

- Announcer: Terror is transforming. Cyber threats are accelerating. War is waged in new domains. Are the institutions and alliances that guard us ready to face tomorrow's disruptions? Ladies and gentlemen, please welcome CNN contributor Ms. Kimberly Dozier.
- Kimberly Dozier: Thank you. We've all come here to talk about our security, global security, and it's something that has changed a lot. With me are Minister Pabriks, the Defense Minister of Latvia; General Tod Wolters, the SACEUR, NATO; and Michael Morell, the former Acting Director of the CIA and Deputy Director of CIA. We're going to hear from them on this changing security environment, but first I'd like to hear from all of you. I invite you to pull up your apps, and I'd like you to vote on something before we hear from them.
- Kimberly Dozier: The question is a multiple-choice question of what you think the leading security threat is in this evolving picture. Here is a preparative vote instruction screen. If you pull up your app, you can see I'm talking to give them time because it's early in the conference and I want everyone to be comfortable with the app. Here are our questions, our choices. Cyber attacks, the rupture of the transatlantic alliance, nuclear weapons proliferation... That's your chance to vote for Iran and North Korea. Great-power competition, i.e. Russia and China, terrorism, and climate change and migration.
- Kimberly Dozier: Which do you think in the audience is the leading security threat? Got a lot of experts out here. We have 11 seconds to go, 10 seconds to go. Get your votes in. I can see people furiously typing. The winner is cyber attacks, number one, climate change and migration, number two, great-power competition, number three, terrorism... I can remember whole conferences a couple of years ago we used to devote to ISIS. That's a low showing. With that, I want to invite the Minister of Latvia to give your opinion. Tell the audience what you think.
- Artis Pabriks: Thank you very much. Well, politicians can speak very long. I'll try to be short. They told me two or three minutes and for me it's extremely difficult to stay or think within the box. If I was looking on those numbers, I would rather suggest another one, or a combination of two of them. My suggestion for biggest threat would be somewhere a combination between old ambitions on one side together with new technologies on the other side.
- Artis Pabriks: If I want to see my answer within these points, I would say great-power competition together with cyber and new technologies. This is what in my view is one of the probably most challenging issues for modern society, because if you look how modern technologies are changing us, they're changing us within the mindset. Those people which are working in Silicon Valley are now already in China on new technologies.
- Artis Pabriks: They're actually not only producing new technologies, they are probably starting already to create a new human being, a human being which thinks differently. Then all the rest of those challenges, like nuclear proliferation and

fragmentation of our societies politically, economically, or culturally, questions of identity, they are coming already as a result of this. In short, we are in the middle of very, very big changes as far as our thinking, as far as our societies, and those old political ambitions, either the revanchist approach of Russia or the big-power rise of China.

Artis Pabriks: They are simply the first ones which are using these possibilities of new technologies, of strategic communication, of trying to poison people's minds, trying to fragment these minds, cyber-attacks, and of course conventional weapons. These are just tools in the hands of old ambitions. They have new tools and very dangerous tools, and we do not have a full and nice answers to these challenges. I'll finish now.

Kimberly Dozier: Thank you very much. Essentially to sum it up, great-power competition supercharged by technology.

Artis Pabriks: Right.

Kimberly Dozier: General Wolters, your turn.

Tod Wolters: Well, thanks Kimberly. First and foremost Minister, Director, I want to thank you for taking the time to spend with all of us. When I took a look at that chart, I took a look at bullets two and four, and as your representative in Europe for operations on the continent, I will tell you that the two that struck out to me was certainly the transatlantic security and great-power competition. Because I'm a military guy, I'll take this opportunity to promote a couple of things that are ongoing as we speak to try to combat these two challenges.

Tod Wolters: At any time when you're in a military organization, the first thing that you always have to do is look in the mirror and make sure that your forces are as ready as they can possibly be. The two dilemmas that we typically face on the European continent is number one, the speed with which we can close against a potential enemy, and number two, the capabilities of the force that actually exists that we use to ensure that we can continue to deter.

Tod Wolters: In the history of the United States military for certain, and I can speak for the 29 militaries that represent Europe, you probably have never had a commander where he or she has gone to sleep that night and said to themselves that "The speed of my force is fast enough," and that "The capability of my force is good enough." Two things that we've done recently in NATO is craft and develop what is termed the NATO military strategy. It's an architecture that allows us to comprehensively defend the continent in all domains and all regions and in all functions so that we can use our improved transparency and alignment to shape the deterrence space on the European continent so that we can get after generating freedom the way that we think it should be generating.

Tod Wolters: That strategy allows us to wake up every morning with a hook on the wall where we can hang our jacket and know why we're putting our jacket on the wall, because it's part of a strategy that improves our ability to deter and does exactly what we want to do, which is to generate peace for another 24 hours. The second thing that we've done is we've improved our posture by adding a Joint Forces Command Norfolk, which is in its infant stages. It's beginning to help shore up indications and warnings, and command and control, of what is taking place in the central part of the Atlantic Ocean.

