he intended to take Russia in a different direction, both domestically and in terms of foreign policy. Putin’s return has brought about a level of repression in Russia not seen since the Soviet era, and his decision to wage hybrid warfare in Ukraine has profoundly destabilized Russia’s immediate neighborhood. Russian foreign policy is now defined in large part by opposition to the West.

Mr. Putin’s actions stem from a combination of domestic political calculations, a failing economy and poor demographic outlook, a sense of Russian grievance, a desire to carve out a sphere of influence, and a zero-sum view of geopolitics. Mr. Putin sees gains by others as a direct threat to Russian power: as a result, we have seen a sharp decrease in Russian cooperation on addressing global challenges.

A third current source of global volatility is the global reaction to profound economic and political transitions taking place in China.

For a number of years, China’s unprecedented rise served as an engine of global economic growth. Unsurprisingly, then, the recent slowdown in the Chinese economy has had a number of disruptive impacts. Particularly affected are China’s supply chains and biggest trading partners, especially commodity producers like Brazil and South Africa. China’s immature financial market regulation has also exported some volatility. Another worrying economic trend is the increased involvement of Chinese security services in the commercial sphere. American technology companies doing business in China, in particular, face significant challenges.

On the diplomatic and security fronts, the United States and China have continued to engage in significant and practical cooperation addressing a range of issues including climate change, global health issues such as Ebola, the Iran nuclear accord, increased and higher quality military to military relationships, and the North Korean nuclear program. That said, China’s provocative behavior in the South China Sea—including the militarization of claimed and created land formations—is risky, destabilizing, and potentially dangerous. This needs to continue to be a consistent focus of our engagement with China and our partners and allies in

⁵ President Barack Obama, Statement on ISIL, September 10, 2014, <https://www.whitehouse.gov/the-press-office/2014/09/10/statement-president-isil-1>.

the region. The United States should continue to take actions that underscore our commitments to the principles of freedom of navigation and overflight, respect for international law, the peaceful resolution of disputes, and the security of our allies.

Despite these challenges, the United States and China have to get this relationship right. As Graham Allison has noted, over history, in the dynamic between an established and emerging power, the most likely outcome is conflict—the classic “Thucydides Trap.”⁶ But conflict is not inevitable. I do not see international relations as a subset of physics. Our countries’ leaders can avoid conflict through steady engagement and a concerted effort to avoid strategic miscalculations.

The last trend is the geopolitical impact of sustained low oil prices since mid-2014. The impacts have been vast and substantial. Oil-exporting nations that are heavily dependent on oil revenues but lack significant financial reserves have been severely pressured. This group includes Venezuela, Nigeria, and Iraq. Even exporting nations with significant reserves, such as the Gulf States and Russia, have come under serious economic strain. In recent weeks, Saudi Arabia has announced a major reorientation of its economy. Meanwhile, oil importing nations, including India, East Asian countries, and European countries, have benefited significantly from low oil prices.

The drop in oil prices stems from an unexpected and large increase in global oil supply, driven in significant part by the U.S. shale revolution. The shale boom is truly an “only in America” story. Our advantage comes not simply from the good fortune of sitting atop an extensive resource base. It has been made possible by our support for innovation, our open and predictable investment environment, our deep capital markets, robust environmental safeguards, and a distinct system of property and mineral rights ownership.⁷

The American people are now experiencing a number of tangible benefits from the shale boom. The abundance of affordable natural gas has been an important driver in the U.S. economic recovery, and will have long-lasting benefits for U.S. competitiveness. Increasing U.S. energy supplies acts as a cushion that helps reduce our vulnerability to global supply chain disruptions and price shocks. It also affords us a stronger hand in pursuing and implementing our international security goals.

The Myth of America in Decline

Some look at this increasingly volatile environment and draw a simple conclusion: that the United States, and its ability to shape the world, are in decline. I flatly reject this notion. In fact, the extreme pessimism that we have heard from some in the presidential campaign, and the general lack of appreciation for America’s

⁶ Graham Allison, “The Thucydides Trap: Are the U.S. and China Headed for War?” *The Atlantic*, September 24, 2015.

<https://www.theatlantic.com/international/archive/2015/09/united-states-china-war-thucydides-trap/406756/>

⁷ For a more detailed version of this argument, see “Remarks by Tom Donilon, National Security Advisor to the President At the Launch of Columbia University’s Center on Global Energy Policy,” *The White House*, April 24, 2013.

<https://www.whitehouse.gov/the-press-office/2013/04/24/remarks-tom-donilon-national-security-advisor-president-launch-columbia->

strengths is not only inaccurate, but also dangerous. An inaccurate diagnosis of our present posture risks causing the United States to make poor policy choices.⁸

The idea that America is in decline does not stand up to a rigorous analysis of our national balance sheet of strategic assets and liabilities. The truth is that no nation can match our comprehensive set of enduring strengths—a resilient, strong, and diverse economy; bountiful resources, both human and material; a unique global network of alliances; unmatched military strength; a powerful culture of entrepreneurship and innovation; best-in-class universities and research institutions; a dynamic demographic future (unique among the great powers); a promising energy future; a well-established legal system; and a long and powerful record of international leadership.

