EDELMAN: Good morning. I'm Eric Edelman. I am a lapsed diplomat and former under secretary of defense for Policy, and on the advisory board of the new center, as Mark Dubowitz mentioned earlier this morning.

And I'm delighted to be moderating this panel about great power competition. And I can assure you that you have, arrayed on this panel, an unbelievable array of expertise. And I say that because not only are the panelists extraordinarily qualified professionally, but they're all my friends. And they're all people I've had the opportunity to work with in the past.

I was -- I was able to work, most recently, with General Jack Keane, on my right, who -- together on the National Defense Strategy Commission that was appointed by Chairman -- then-Chairman Thornberry, which he mentioned in the earlier panel discussion, earlier discussion with Brad Bowman.

I was privileged in the previous iteration of that panel in 2014, to work with Michele Flournoy, who was also my successor as under secretary of defense for Policy. And I was able to work with Wess Mitchell on the -- on the Romney campaign and transition. So all of them are former colleagues for whom I have an enormously high regard.

Let me just briefly introduce them because you have their full biographies in the program.

General Jack Keane really needs no introduction. He's a frequent contributor to Fox News as a commentator, but also a frequent witness before the Senate and House Armed Services Committees.

A legendary military career that concluded as vice chief of staff of the Army, but also commanded some legendary units, the 10th Mountain Division, the 101st Airborne, a
paratrooper in Vietnam but also served in Somalia, Haiti, Bosnia and Kosovo. And a great colleague.

In the bureaucratic wars that he and I have fought, he was on the Defense Policy Board, played an enormous role in the surge and is a great patriot and was a fabulous colleague on the National Defense Strategy Commission.

Michele Flournoy, equally experienced in national security affairs. She succeeded me as under secretary of defense for Policy, which was very daunting, I have to say. She was the cofounder and first president of the Center for New American Security, and she is now the cofounder and managing partner of WestExec Advisors.

And finally, and last but not least, Dr. Wess Mitchell, who was the founder and first CEO and president of the Center for European Policy Analysis, and has served most recently as assistant secretary for European Affairs in the State Department, now has returned as vice chairman of the Board for CEPA although he's appearing today in his personal capacity.

And I would stress that his most recent book -- he's the author of two books, co-author with my former SAIS colleague, Jakub Grygiel of the -- a book about alliance management and the frontier of our alliances.

But in his own right, has published a book on the grand strategy of the Habsburg Empire, which is about to appear in paperback. And I urge you all to get a copy of it.

Wess is here -- appearing today in his personal capacity, let me just stress that.

General Keane, let me start with you. We spent a good deal of time on the National Defense Strategy Commission, assessing the new National Defense Strategy and its reprioritization of near-peer competitors, great powers, Russia and China. How do you think we are doing in that great power competition today?

KEANE: Yeah. Well, thanks, Eric, for your introduction. And I certainly enjoy the company of my colleagues up here, all very well known to all of you. And by the way, congratulations on this inaugural conference. It's certainly very well attended.

The -- we spent over a year looking at the National Defense Strategy. And we thought they got the strategic framework about right, in concert with the National Security Strategy. And we applauded the administration for getting the NSS out, you know, within a year of their beginning their work in 2017, by that December. So, the strategic framework of big power competition with Russia - or Resurgent Russia, Rising China; the obvious, having to confront North Korea, Iran; the generational challenge of Radical Islam; the proliferation of offensive cyber warfare and nuclear proliferation. All of those issues, we're totally in agreement with.

And certainly, the resurging Russia, returning -- Putin returning Russia to the world stage as a global power, pushing against American hegemon, and developing in two decades a significant sphere of influence in Eastern Europe, in the Middle East, South Asia, Latin and
South America, Africa, and the Arctic. It's really quite remarkable. China, of course, a rising power, seeking to dominate and control the Indo-Pacific region, making significant success, I would say, at doing that.

Predatory economics, Belt and Road Initiative, constructing a framework of global trade and infrastructure network with China at the center of it. The fastest growing military in the world by far. Navy today is much larger than ours and growing rapidly in that direction. What happened to both of these countries is they saw the United States conventional dominance and liberation of Kuwait and Iraq, and as a result of that, they changed their strategies.