Tod Wolters: That is improving our ability to see the battle space, to deter better, and if required to have to defend and deter, we can march to the sounds of the potential guns at a quicker pace. Those were the thoughts that came to my mind as I took a look at the largest threats. The ones that really keep me up at night are those two, great-power competition and what takes place in the central portion of the Atlantic, and I offer the two things that we've done recently to help ensure that we can generate peace for another day. Kim, that's all I've got, if that's about right.

Kimberly Dozier: Oh, we'll be having some more conversations later. Mike, Director Morell.

Michael Morell: It's great to be on the stage with the general and the minister, and it's great to be here with all of you. There's a handful of people in the room who served with me in the situation room. Anybody who was there for my intelligence briefings know that I always make three points. I've got three points for you. The first is I believe that there is a set of priorities, set of national security objectives that any government has. In prioritized order, number one at the top is the preservation of the nation.

Michael Morell: Maybe number two is the prevention of catastrophic attacks on the nation. Then there's probably four or five others. When I think about that first one, the preservation of the nation, I only see three things that put our nation at risk. One is a nuclear exchange with Russia. Second is a man-made or naturally occurring pathogen, and the third is climate change. I think there's some work to do on number one. I think that's eroded a bit, continues to erode, some work to do on that. I don't think any administration has invested enough in number two, so I think there's work that needs to be done on that, and obviously there's a tremendous amount of work that needs to be done on number three. That's point one.

Michael Morell: The second point is, if I was forced to pick off that list, I would pick great-power competition, but it wouldn't be Russia and China, it would be China. I think if you make a list of the national security threats and challenges, and I'm not calling China a threat, I'm calling it a challenge, the national security threats and challenge that face the West, the list is very long, but in prioritized order there is one thing at the top and then a big gap between that and everything else, and that's China.

Michael Morell: The reason it's number one, and the reason there's such a big gap, is because the range of possible outcomes in this relationship between the West and China is so wide. It ranges from cooperation on one end of the spectrum, the kind of cooperation we saw between Barack Obama and Xi Jinping on climate change, all the way, ladies and gentlemen, to war on the other end of the spectrum. The range of outcomes in this relationship, it's really important that we get this right. That's point number two.

Michael Morell: The third point, I am going to go in a direction and maybe you might think an intelligence officer wouldn't go, but I'm going to look at my own country. I want to pick up on the comments that John Allen made earlier that I completely agree with. I think the third big challenge is U.S. politics because our politics is so messed up, and I'm not just talking about this administration. This has been underway for quite some time.

Michael Morell: Because our politics are so messed up, our willingness to lead in the world has eroded significantly, and our ability to lead in the world is eroding to a significant degree. Without those two things, a willingness to lead, and an ability to lead, we are not going to deal with any of the problems on that list. We're just not. We got to get that right before we get anything else right. I'll stop there.

Kimberly Dozier: I hear you on China, but as the last panel concentrated heavily on China, I'd like to start in the great-power competition realm because that's what you all agree on, it seems, with Russia. We had the NATO Secretary General, who we're going to be hearing from later. He mentioned a number of things that he wants to see Moscow do, starting with dismantling the SSC-8s, which he said in the press conference yesterday are mobile, can reach Europe. Latvia is essentially on the front lines. You have NATO troops that ostensibly serve as protection, trigger, speed bump. What do you see driving Russia?

Artis Pabriks: Well, I think that one of the ambitions of Russian leadership, and I speak here about Kremlin, not about people or a country, is to get back to the status of great power. Of course, and this was painful, because I know at least one of the presidents of United States told that this is not anymore a great power. In a certain sense Russia is not a great power because its economy is not larger than the size of the economy of Canada and et cetera, but it is a nuclear power.

Artis Pabriks: For us, a small country nearby, of course this is a great power. I totally agree with also analysis given just before about what drives success of politicians or analysts to serve our country. It is of course survival, because my country already was lost once. We are not going to repeat anymore 1939 or 1940. We will do everything that we need to ensure that our borders are not violated. As far as the nuclear threat and now Russian ambitions just to challenge the existing deals as far as missiles and nuclear proliferation, I would be here a little bit arrogant.

Artis Pabriks: It's not touching upon us, because we have been under the Russian missiles for all the time. I think this is a wake-up call for many of our allies, because in many ways those threats which we see coming in the region, in northern Europe, in the Baltics from the Russian side, they have been frequently, at least before the war with Ukraine in 2014, interpreted as simply a little bit of panicking from our side.

Artis Pabriks: Unfortunately, I must say that in many occasions, Baltic countries and Latvia are a litmus test of Russian policies towards the West. Russia can't get stronger as the West compared to China, for instance, but Russia can do very much to fragment the Western alliance. In many ways, our concern is not how do we change Russia, because we know that it's not in our forces and in Latvian hands to change Russia's approach to us.

Artis Pabriks: As [Soldromans 00:15:32] have been telling, beware of your friends, so we don't want that our friends are wearing all the time pink glasses. Our policies for the last 20 years was simply, "Listen, guys, take off those glasses. Look at the reality." We can't afford to be unrealistic and dream.

Kimberly Dozier: You're saying some of your allies are wearing rose-colored glasses. Are you talking about President Donald Trump and his warmth towards Vladimir Putin?