The declinist narrative also underestimates our unique geographic position: we are buffered by friendly neighbors and two oceans. As a result, we do not face major threats in our own neighborhood. No potential geopolitical competitor—and certainly neither Russia nor China—can claim such an advantageous strategic base. Positive developments in the Americas—including the Colombian peace process, the opening with Cuba, and Argentina’s change in leadership and outlook—have only reinforced this advantage.

These national assets can never be taken for granted. Leadership is not something the United States has by happenstance—it is something we have to earn, over and over again. With these advantages, America is in a strong position to adapt to and thrive in times of volatility. What we cannot afford, however, is to allow ourselves to be divided by acrimonious rhetoric, which has been too frequently voiced in this political season. Such statements hamper our ability to come together and take advantage of the many opportunities our great nation enjoys.

Challenges for the Next President

Let me conclude by outlining four challenges that the next president, with an understanding of America’s core strengths, must work to address in order to bolster our security and national well-being.

Economic Growth

The principal national security challenge for any nation is to maintain its economic growth and vitality. There are not a lot of iron laws in history, but one of them is that international political and military strength depends on a nation’s dominant economic strength. As President Obama said in his 2010 address at West Point, “at no time in human history has a nation of diminished economic vitality maintained its military and political primacy.”⁹

The 2008 recession was a real blow to our international standing. But, as demonstrated by our successful recovery, the U.S. economy has tremendous resilience—when supported by the right policies

⁸ I set out these arguments at greater length in the Landon Lecture, delivered April 14, 2014 at Kansas State University (<http://www.cfr.org/united-states/landon-lecture/p32846>).

⁹ The White House, Remarks by the President at United States Military Academy at West Point Commencement, May 22, 2010. <https://www.whitehouse.gov/the-press-office/remarks-president-united-states-military-academy-west-point-commencement>

Continued economic insecurity at home can also fuel calls for retrenchment, which would both undercut U.S. global leadership and weaken U.S. economic growth. We cannot lead on the global stage if we do not simultaneously strengthen the American economy at home.

None of our economic challenges is insurmountable; indeed each, in my judgment, has an effective policy response available. What is required is political will. I want to emphasize three things we can do to maintain our prosperity.

First, we can invest in our national infrastructure. For over 200 years, what Henry Clay originally termed the “American System” has driven enormous prosperity and, as a result, increased security.¹⁰ Second, we must maintain our edge in research and development. There is a long relationship between national security and economic innovation. And third, we must maintain our long term demographic advantage through a sensible immigration policy that welcomes those seeking the American Dream.

Terrorism

Through the efforts of the last two administrations, we have significantly reduced the threat from Al-Qaeda. But the overall terrorist threat has evolved and metastasized, and we have entered a new and dangerous phase.

That phase is principally and most urgently defined by ISIS’ turn toward external action. As we pressure ISIS in Syria and Iraq—and we are doing so successfully—the network and its followers have intensified their efforts to expand into other regions and to carry out attacks in Europe. In the last two years, ISIS has expanded its franchises throughout the Arab world, having declared provinces in eleven different countries from Somalia to Yemen.¹¹ Unlike Al-Qaeda, ISIS is a serial, nondiscriminatory franchiser. The scale and speed of ISIS’ growth in Libya is particularly worrisome, and will likely require more direct military action to stop this threat from spreading further.

Second, the return of foreign fighters to Europe and the attacks in Paris and Brussels have highlighted how unprepared Europe is to address this threat. Europe’s failures pose a clear and present danger to the United States. Out of the 38,000 foreign fighters who have traveled to Iraq and Syria, at least 5,000 are EU citizens.¹²

Just as September 11 forced us to reevaluate our approach to homeland security, the Paris and Brussels attacks should serve as a wake-up call for Europe. Despite the transnational nature of the terrorist threat, European responses remain cloistered behind national borders—and countries’ capabilities vary substantially.

¹⁰ Jim Manzi, “The New American System,” *National Affairs*, Issue 19, Spring 2014.