One is, they didn't want to fight a conventional war with the United States based on that dominance that we had - was able to achieve; the integration of air and ground power, precision munitions, space-based technology, something that no one had seen on display before. And so, one, avoid that confrontation, but two, put in play a strategy to deal with one, conventional buildup. And both their strategies are largely defense - asymmetric strategy, designed to take away the dominance that the U.S. has in air and maritime power.

And I would suggest to you that they have - they have achieved a great deal of success in that. Despite the limitations of the Russian military and despite some of the challenges the Politburo has and China has, et cetera.

The second thing they did, they recognized that, to achieve their geopolitical goals, they wanted to use - they wanted to operate below the level of conventional warfare and conflict. Russia defines that as hybrid warfare, and we've seen that on display, successfully in Crimea, Ukraine. And I would suggest to you it's on display right now in Venezuela. Also, China in gray zone operations through intimidation, coercion, air and maritime challenges in terms of international zones on a regular basis, undermining civil society on a regular basis.

I mean, the Japanese scrambled alert aircraft 600 times last year. Over 600 times. That's almost two a day. And today, this year, they're 30 percent ahead of that. Taiwan has been the same way. So, this is constant, every single day, week in, week out, month in, month out, wearing down the - our allies in the region. When I talk to the leaders in Hanoi, they talk about 130,000 Chinese fishing boats that work for PLA that have military radios and, as a result of that, every single day, they're challenging their fishing rights. Constant intimidation in the South China Sea.

So, that is what we are kind of coping with. And then, we took a look at the National Defense Strategy and we had two major consequential conclusions. One, we are alarmed by the fact that we are in a national security crisis and in a period of danger that we haven't seen in decades. The fact is, if we were in a conflict with either one of these adversaries today, the casualties to personnel and to high-value assets would be on a scale that we have not seen in a very long time, Korean War and World War II.

We also concluded that we would struggle to win and indeed we could lose. The chairman of the joint chiefs and the joint chiefs themselves said as much about the high risk that we are in, dealing with conventional war and a near-peer competitor. They said that in 2017.
Admiral Davidson who just took over in the Indo-Pacific command now, used to be Pacific Command, at his assumption of command ceremony said publicly there is no guarantee we could win a war against China today.

Compounding this problem and what contributes so significantly to the crisis is the fact that there's a deterioration of United States military dominance and an erosion - and this is important - of credible deterrence. And that is what is driving up the risk. The fact is, our preoccupation with 9/11 wars, and I'm not - that word is not to be critical, it's a fact, and the funding and priorities that grow that. Two, when those wars were winding down, as opposed to refreshing our budgets to recapitalize, what did we do? We reduced. And then we came up with this mindless, irresponsible act called the Sequestration that kneecapped the services rather dramatically.

So, they have caught us in terms of the technology advantage that we have in many areas - not all, but many, the most significant ones. And in some cases, they - they've run right past us. So, that is the flag that we wave as a result of a year-plus on the commission. We talked to every combatant commander, every service chief, and we played war games, classified war games, to see what would happen dealing against Russia or against China. I can just tell you, the results were not good.

The other thing we concluded is that while the National Defense Strategy gets the strategic framework correct, the implementation and execution of it is less than satisfactory. What am I talking about? We do not see a comprehensive strategy to counter Russia and China, whole-of-government, collaborated with our allies, that identifies ways, means, and ends. We didn’t see it.

Number two, in dealing with their unconventional warfare, which gray zone operations is and also hybrid warfare - and by the way, while we have different names for this and the means that they're using are different, unconventional warfare has been the dominant form of warfare since the history of mankind, where an opponent to an adversary that has greater power or greater means uses unconventional means to take advantage of that adversary.

And that is what has been happening here and we saw no campaign plan - cohesive, coherent campaign plan that involved all government, because the military only has a role to play here, and in some cases it's not a dominant role. No campaign plan and no operational concepts to deal with that.

So we believe, when we finished our work at the end of last year that we have major challenges in front of us in terms of developing strategies that make sense to counter Russia and China.

EDELMAN: Thank you Jack that was a great summary of the commission report. I hope someone's recording this. Michele and Wess before we go to audience questions I want to ask each of you to drill down on the two specific competitors.
Michele, you and I wrestled with this in the 2014 NDP, and you were of course involved in the preparation, leading up to the national -- the Defense Strategic Guidance of 2012 that helped reprioritized the Pacific and rebalanced our forces towards the Pacific.

How do you think we're doing today in the competition with China overall?