Artis Pabriks: Well, I would not as an acting politician mention here names. We all make mistakes because if we are looking for critics I think we should first start with ourselves. At least this is how I understand Protestant nature in politics. On the other hand, let's say despite the fact that among the European nations, the Baltics and Poland probably have the best relationship with United States. I still have a big trust in the United States that this country, despite of your arguments, can get along with its internal politics and provide all the necessary leadership and support to its allies. That would be my answer at this moment.

Kimberly Dozier: General Wolters, what does NATO do if Moscow doesn't destroy those missiles?

Tod Wolters: Well, we continue to do just as the minister stated. We run into challenges like this. I think everybody in here probably knows the challenge that we currently face with respect to the SSC-8s, with respect to the upcoming INF that occurs at the beginning of August, and with respect to ramifications that will unfold between now and February 2021 with conversations about follow-on treaties. The smartest thing to do is just exactly as the minister alluded to, continue to take the forces that you have control over, and put them in a readiness position that continues to force any potential enemy of us not to escalate.

Tod Wolters: Day in and day out, when I wake up every morning, we take our forces from a whole of alliance, whole of partner, whole of government, whole of nation perspective, and we do all that we can to make sure that they are as responsive, resilient and lethal as they can possibly be, so that we can characterize the battle space if we have to deter quicker and faster than we ever have before.

Anybody that wakes up tomorrow, that decides that they want to be an enemy of NATO, is a little bit less inclined to do so because of the building momentum with respect to the capability of your forces to generate peace and deter.

Kimberly Dozier: Okay, and yet Russia has engaged in things like the arrest of the Ukrainian sailors. Most recently there was another one of those unsafe incidents in the air, I mean, your pilot. Why is Russia doing that? What is the point of menacing NATO planes, U.S. Planes, from Alaska to the Mediterranean?

Tod Wolters: Well, I think it goes back to the characterization that the minister just gave with respect to the in-state desires of the nation. I'd love to hand that back to you, because I see that you're itching to answer it.

Artis Pabriks: They are our neighbors and we know what do they respect. If you want to be respected by Russians, then you must be capable to take a hit. They respect power, sorry. Seems like Western society have been for a while a little bit relaxed in many ways, particularly Europeans, by not paying enough for their defense budget, by trying to tell that the only sensible policy is dialogue. In my personal understanding, dialogue by itself is not a policy. You must first have a goal. What do you want to reach with dialogue? Just to sit down and talk with somebody about different things, it's not a point.

Artis Pabriks: I think by such activities they're actually checking the resilience of Western alliance and of our minds and our capabilities. In many ways, if you look to the Baltic countries or to Latvia, we are contemporary West Berlin if something is happening. During the Cold War the West was ready to defend that small piece of land. By such attempts they're trying to check, "Are you ready to do something or not?" If we are telling, "Listen, guys, if you cross the border, we will shoot," they're smart people. They're very smart people. They will not do this. If you start to tell, "Oh, maybe we should retreat, maybe we just go back a little bit," sorry, we are lost.

Kimberly Dozier: Michael?

Michael Morell: Agree 100 percent with both of you. I just want to add one thing which is, much of this is rooted in Russian nationalism, right? Much of this policy would be there no matter who's in the Kremlin, but I do think it's very important to understand who we're dealing with here. I think Bob Gates put it best, "When you look in Putin's eyes, you see KGB, KGB, KGB." He is a thug, he is a bully. He only understands one thing, and that's relative power. How much does he have and how much do you have?

Michael Morell: He does not believe something that almost everybody in this room believes, that it's possible to sit down and have a negotiation and end up with win-win. He does not believe that. He believes there's only a winner and a loser. He's a risk-taker, he's entrepreneurial. He's an interesting kind of risk-taker that when

he takes a risk and succeeds, he gets more risky, so he's dangerous in that regard.

Michael Morell: He is not going to change unless we deter him, and he can be deterred. It takes two things to deter. It takes, one, defending ourselves, making it more difficult for him to succeed in how he attacks us, whether that's through political influence or whether that's through providing support to the Taliban, so defend ourselves from those things. Then second, impose costs. Make him pay a price when he attacks us in some way.

Michael Morell: I don't believe that we have done that enough. I think sanctions against individual Russians doesn't work. I think sanctions against individual Russians, they wear those as a badge. They have no intention of ever coming to the United States or having a financial account in the United States. You have to make him pay a cost where it really hurts, which is with his middle class and his economy.

Kimberly Dozier: Doesn't sound like you think that there's a way where the U.S. and Russia could ever work together toward a goal.

Michael Morell: No, no, there absolutely is. I think it's important that, as we deal with his bad behavior, we look for opportunities where we can engage in things that we can work on together. I think that makes great policy sense and we should do that. Doesn't mean cut him off completely.

Kimberly Dozier: We have to out-alpha the alpha in order to be able to work together, is what you're saying.

Michael Morell: Yes.

Kimberly Dozier: Do you have complete confidence that if Russian invaded your country, that this president would come to your aid, that President Trump would want his troops to fully engage?