<http://www.nationalaffairs.com/publications/detail/the-new-american-system>

¹¹ “Where ISIS Has Directed and Inspired Attacks Around the World,” *New York Times*, March 22, 2016.

http://www.nytimes.com/interactive/2015/06/17/world/middleeast/map-isis-attacks-around-the-world.html?_r=0

¹² House Homeland Security Committee, “European Terror Threat Snapshot,” April 2016. <https://homeland.house.gov/wp-content/uploads/2016/04/European-Terror-Threat-Snapshot-April-2016.pdf>

We must press the Europeans to do better. At the NATO summit in July, our European allies should come prepared with concrete proposals for how they will improve their border controls, intelligence sharing, and efforts to counter violent extremism. Steps that would make a significant difference include securing the Schengen area's external border, including by fingerprinting all foreign arrivals, as well as committing to share information about any terrorism suspects crossing EU borders with all EU members. Europe must also devote the financial resources necessary for national intelligence agencies, Europol, and Frontex to do their jobs.

Cybersecurity

The nation's vulnerability to cyber-attacks has, in my view, become one of the most pressing challenges confronting our government, our economy, and the American public.

With each passing year, Americans rely more on goods and services that are connected to the Internet. These advances represent a tremendous boon for our economy. But they also increase our exposure to cyber-attacks.

At the same time, the number and sophistication of our adversaries grows each day. Both Russia and China already possess highly advanced cyber capabilities, and they view these capabilities as an important geostrategic tool. Non-state actors also pose an increasing threat.

To confront this problem, the President asked me to chair a Commission on Enhancing National Cybersecurity. The Commission, composed of twelve leaders from academia, government, and the private sector, has been charged with developing a set of concrete recommendations to improve our nation's cybersecurity, in both the private and public sectors. The recommendations will concern eight key topic areas, including federal roles and responsibilities, critical infrastructure, the Internet of Things, and data and identify theft protection.

Beyond these specific areas of focus, we must continue to engage with like-minded countries—as well as those who are less like-minded—to advance international norms of responsible behavior in cyberspace. Promoting our expectations of what is (and is not) acceptable behavior in cyberspace enhances stability and builds international support for the U.S. vision of a free, open, and secure Internet. It also provides a basis for international action when such norms are violated.

The Asia-Pacific

Finally, the next president should build on President Obama's efforts to enhance stability and prosperity in the Asia-Pacific. The future of the United States and Asia are deeply and increasingly linked. It is the most economically dynamic region in the world, comprising 60% of the global population and accounting for nearly two-fifths of global growth in 2015.¹³ The goal of the U.S. rebalance is to build upon and extend America's leadership in the region across every dimension of our power. The United States' leadership and

¹³ Population Reference Bureau, "2015 World Population Data Sheet," August 2015. http://www.prb.org/pdf15/2015-world-population-data-sheet_eng.pdf and World Bank, "East Asia Pacific Growth Remains Resilient in Face of Challenging Global Environment, Says World Bank," April 10, 2016. <http://www.worldbank.org/en/news/press-release/2016/04/10/east-asia-pacific-growth-remains-resilient-in-face-of-challenging-global-environment-says-world-bank>

presence have provided the platform on which Asia's security and economic architecture have been built over the past 70 years. The rebalance was the right strategy when President Obama announced it and it remains the right strategy today.¹⁴

Our alliance system in Asia remains rock-solid, and continues to be the basis of our engagement in Asia, but our allies seek even greater U.S. engagement in the region—military, economic, and diplomatic engagement. The Trans-Pacific Partnership is the economic centerpiece of the rebalance. Ratifying this agreement will solidify U.S. leadership in Asia and, when combined with the Transatlantic Trade and Investment Partnership with Europe, put the United States at the center of a great project: setting out the rules of the road that will govern the global economy for the next century.

Finally, as this committee knows well, North Korea presents the most serious security challenge we face in East Asia and the most serious proliferation challenge we face globally. North Korea has undertaken a “nuclear sprint”¹⁵ in recent months, seeking an intercontinental ballistic missile that could carry a miniaturized nuclear weapon capable of reaching the United States. North Korea's current path presents a direct threat to the United States and its allies as well as a significant global proliferation risk. Drawing on our experience with Iran, the next U.S. president should construct and vigorously and consistently enforce a set of regime-threatening sanctions. We must also pursue and expand our ballistic missile defenses, including the THAAD system, and support President Park's goal of a reunified Korean Peninsula. Addressing the North Korean nuclear program will likely be the key test of the U.S.-China relationship in 2017.

Once again, thank you for the opportunity to address this committee. I look forward to any questions you may have.

¹⁴ For a more extensive version of this argument, see Thomas E. Donilon, “Obama Is on the Right Course with His Reorientation Toward Asia,” *Washington Post*, April 20, 2014 and Thomas E. Donilon, “Keynote Address: Obama in China: Preserving the Rebalance,” Brookings Institution, November 4, 2014. http://www.brookings.edu/~media/events/2014/11/05-obama-apec/20141105_donilon_brookings_keynote_prepared_for_delivery.pdf

¹⁵ Scott Snyder, “Why North Korean threat is a more urgent issue for next U.S. President,” *CNN*, April 26, 2016. <http://www.cnn.com/2016/04/26/opinions/north-korea-nuclear-strike-race-snyder/>