FLOURNOY: Well, I don't disagree with anything that Jack said. I think that we are - there's a great sense of urgency in the community of people responsible for dealing with the potential of a crisis with China.

And a hug disconnect in terms of attitudes you see out in society in general and also even on Capitol Hill sometimes. So I think China is competing extremely hard, economically, in terms of technology.

And now under Xi, they've sort of gone from a hide-and-buy posture to now one of flexing their military muscle more, trying to start to be -- to realize they're aspiration of being kind of a hegemonic power out to the second island chain.

And we are playing catch up, as General Kean said. We have been understandably focused on a very different kind -- set of warfare requirements in the last 20 years, counterterrorism, counter insurgency, the wars in Afghanistan and Iraq.

And the kinds of concepts and capabilities and even mindset that we will need to be successful vis-à-vis, China in the future is very, very, different. So this is a huge pivot for the US military.

My biggest concern right now is that what we really need is a very strong investment in deterrence. We need to A, understand the Chinese leadership's calculus. What do they really care about? And if we adopt a cost and position strategy, what costs will most quickly get them to choose an off ramp rather than to choose conflict?

In my view, the only way a conflict starts in Asia in the next many years will be if China, the Chinese leadership miscalculates. Either they underestimate our resolve and our commitment, or they underestimate our capabilities. So the first thing is we've got to clarify our resolve and our commitment. And that is by word. We need -- We don't have a declaratory policy. Let’s clarify our positions to China.

But it's also by deed. It's routine, freedom of navigation operation, things to re-enforce the rules of the road in the region that have under girded civility and economic prosperity over 70 years now.

It’s the kind of work we should be doing with our allies. I do not see a strategic approach to security systems and partnership that would ensure that each of those smaller Southeast Asian nations like Vietnam that are constantly being harassed by China through asymmetric or gray zone means -- we want to make them look like, to borrow a phrase from a former SOCOM commander, "indigestible porcupines." You know, like, make them as spiny and as able to
control their -- their waterway approaches, their territory, to make it very hard -- to complicate Chinese calculus. And to make them unsure that they could, you know, make an easy grab for territory or for influence in a given area.

And that does have to be whole-of-government. There are a lot of things the U.S. military needs to do. We need to fundamentally rethink how we're going to approach deterrence and, if necessary, conflict in a highly contested area where we're not going to have full access in the maritime domain.

We're going to be contested with cyber, we're going to be contested with -- in space, where our forces will be under fire as we also try to prosecute the campaign. Very different situation than anything we've encountered for many decades. So that takes a different mindset.

So that means we have to be more asymmetric in our thinking. It takes new concepts of operations, which I think all of the services are hard at work on. But we need to be farther along than we are right now.

And then we investment in new types of capabilities that can support distributed notions of lethality and ways of operating. Everything from the C2 network that's going to enable those distributed forces to communicate and operate effectively to much greater use of unmanned systems, particularly in the denied or most contested and lethal areas.

So -- but -- but whole-of-government, you know, look what's happened to the State Department, your former agency. I mean, we've got to have people in place to do the diplomacy, to send the message, to show up, to work with our allies. To be there as the relied-upon partner. To show that we're still here, we're still leading, we're still with you. It means that we've got to be using all of the instruments of Treasury and Commerce and others.

And I think the last thing I'll say it, it needs to be a whole-of-society effort. We are the world's technological innovator. And our leadership is -- is remarkable. But there's a huge disconnect between our national security community and our tech community.

We have to take down the obstacles that we impose on ourselves in terms of our own acquisition processes and cumbersome bureaucracy. But we also need to build bridges to that community to help them understand that the very freedoms that they enjoy, that have enabled their success, are exactly what we need to protect here. And they need to partner with the national security community to be a part of that.

So there's a -- I think what we're all saying is, there's a lot of work to be done here with the military, with our allies, with whole-of-government and with our broader stakeholders across our society.

EDELMAN: Great. That was terrific, Michele. Thank you.

Wess, I mentioned your book, "The Unquiet Frontier," about the frontline states. You just spent several years wrestling with this directly. How do you think we're doing in the
competition with -- with Russia? And is it a different kind of competition than China? I mean, it's, by most standards, really, a declining not a rising power? That doesn't necessarily make it, you know, less dangerous. It might make it more dangerous, but.

MITCHELL: I think we went for the better part of the last 30 years, underestimating Russia. I agree with General Keane's very sobering assessment. I think we became habituated, and the Western mind came to see the world as a place in which there were no serious predators, at least not on the model traditionally in history of a big - a big power that's capable of changing the structure of the international system.