Artis Pabriks: I have a confidence that America will do this because I have a confidence in my nation and my neighbors, and we will fight. If we will fight in such an occasion, there'll be nothing else for our allies as simply to go and assist us. That's very simple. I think that hypothetical opponent knows that. In our case we prepare at this moment a very new system also in our country, which is called a Comprehensive Defense System, which actually involves our civil society, our enterprises, business circles, because we wanted that in our small nation, each and every individual has a little bit of time, spare time, devoted also to security issues.

Artis Pabriks: By that sense we are simply showing that, "Don't touch. We are small but we have a lot of needles." I think by that we also contribute not only to the capabilities of the NATO alliance, because we are among those few which are



paying 2 percent. We don't think it's too much. We don't think that this is waste of money, because this is just like insuring your apartment once you leave. Either you close the door, or you buy insurance. Why would we think that somebody else like Americans should defend us if our house is just opened by some of our neighbors? First take care of yourself and then ask for his assistance.

Kimberly Dozier: General Wolters, what are your orders if Latvia gets invaded?

Tod Wolters: Well, we have national considerations and we have NATO considerations. I would bet that there are more people here than I can possibly imagine that know more about Article 5 than I do. All you have to do is go back and take a look at what unfolded in 9/11 with respect to the attack on the homeland of the United States, and look at the response that occurred on behalf of NATO. Those are obviously the comforts, if you will, of the world's greatest alliance.

Kimberly Dozier: Back to those unsafe encounters, are the Russians testing NATO or the U.S.' will, or are they testing physical capabilities? Are they trying to figure out, "How far can we go before they actually respond?"

Tod Wolters: Kim, if I could, I'll clear the air with respect to the facts about these recent intercepts. As most of you know, in NATO we've actually tracked the air intercepts by each and every one for the last four years. There's some highs and lows. What I can assure this audience is that well over 99% of the intercepts that occur in the air are actually safe. In many of the cases where they're unsafe, when you take a look at the experience level of the operators that were involved, it typically turns into a young man or woman that was probably just hot-dogging it a little bit more than they should. We never assume that away, so each and every one are investigated.

Tod Wolters: We literally have thousands of intercepts that occur over the skies in the vicinity of international waters. On very rare occasion they are unsafe, and we've seen over the course of the last two years that the frequency of those unsafe intercepts has actually diminished tremendously. For your clarification, for every one intercept that a Russian aviator commits against a NATO aircraft, we actually have three NATO intercepts that are committed against a Russian aircraft. There's a lot of activity that takes place in the sky. When I say that we have three-to-one, that gives you a little bit of a feel for the readiness disposition of your NATO force. It's resilient and responsive.

Kimberly Dozier: Some people would say readiness disposition, I guess, from Moscow's point of view though, that would sound like NATO aggression, which is one of the reasons that they have pointed to for some of their recent actions, but we can get into that in the Q&A. I'd like to invite everyone in the crowd to think of a question. You can ask them through the app, or I'll be looking for hands in the audience. As you think of one, there's another question that I had wanted to ask all of you, the idea of presidential policy by tweet.



Kimberly Dozier: I have talked to a number of U.S. officials, European officials, who say they've had hours of meetings, they set the policy, or they've had hours of meetings with their counterparts. Then there'll be a tweet out of the Oval Office and there's panic. There's panic by U.S. officials, not knowing, "Does this mean there's a change?" There's panic from the European officials who thought, "We thought we knew what the game plan was." How do you deal with that? For normally talkative people... Minister.

Artis Pabriks: How do I deal?

Kimberly Dozier: Yes.

Artis Pabriks: I try to figure out as a politician how to get more votes and try to think what I will tweet next, because what else can I do? Modern generation like tweets, like Instagram, Facebook. They don't like to think, they like to write, so that's probably characteristic of people who are tweeting a lot.

Kimberly Dozier: Was that an editorial comment? General Wolters, have you been in a situation yet? I know that you're new to the job. President Trump's prodigious tweeting is part of what got him elected but [inaudible 00:28:39] it has to be a concern.

Tod Wolters: Kim, this is real easy for me. I have the luxury of wearing this uniform and I have a chain of command. I have it on the NATO side and I have it on the U.S. side. Tweets are tweets, but policy that comes down from the political level and our militaries that we serve in are led by senior civilian leadership. We follow those orders to the T, and we have a particular chain of command with which we execute. Tweets are something that exist in society. They come from presidents and we pay attention to them, but in NATO, and certainly in our U.S. military, and I think I speak for many of the nations, we have processes in place for military members about how we move out with respect to orders. It's truly as simple as that.

Kimberly Dozier: Michael, if you were back in your old job, how complicated would it be for you to deal with some of the confusion that's come from those social media posts?

Michael Morell: Here's what I would say. I left government in 2013. I do a lot of different things in retirement, but one of the things I do is advise boards and CEO's about what's going on in the world and what it means for them. Between 2013 and November 2016, 100 percent of those conversations was about what was happening outside the United States. What's happening in Iran, what's happening in China, and what's happening in North Korea, those were the conversations.

Michael Morell: Post November 2016 I will tell you, 75-80 percent of the conversations are about what's happening in Washington, and how does policy get made, and what do these tweets mean vis-a-vis policy. For the people that I work for, it

creates confusion, it creates questions about where we're headed. I don't think it's healthy from a policy perspective, even though it's good for my business.

Kimberly Dozier: What would your advice be to Director Haspel on how to handle them?

Michael Morell: Keep your head down. Protect your agency, keep your head down.

Kimberly Dozier: She seems to be doing that.

Michael Morell: Don't answer your question.

Kimberly Dozier: Yeah, thanks, thanks. With that, I'd love to take questions from the audience right here. If you could briefly introduce yourself and make sure there's a question in your question.

Joseph: Hi, my name is Joseph. I'm current GMF [inaudible 00:31:21] Fellow. I had a question for Mr. Pabriks. As you said in the beginning that Russia is not superpower because their economy is just as big as, or not bigger than Canada's or others. In what way would you say that? Is it only the economy that would constitute the power or is it also their abilities as a state, because to me it seems that maybe economics-wise they're not so big, or not a super power because they have also other countries that have the same economy or level of economic activity, but on the other perspectives, like a military side and elsewhere, they do have the abilities and the powers that other countries and states don't have.

Artis Pabriks: Well, of course, we can run into discussion of definitions, but if you would take away from Russia nuclear capacities, I think it would be a totally different country, with totally different threats by itself. I think for Russia, even if it exploits the contradiction between Russia on the one side, and I speak here about Kremlin, and the West as an adversary from another side, I think the real problem in the longer-term lies somewhere else, and that's in the Far East.

Artis Pabriks: I think they know what I'm talking about. The problem is that, as one of my colleagues recently told, we have been meeting in Berlin, that Russia is geographically at least partly European. We can consider them European, but in their minds they are not Western and they will never be Western. That makes a contradiction because they have also a problem just like many of us, this identity creation and especially preservation of identity.

Artis Pabriks: Now, in the age of fragmentation, they are using their Russian nationalism, they are using this old contradiction with the West just to enforce this homogeneity for a longer period of time. West is not their threat and I think deep in their heart they understand this. They simply can't turn around this old pattern of thinking. It goes very well down to the community.

Kimberly Dozier: I'm going to take two questions over here.

Hiro Akita: Thank you very much. I'm Hiro Akita from Tokyo and my question may be to Mr. Morell. My question is about how to handle long-term strategic competition with China. If China is our biggest threat, is it possible for us to think about not only how to better compete against China, but also adopt long-term competitive strategy that U.S. Adopted to Soviet Union. In other words, impose cost and exploit the weakness of China so that we can maybe, eventually, slowly weaken the state power of China, which make it possible for us to be in a better position to compete against by exploiting weakness like lack of legitimacy of the regime or widening income gap or social stability and so on. Thank you.

Michael Morell: That's a great question. Thank you. I'm going to make three points. The first is that I think we have three fundamental issues, three fundamental dynamics that we need to work out between us and China. The first is, we used to be complements of each other economically. They were labor rich, we were capital rich. Those two things fit like a hand in a glove. No wonder that, when they joined the WTO, there was an explosion in trade. We're not complements any more, we're competitors.

Michael Morell: We're competitors in the same high-tech industries of the future. How does that get managed? The second economic piece is that the national security communities in both countries have come to realize that they're too dependent on the other and they want to reduce that dependence. How do you manage that?

Michael Morell: The second issue is that we don't trust each other. We both have large militaries in the same places on the planet and when you have that, you have to plan for war against each other. You have to equip yourself for war against each other and you have to exercise those plans and those weapon systems that you're buying. Each side sees the other do that. I'm not saying we shouldn't. We absolutely need to do that, but that creates a negative tension in the relationship that's difficult to overcome, creates an inertia in the wrong direction.

Michael Morell: Then the third is the most difficult. China's a rising power, we're a status quo power. As a rising power, they want a greater say in the world around them. Guess who has that say today? We do. We don't want to give it up. How does that get resolved? Three hugely difficult problems. That's the first point. These are wickedly hard.

Michael Morell: The second point is that nobody's figured out the answer to your question. Nobody has figured out what the right approach is to China. We're still waiting for that long telegram from Beijing that's going to tell us, "Here's how to think about this problem and here's what a strategic approach is." We're still waiting. I have not heard anybody articulate it.

Michael Morell: The third point I'd make, which I think is the most important, is we cannot do this by ourselves. This requires a broad coalition of nations to deal with the

challenge that China faces. I think the greatest strategic mistake that this Administration has done, and believe me every Administration makes strategic errors, the biggest one this one has made is withdrawing from the Trans-Pacific Partnership.

Kimberly Dozier: Quick question for all three panelists, Russia versus China, which one are we more likely, NATO is the West, to come to some sort of peaceful terms with first? There is your answer.

Tod Wolters: Kim, obviously our turf is Europe and it's Russia so that's our biggest concern. I will tell you, just to add on to what Director Morell alluded to, we pay close attention as a NATO alliance to the activities of China with respect to our allies and our partners that represent NATO. We would probably be foolish not to, and I suspect that with each passing day, you'll probably hear more from our NATO Secretary General about China's presence and their influence in the vicinity of NATO, and the things that we have to do to make sure that we have the appropriate vigilance.

Kimberly Dozier: Rather than seeing us as being able to build a bridge to either one, you're saying that it's more likely that each one is a rising threat. [inaudible 00:38:37] Absolutely.