I think there was a good dose of ideological hubris in that. But a kind of mindset in the U.S. from a strategic standpoint from most of the post-Cold War era, even before 9/11, which was really a shift of resources and emphasis to the Middle East, to counterterrorism.

And I think more than that, the mindset in the post-Cold War era has been the assumption of no peer competitors and more or less limitless resources on the part of the United States.

If you look at the international landscape today, it defies most of what we expected the world would look like in the early 1990s. We have not only major strategic rivals, or large land powers, who think in traditional geopolitical terms and they want the things that historically large, great powers and empires have wanted.

Resources, territory, influence which defies the Lexus and Olive tree idea of the '90s of where the world was headed. But I think more than that, they offer an ideological alternative that the West was not expecting in what we assumed would be the kind of post heroic era institutionally - a coupling of authoritarian government with political repression to some of the aspects of market growth. And that's proven to be a much more resilient and attractive model in some parts of the world than we would have thought.

When I look at China and Russia, I would say we have underestimated Russia. China long term, it’s probably safe to say, by most of the metrics of traditional power is a more serious long-term threat for our country and for our allies.

Russia doesn't have the attributes of being a full spectrum peer to the United States long term, but it is a large land power that has successfully modernized it's military both in conventional and nuclear terms and is vengeful.

I think one of the things that makes Russia different is that it possesses a motive to accelerate a transition in the international system. The tendency to underestimate Russia has been a mistake. Russia has a goal and that goal is to reverse the verdict of the Cold War. And it's attempting to do so by probing, raiding, harassing the U.S. and its allies, I think, on the thesis or the bet that if it can wear down the U.S. by the time Russia's - I'm sorry, by the time China's rise has enabled it to change the structure of the international system more favorably.

So the challenge from the U.S. perspective I think is two-fold. First that these raids themselves on the periphery create tests of strength and potential points of conflagration but also
the potential for Russian risk acceptant behavior to allow for a more accelerated and negative adjustment in the structure of the international system that otherwise would have been the case.

EDELMAN: Wess, that was great, thank you. I mean I think you can now see what I told you that this panel has really deep background and knowledge. I want to go to the audience for questions because we have about a half hour here, so let me - we got a mic out there.

Over here in the - in the front.

QUESTION: Good morning, Rebecca Grant, IRIS Independent Research. China hasn't much combat experience. Russia has gained quite a bit in Ukraine and Syria. I'd like to get the views of the panel on how this disparity in combat experience may affect us in the next few years.

KEANE: Yes, I'll take a stab at that. China has gone through something of a military revolution. They've - they've purged hundreds of generals. I mean they used anti-corruption as a means of doing that.

Some of that's probably a power grab as well as a nation with confidence. But they've looked at us very closely, and they've organized similar to us. We keep our administrative functions and our training functions separate from our operations, and they've done the same thing.

Major change for them. They've established five regional commands similar to our combatant commands: Indo-Pacific, CENTCOM, et cetera. And they are trying to integrate air power, sea power and land power, likely not achieving the kind of confidence that we have.

But they are - they are untested. They are not battle tested. And they're aware of that. There's also some hubris inside the PLA because they have capabilities that they have not had in the past, and they've put pressure on the Politburo and President Xi to actually do more than what they are doing.

The other thing is, I think they would have major command and control problems, given their historic background, just the nature of a communist state, and trying to deal with dynamic, fluid situations on a battlefield.

Russia in terms of hybrid warfare, they have been enormously successful in staying below the level of conventional warfare, disguising the kind of warfare that they're doing, and using a massive disinformation campaign against their own people in terms of why they're there, the host country, and also the host countries allies to paralyze the allies' decision making in terms of should we confront or not confront.

There's no reason why they won't continue to do that. So last January, Putin puts 400 members of the Wagner Group in the bill as well. It’s a military firm if you're not familiar with it, operates as a military organization.
These are the -- you know we killed 200 of them in Syria. They were in Crimea, Eastern Ukraine. They've been in Africa, Central African Republic. And the purpose is to secure the regime.

And then a month ago, he brought in senior advisors and some technicians to fix the missile defense systems, but a number of senior advisors to work right with Maduro to guarantee the security of the regime.

So I think what Secretary Pompeo was saying, Maduro's on his way to the airport and somehow the Russians convinced him not to. Well it's standing right next to him. Maduro's Russian advisor is talking to Putin.

This is hybrid warfare. This is warfare that's engaged every single day in trying to obtain geopolitical influence. Their chief of their military said, I think about two years ago, he said I don't think the United States has woke up that we're involved in war every day here against the American hegemon.

So look Russia has serious military problems, they've only professionalized 30 to 40 percent of that military, the rest of it is conscript military one year only, problems with repair pause, liability of systems, low morale.

But the 30 to 40 percent that they professionalize, very capable, that's the only thing that you're seeing and that is what will give us some challenges in the Baltics, in Eastern Europe.

MITCHELL: I'll just add to that, I think it's a great question. I think with, as a result of Syria and Ukraine, you have a Russian military that is bloodied and has had a couple of proving grounds for new technologies and techniques against a backdrop of a western assumption that Russia was militarily not capable of shaping events on its immediate periphery, much less further afield.

I think the significance of Ukraine is, and the events there, in a military sense, is that it shows the importance of land warfare. Again, we've operated in a paradigm for the last 30 years of expeditionary war fighting in which the U.S. largely assumed that the Cold War emphasis on large forces colliding with each other in the land space was gone.

I think the significance of Syria, you have something like an analog to the Spanish Civil War in that you have a crisis on the periphery that has allowed bigger players to shape and test their assumptions about what a future war would look like.

I also think, in on the U.S. side, when you look at the National Defense Strategy in the light of those developments, I think what it gets fundamentally right is starting from the premise that our conventional and nuclear deterrence vis-à-vis these large rivals is eroded. Historically, it's not an easy thing to project deterrence to the frontier of a rival itself. So it's partly a time-distance issue.
I think it also gets fundamentally right that the expeditionary -- that there has to be a transition away from the expeditionary war fighting model with its assumption on a surge to, kind of, fix points or hubs. And this is the bigger that point that we see in Russian behavior, is the potential for fait accomplis that place the burden of escalation on U.S. and its allies, I would highlight as the single most important strategic military problems that we facing.

I think each of us recognizes that. It's going to take a shift in doctrine and operation and resources and other things to come around to it, but the needle has started to move. I think the key is going to be for us to get to a place where we can avoid those fait accomplis. And then in so far as there is a crisis, we have to find a way of placing the burden on escalation with the Russians and Chinese and not with the United States and its allies.

FLOURNOY: No, I would just add, Rebecca, that I would bet on an American soldier, sailor, airman, marine with combat experience any day over a Russian or Chinese counterpart. But to your point, this is going to be a different kind of warfare. It's been a long time since we've fought without domain supremacy from very early moments of conflict.

We have never fought with constant cyber harassment, losing comms, connectivity, ability to plug into the network, constant attacks in the space, constant harassment. So - and in a situation where the name of the game will be to very -- not to sort of have this slow building of the iron mountains to surge and then be in a position to bring force to bear in an overwhelming manner, but more, how can we very, very early overwhelm the aggressor in ways that impose costs so dramatically, so quickly that they choose an off ramp and they choose not to escalate further.

Remember, there are both nuclear powers, right? So, the name of the game is going to be getting them to take an off ramp early, but that takes a very different kind of approach and a different kind of war fighting that, while I have total confidence in our forces ability to adapt to that, we're only now starting to conceptualize that, to start to train people to it, to really push in that direction.

I'll give you one example, my son's about to graduate from the Naval Academy. The Naval Academy just reintroduced celestial navigation and using a sextant. Like you may not have your GPS satellite and you need to figure out where you are and how to navigate. And that was a skill that his dad learned years ago in the Soviet era, but it's not one that our Navy has had to worry about until now. So, there's a huge training and doctrinal change and changing how we fight, the challenge that we face.

EDELMAN: General Keane?

KEANE: Yeah, I got a two-finger here. One of the things though, we’re not in position, as we were during the Cold War. So, we're an ocean away from a fight with Russia in Eastern Europe and we're actually an ocean away in the Pacific, given the amount of resources that we’d need to bring to bear. So, the idea of what we all witnessed in '91, were a strategic deployment to Kuwait and again another strategic deployment in 2003 with the liberation of Iraq, and that was a permissive strategic deployment. Those days are gone.
We will -- I commanded in Fort Bragg, North Carolina, and that's a major deployment base for the United States. A commander today at Fort Bragg in the pre-deployment phase will be disrupted because of cyberattacks on personnel manifesting, loading rail cars, moving convoys to ships. Transcom Commander who was in charge of military airlift and sea lift will tell you he doesn't have enough ships or airplanes to get us to the theater and he's going to be disrupted entirely in route by cyber, because his networks are unsecure and he's also going be disrupted kinetically. Major challenge.