Michael Morell: There's a great question up there. What are the greatest shared interests with China? I don't think we think about that enough. This gets back to your question, sir. I spent long hours with Chinese intelligence officers, both in Washington and Beijing. We talk to everybody. I saw shared interests, some that I can't talk about, but some that I can. Stability in the Middle East, it's actually more important to them than it is for us, because of where they get their energy from.

Michael Morell: Terrorism, extraordinarily important to them. There are things that we should be working with them from an intelligence perspective, from a diplomatic perspective, and even from the military perspective, eventually. I fear that we weren't doing that enough in the Obama Administration and I'm certain we're not doing that enough today.

Kimberly Dozier: Ma'am.

Dania Khatib: My question is to General-

Kimberly Dozier: Sorry, Dani-

Dania Khatib: Dania Khatib. My question is for General Wolters and it's about Arabian Gulf and what's happening now. You spoke a lot about deterrence, cooperation and working for peace. As we see now, we are on the brink of a war. Sanctions don't work. They didn't work with Iraq, and I don't think they will work with Iran. One

time when the Iranians shot the aircraft, President Trump didn't hit, but maybe next time he will be forced to hit and we will have a wide war.

Dania Khatib: As Mrs. Mogherini said, it's very, very scary for people who live in the region and I do live in the region. I live in the UAE. Now America is working by itself. Don't the U.S. Think engaging the European Union, because European Union has credibility with Iran. Iran does not trust the U.S. And does not trust Trump. Why doesn't the U.S. Engage with the European Union, engage with the UN, and put some rules of engagement around the Arabian Peninsula and the Arabian Gulf, to secure navigation, to make sure accidents like the bombardment of a tanker doesn't happen and this way we'll be a bit further from a potential clash in a war. Thank you.

Kimberly Dozier: I'd love to add to that, because we didn't get to bringing up Iran. Would NATO play a role if we somehow get into some sort of conflict in the West with Iran?

Tod Wolters: The responsibility from a U.S. Perspective for activities in Iran is United States Central Command, so there's actually a different set of command leadership that represent the United States and that serve as allies in the region in the Middle East to service that issue. I won't speak on behalf of my counterparts that represent the Middle East, but I will say that in NATO, we understand very keenly that the power of alliance is far better than the power of a single nation. As you go forward, building consensus amongst an alliance is an incredible deterrence.

Tod Wolters: That's the value of NATO. As we take a look at activities on the continent, that has certainly delivered 70 years of basic peace for the European continent, and we're very, very proud of that. That has to do with the question that you alluded to with respect to going it alone or going with an ally.

Kimberly Dozier: Mr. Pabriks, how complicating could it be for you if the U.S. Puts even more pressure on the EU and Europe to stop finding an economic back door to help Iran survive U.S. Sanctions right now?

Artis Pabriks: Well, I would like to say this in the broader terms, because you just mentioned American withdrawal from Trans-Pacific trade deal. What we are really watching with a pain is this, I would say deterioration in general relationship between United States and European Union as such, because I think it's worse today than it was three or four or five years before. Even if Latvian or Baltic relationship with United States is perfect, of course we are also affected if relationship between our transatlantic ally United States and European Union in Europe is not anymore so good.

Artis Pabriks: I think that if we want to have a common solution to those challenges, either Middle East or questions of China or questions of Russia, we should not first hit each other. I don't think this is a good habit, what we see usually on the street

that you hit first your friend or neighbor so the others are afraid of you. From that perspective we are very much concerned.

Artis Pabriks: Let's say, as much as influence we can have as a smaller nation, we are trying to tell that, "Look, let's try to get along first with each other," because if we speak about trade, I have been in a Trade Committee in European Parliament for quite a long time. I was responsible for CETA also, this deal with Canada. I mean, the best way would be to sit down for Americans and Europeans and tell, "Look, we need a new trade deal. We need the new trade order in the world and that will be our democratic Western order." Instead of that we are exercising certain fights against each other. I think it's a big challenge.

Kimberly Dozier: I'm going to go over to this side of the room for questions from Julian and Kevin, but as I walk over, Director Morell, if U.S. Gets in a shooting war of some sort with Iran, what is the fallout?

Michael Morell: Let me answer a slightly different question if that's okay, because I want to come back to the comment that sanctions don't work. Actually sanctions do work. Coercion with sanctions does work. It's what brought the Iranians to the table that led to the JCPOA the first time. What was different was that, that first time they were multilateral sanctions. Now they're bilateral. I think it's extraordinarily important that when you go down the sanctions route, that they be multilateral, that you have everybody on board, because what we see the Iranians doing right now is trying to divide everybody in this room.

Michael Morell: That's exactly what they're trying to do with the attacks and the coercion that they're putting on all of us. They're trying to divide us, and it's working, it's working. It's really important that if you're going to have a coercive approach to trying to get another nation to do something, and there's circumstances where that is okay, that there be diplomacy that goes with it. There needs to be an off-ramp here for the Iranians and there isn't at the moment. There's nothing the Iranians can do except capitulate, which is not going to happen for domestic political reasons in Iran. Coercive diplomacy requires both coercion and diplomacy. We have one right now and not the other.