The solution, we don’t need to recreate the Cold War in terms of forward deployment, but we need more deterrence in both of those theaters than we currently have. So, reduce the wait of a major strategic deployment and the vulnerability that we have.

And one other thing, I didn't mention it before, the Trump defense buildup is absolutely critical to where we are. Similar to the Reagan buildup. I think it's actually more critical, because we did it under rising powers as opposed to a diminishing power that we were confronting in the '80s.

And people, to include the president sometimes, says, so “I fixed -- fixed defense.” Haven't fixed defense. This is the beginning of five or six years of sustained budgets which was a major conclusion of the commission.

And now, if we don't get this right, the money is there, but we really got to put our heads on what do we actually need. If we're just going to improve legacy systems and a whole bunch of program of records that are tied to that and we're all incidentally familiar with what that is, we're wrong. We've got to cut that out, because the risk is too great. We've got to get the things we actually need to get us back to credible deterrence again.

QUESTION: Barbara Lee for Washington Institute for Near East Policy. All of you have touched on, and Michele you specifically said, well several of you did, this issue of deterrence and declaratory signaling as words and deeds as far as China goes. I'm curious, so this is time for a little Mao’s self-criticism for the U.S., why haven't we been able to reconfigure ourselves, if we just take Russia and reconfigure ourselves in terms of whole-of-government approach to these things? I've been watching, for the last five years, Russia take one big bite out of -- after another, out of pieces of the Middle East metaphorically speaking, and deploying to Libya, just as they have done in other theaters. We saw what they did in -- in Crimea, Ukraine. We've seen what they've been doing for five years. But we are still slow-footed or nonreactive, nonresponsive.

EDELMAN: Michele, do you want to...

FLOURNOY: Yeah, no, I'll start on the -- I think that it's a problem for both Russia and China, and that we -- I don't think we’ve been clear with either country about where our, you know -- how we see our interests, where the lines are, what they can expect from us. Not that we want to say exactly what we'd do, but you know, sort of a level of seriousness in different situations.
I think in the Russia question -- in the Russia question, you know, you've had -- it's -- it's disparate voices within the administration. You have some people like Secretary Mattis, who was very clear, in you know, with his statements with Russia, and actually supported actions that were designed to thwart their ability to interfere with our recent congressional action -- elections. There was no question about where he stood. You had similarly strong statements from other cabinet officials.

But there hasn't been a unified, you know -- at the presidential level, some of the signaling has been more friendly to Russia, not -- not tough on Putin, not clear on the lines. And so I think that's created confusion.

And -- and I think the thing I worry about most is that I don't think we've even set up a clear deterrent going into the 2020 elections. Putin has paid virtually no price for the meddling in the past. We know they were in our networks observing things down at the state election infrastructure level. What's to stop him next time from messing with registration rolls? So you know, we all show up at our polling station. "Oh, we -- we -- we have here you moved. You're not on the list anymore." You can imagine that chaos that would -- would happen. Why wouldn't Putin go there? Maybe you have a different view, but he -- he's not paid a price.

On the China side, I think, again, we've been very -- you know, the president's very tough on the economic dimensions, but it's only been recently, I think, that we've had a recovered or regular tempo of, you know, freedom of navigation. We're still not consistent with our allies there. We're still not showing up in the way we need to show up.

And so again, I just -- I think that it takes a really whole-of-government effort, and if the president and the secretary of state and the secretary of defense and others are not completely in lockstep in how we communicate, and that communication isn't -- isn't backed up with clear action, you know, we're in a weaker position.

Now, I hope that -- and one of the things I do think will contribute to deterrence is in an actual crisis, I think there are some things that we should hold in reserve, some capabilities that we want to be able to demonstrate in a way that surprises them and -- and puts them back on their heels in the moment to say, "Oh, we didn't know they were capable of that. Maybe we should calculate."

Again, I don't think we can change their calculus, but we need to know how to affect their calculus to choose to deescalate.