Kimberly Dozier: I would like to ask, could the two of you ask one, two, and then we have the answer? I just want to get in more questions. Julian-

Julian Barnes: Julian Barnes, New York Times. General, I wanted to ask you, do you think that you have the tools? Is the United States military investing in the right capabilities to deter the kind of hybrid action that Russia is using? There's a lot of high-end fighter aircraft. Should we rebalance toward more special operations, more different capabilities than we're investing in now? I'm going to throw one to Director Morell, too, just following up on your comment. Do you think that the Russians can still be as effective at dividing societies in Europe and the United States or, as knowledge grows of what they've tried to do, is

there more resilience within the societies or what needs to be done to create more resilience? I'll hand it over to Kevin.

Kevin Baron: Thanks for those two questions, you [inaudible 00:46:51] That's okay, I only have four. I'm Kevin Baron. I'm Executive Editor of Defense One and the three of us are all Pentagon reporters at one point or another. I have a specific question probably for General Wolters. We're hearing a lot about the SSC-8 missiles, but we keep hearing that they're mobile, they're fast. You won't know what warhead they may have on them and one of the options that Secretary General Stoltenberg has been saying this week is defensive, is that all the options would be defensive.

Kevin Baron: What I want to know is, a preemptive strike on those missiles, is that also considered defensive if there's no... If not, what assurance or what capabilities does NATO have to actually knock those down once they reach the air? For the rest of you, because I'll get to you also, Ukraine hasn't come up, but Russia has also in the last 18 months moved a lot more material, people, anti-aircraft missile batteries, into Ukraine. It doesn't seem like deterrence is working there. If it's not working there, why would it work with these missiles? Thanks.

Tod Wolters: Julian, I'll go to your question first. By the way, good to see you again, and I believe, if I could paraphrase your question, because it felt like it occurred about five years ago, but I know it was only several seconds ago. We today possess the capability in all domains to adequately deter and defend, certainly on the European continent, but we don't possess the competitive edge that allows any of us to comfortably sleep at night and not improve upon it.

Tod Wolters: What we have to continue to do is, in all domains, and in all regions, air, land, sea, space, and cyber, find a way to ensure that we can deliver a deterrent effect in the battle space, and a response effect in the battle space, quicker than we ever have before and certainly quicker than a potential enemy can do that to us today, and demonstrate the resolve from a readiness standpoint that we are ready, willing and able as an alliance to do so.

Tod Wolters: That is exactly where we're heading with speed and posture today in NATO, to improve our response time so that we can continue to better manage deterrence, making sure that anybody that wants to be a potential foe against us, whether it's just in one domain or multiple domains simultaneously, we have to possess the multiple domain response quicker and with greater punch than anybody else. With respect to the SSC-8, I'm well-versed in exactly what the Secretary General has said.

Tod Wolters: What I have to do for the Secretary General is to make sure that we are doing exactly what we should be doing between now and the first week in August. That's when the final decision will be made about the disposition with respect to Russia and the INF. Now, what you can well imagine, that there is prudent



planning taking place to make sure that the future beyond that is safe and secure.

Tod Wolters: One of the things that we do, and it sounds corny. I say it often, but when people start asking me questions or talking about capabilities that somebody else possesses against us, I'm not fond to talk about somebody's capabilities against us, because every time they hear it, they put a little niche on their chalkboard and you're demonstrating that they're probably getting under your skin.

Tod Wolters: What we have to do when it comes to things like SSC-8 is continue to improve our indications and warnings, and our command and control and feedback, and make it so fast that regardless of speed and range, if there's an attack against us, we'll see it first and be able to respond. That's exactly where our heads should be when it comes to potential threats. We're certainly making sure that we have options to provide our senior civilian leadership if we get to that point.

Kimberly Dozier: I think there was one question for Michael.

Michael Morell: On your question, I think the biggest threat in the hybrid warfare space is the threat to our democracy that is being thrust on us every day. I think what the Russians learned in 2016 is that it works, that what they were trying to do to divide us in the United States, is exactly what they achieved. I think what they learned from that is, they're going to continue to do it and they're not the only ones who learned it. The Director of National Intelligence in January said publicly that the Chinese, the North Koreans and the Iranians and others... He said "And others"... are now doing this to the United States.

Michael Morell: I know how careful analysts write, so I know when they write "And others," there are others. Now, for some reason, he didn't want to tell us who it was, but these attacks are effective and there's a lot that we can do to defend ourselves from these attacks. I will tell you, and I don't want to embarrass anybody here, but I will tell you that Laura Rosenberger's Alliance for Securing Democracy right here at the German Marshall Fund has done what I think is the best work on what we need to do to protect ourselves.

Michael Morell: She put out a great paper. They put out a great paper on what the U.S. Should do and Laura just put out a paper on Europe, correct? I think the best work is happening here. There's a lot we need to do that quite frankly we're not doing because this gets all wrapped up in politics. We need to strip it away from politics and just do what we need to do to defend ourselves.