MITCHELL: I would add a couple of things to that. I -- I -- when you were talking, Michele, I was remembering the years of the Obama administration, when I would talk to friends in the administration, or even many members of the Senate or newfound hawks on Russia, try to convince them of how disastrous the combination of a diplomatic detente -- so reset -- with sequestration, right? So we were diplomatically seeking to engage with the Russians from a position of weakness and defense. And there was little receptivity to that until the Ukraine war.
What I would say of the last two years is that I think you have a fundamentally different approach in terms of imposing -- a willingness to impose cost on Russia. In the last two years, we've now had, under the Trump administration, upwards of 270 sanctions brought to bear against Russian individuals and entities. We've armed the Ukrainians and Georgians, which the previous administration was not willing to do. The United States has led or participated in more than 150 military exercises in Europe in the last two years. We have, through a pressure campaign, brought about more than $100 billion in increased European NATO defense contributions.

So I disagree with the assertion that the United States has not staked out a clear position on Russian aggression. What I would characterize -- where I would characterize where we're at as a country is one of awareness of the problem, increasing cost imposition on the Russians, both economically through sanctions and militarily. By the way, I think it's the combination of political cost imposition through sanctions with a defense posture that ends sequestration and recapitalizes our nuclear arsenal, where we will start to change Russian behavior. Because over time, we'll do what Reagan did. We will force the Russians to spend on areas of -- of defense that they either don't want to spend on because they can currently spread it around; we'll force them to confront costs of time, distance costs and otherwise. The more their military and contractors are involved in areas of the periphery with a long logistical tail.

The only thing I would -- I would close with is a -- an observation that in the years ahead, in dealing with Russia and China who are big power rivals with nuclear arsenals, I think we have to adjust our expectation. So the premise of your question -- we've seen the Russians in Crimea, and we've seen -- I -- I -- that steady drumbeat, I've been there with you for years, making the case that we need to wake up to these things.

We are dealing with large peer or near-peer competitors with major conventional forces and nuclear arsenals, and I think it will take a strategic adjustment from the last 30 years of an expeditionary mindset that assumes that the United States can almost by fiat change behavior or outcome. I think what we're looking at is a protracted struggle. It's a little bit like when the U.S. in the 1950s woke up to the fact that the contest with the Soviet Union wasn't going away. We have to absorb that as a society. Our allies have to absorb that. And I think it's a fundamentally different kind of strategic contest than one where you get immediate results by going into Iraq or going into -- and so I think that strategic adjustment will be important.

EDELMAN: I think General Keane was...

KEANE: Just real quick-like. In terms of making an adjustment to the unconventional use of hybrid warfare, for example, and NATO. We saw it displayed in Crimea and -- and in the Ukraine. Why doesn't NATO have a declaratory statement as part of a -- the -- the North Atlantic Council and say -- and find the words to say it, but "If you're going to introduce Special Operations forces, create civil unrest in a country, disguise the introduction of military forces, conduct massive cyberattack along that, we're going to -- we're going to -- we're going to consider that a violation of Article 5 and respond accordingly"? Draw a redline. We're not going to tolerate that kind of behavior. It is warfare.
And when you watch what the Russians have been doing the last three years, what -- when they're going into the Baltics every time they practice the exercise, it's -- first is the introduction of hybrid warfare, just as they did in Ukraine and Crimea. Then their conventional forces are standing guard when we try to respond to it, and then their full-throated conventional employment.

EDELMAN: OK, one -- one last question over here.

QUESTION: OK. So this is probably a good question to end on. General, you've painted a pretty dire picture. I'd like to go home and speak to our family and friends and tell them some things that we're doing well, something that we're doing right. Could you perhaps point to two or three things that you're happy with in relation to our overall strategy?

KEANE: Well, yes. Certainly. First of all, we -- I think we've defined the strategy accurately. And that's a big step. So we -- and we have defined the problem. That's another big step.

And we recognize the urgency of it. And that's why there is consensus around a defense build-up. And that's a bipartisan consensus. And we're going to argue a little bit about the number, but that is all very positive.

And we've had the wherewithal in terms of technology, innovation, creativity here, to get back out on the technological edge again, where we -- where we should be in the future. And achieve the kind of credible deterrence that we should have.

EDELMAN: Unfortunately, we could go on, I think for probably a long time with this -- with this group. But we have run out of time, alas. But please join me in thanking our panel for a terrific discussion this morning.

(APPLAUSE)

END