Kimberly Dozier: I have about a minute left before I want to turn to an intervention, but I wanted to leave one of the last words to the Minister. Are you worried about Russia and China getting together? What is your leading worry that you want everyone walking out of this room thinking about in order to protect your country.

Artis Pabriks: Well, I would not be so much worried about Russia and China getting together, because I think in that combination Russia would lose very much, and I think Russians would understand that. Here was question about resilience and what we can do. I think there are a number of small steps what we can do to ensure our security as it is in Latvia, Germany, or Belgium, or United States. One of the things are cyber attacks, which we all know when cyber attacks are happening now, while we are talking against each of us actually.

Artis Pabriks: We do not always notice it, but another thing is about the creation of this fragmented mindset, because what they are trying to seed in us, it is doubt about our own system, about our own defense, about our own values, and my question would be very easy. If we can do something here and now, why, when I go to hotel in Brussels or somewhere else, why do I see still on TV screens RT? I mean, this are not news. This is simply a poison, this is a weapon, how to change the mindset.

Artis Pabriks: In my country, former Russia Today or RT is not anymore on the screen. In some other countries, too, so why it is here? Why are we reproducing and allowing to reproduce such small things? This is just one example, so let's start with ourselves and with the small things what we can improve in cyber security, in communication, and in many other things. There are things we can do, but for a number of political or other reasons, or business reasons, like energy we all know about Nord Stream 1, Nord Stream 2. We know who are on the Board, what type of politicians are getting big money from that. Once we speak about corruption in some countries, let's look into the mirror.

Kimberly Dozier: I have saved a couple of minutes for Ambassador Kay Bailey Hutchison to reflect on the panel. I also invite you all to look at your apps. There is one word cloud question. You've heard what everyone had to say. I invite you to type in the word you think most represents the major threat after listening to all of this, and I apologize that we didn't get to hash out climate change. Ambassador.

Kay Hutchison: Well, thank you very much. I'm glad that I got in for part of this. I wish I had seen the whole thing. I think as I was sitting there, and I've just come from our Defense Ministerial, where all of our defense ministers, including our acting Defense Secretary from America, Mark Esper, were here. We were talking about what are our threats, what are we doing about it? SACEUR was on one of the briefing panels. What I'm thinking after leaving there, hearing what you're saying is that, first of all, because we are 29, almost 30 in NATO, we do have an advantage of speaking with one voice from 30 different countries, the transatlantic bond.

Kay Hutchison: The strength that we have, I believe, is adaptability. I look at SACEUR, who is in charge of this, and I know that we are looking at all of these new, innovative, disruptive technologies, which is what your subject matter is today, and we are addressing these, trying to get up to speed and ahead with China, with Russia. I think there are many things that we're doing that maybe people are not aware

of. Now, I don't know if you've talked about 5G, but certainly secure communications is one of our challenges.

Kay Hutchison: We are late at the table, but we are now on it. If we don't have secure communications with the emerging threats that we have right now, artificial intelligence for instance, we could lose a battle because artificial intelligence was changed to send the airplanes to the wrong place. We've got to meet that challenge and we are on the cusp of doing that right now.

Kay Hutchison: We adopted, just in the last two days, a new mission for NATO, which is space. Space is the next era of technology, use of a different venue, a fast venue that could become a military asset or a military problem for many of us. We will have SACEUR working on the workstrands, on what we need to do to detect in space. Defense systems that might be up there, satellite systems that might be up there, that we must assess to know what they're targeted to and how we can address those.

Kay Hutchison: I think that adaptability and the strength of numbers is what we do have going for us. We are a unified alliance. If Latvia is invaded by Russia, we will be there. There is no doubt about it. If it's Latvia, if it's Montenegro, if it's the Republic of Northern Macedonia when they come into our alliance, because if Russia invades Latvia, that's not the only place they're going. They have a plan, and it's going to go far beyond that, and we are going to stop it before it spreads.

Kay Hutchison: That's what Article 5 is, so yes, we have challenges. I'm so glad that you're addressing them. I do want to answer her question also, and say that we are talking to our allies about a joint effort to make sure that navigation in the Gulf and in the Strait of Hormuz is unfettered. We are doing that right now, I want you to know that. Thank you very much. I will stay within my time frame, but I think that the threat of China, in closing, is one that I still have hope for us to continue to work with them.

Kay Hutchison: I have more hope for a relationship with China when we get on an even playing field with trade, which we must do. China is now in a position that, if they're going to be a world power, they need to play by the rules. They need not to steal technology, they need to be players for the good. I think we should keep trying to bring them into that arena. I don't think we have a chance with Russia, but I do think we have a chance still to try to make them, if they will get right with the rule of civilized nations in all aspects of trade as well as military, then I think it would be good to have China not as an adversary, as a competitor, and that's fair.

Kimberly Dozier: That is a great way to end it because you answered one of my questions that they really wouldn't touch. I can see also on the word cloud that our conversation had an effect. Great power is number one and it looks like climate, China and Europe, possibly, are the next three. With that, I want to thank the panelists for taking some challenging questions. You guys can head out that

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way, as we are making room for the next panel. My colleague from Jane's Defence is on his way in.

Male: Hold on, hold on to your seats. Hold on to your hat. There's no break. We're going straight into the next debate. Hold on.