



FOREIGN POLICY ASSOCIATION
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**46th Annual FPA-NBC News Luncheon
featuring:**

Brian Williams

NBC Nightly News Anchor

Andrea Mitchell

Chief Foreign Correspondent

and

Jonathan Alter

Senior Editor and Columnist, Newsweek

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Transcript:

BW: What I love about the FPA is that the individual conversations get so engrossing that I am now vamping until Jonathan Alter of Newsweek Magazine can join us here on the stage, because you were talking about foreign policy, I know you were.

A few things. It is great to be back, obviously, after this association of many years between our two organizations, and it is great to be seated once again next to Mary Belknap. The world is now right. I have told my wife of 19 years that if there is ever a night I do not come home down that driveway, to check on the appearance of Mary Belknap in New York, because that is where she will find me! Mary and I have this flirtation going for over a decade now.

A funny thing happened on the way to our panel this year. Some of them were taken away from me by the president's decision, of all things, to fly overseas. David Gregory, our White House correspondent, was going to be with us, and others who we have lost because of the president's travels and reshuffling. I can speak from the heart when I say that both of those joining us on my left, your right, are people that I love and have loved for a long time. You know them both, Noel introduced them to you earlier – Andrea

Mitchell, our chief foreign affairs correspondent and Jonathan Alter from Newsweek Magazine, a senior editor. Of course, far away from what we do in our various media, both of them personal friends for a long, long time. Both of them authors of upcoming books and the respective subjects are ones I have been fascinated with for years. Jonathan is writing about FDR and Andrea is writing about Andrea.

[Laughter]

This has always worked best – and happy birthday Ray [Price] – this has always worked best when this has been a conversation. I was up last night watching the BBC election returns in the UK on C-Span, and I had my microwave popcorn, and oh, was it exciting, and it was great, and there are wonderful and awful things happening in our world as is the case every time we gather. There are cards on your tables, pens on your tables. We like the questions tough, at least Jonathan and Andrea do, and so please have those sent up.

Really, it's a fielders choice which area to begin. We could begin with the late election results from last night. We could begin with North Korea and what we all learned this morning from the New York Times. And we could obviously talk about Iraq, Afghanistan, China has got to enter here, Mr. Bolton's nomination has got to come up today. So what I am going to do is use a very smart moderator device, and say Andrea, start us off on the topic that is chief of interest to you as we gather in New York on this fine Friday.

AM: Why thank you Brian. It is wonderful for me to be back with all of you. I am old enough and have been long enough at my home at NBC that I recall doing this with John [inaudible] and Garrick Utley and a long list of foreign correspondents from NBC, so it is a great pleasure for me to be back here. In fact, I've been here so long that some of you may remember me as a brunette. [Laughter] The pictures in the book are incredible and embarrassing!

North Korea, Brian, I have to say first on my focus today because we have known for quite some time that North Korea is building. What they haven't done is test. If they are preparing to truly test, that is of great concern. What we don't know is whether this is another Kim Jong Il show. Are they taking things in and out of tunnels and making it appear that they are testing? Is this part of a negotiating strategy? Is this for show? And there is considerably more consensus within the intelligence community that it is serious. We have warned our allies as my esteemed colleague David Sanger wrote in today's New York Times.

What we are not clear on is whether there is absolute consensus on what the satellite imagery shows, and quite frankly, I am humbled by my own experience over the past few years in covering all sorts of issues related to weapons of mass destruction. As a correspondent who reported on February 5, 2003 from the Security Council at the United Nations that Secretary of State Colin Powell, backed up by George Tenet, presented a powerful demonstration today of what American intelligence claimed it knew about

Iraq's weapons of mass destruction, I concede to the David Kay reports and the Charlie Duelfer reports that we don't know as much as we think we know. That goes for American intelligence. That goes for American statesmanship. That goes for American journalism. I've gone back over all of those scripts. It was something I was keenly concerned with writing about for the past number of years. But even though we had plenty of attribution and all the caveats, I think the preponderance of the evidence was, by common sense if not other conventional wisdom, that Saddam Hussein would not have forgone 10 years, \$300 billion in potential oil revenue, if he were not hiding something.

That is in fact, what Hans Blix and Mohamad ElBaradei thought. They thought, however, that inspections should have had more time, rather than going to the military option, but there was very little disagreement about what might be hidden, or about the fact that something was being hidden in violation of UN resolutions. The only issue was what, where, when and how seriously he was in violation.

So that leads me back to North Korea. If we do report this tonight, and we are working on it as we speak, we are going to do it very cautiously. Last Thursday, we did report that Lowell Jacoby, the head of the Defense Intelligence Agency, had warned the Senate in testimony elicited by Hilary Rodham Clinton and several others that in fact there was a consensus at this stage within the American intelligence community that North Korea had the capability to marry its warheads with its missiles, including missiles that could reach the western United States. As one source, when I called to ask about this, said "Well, their missiles can reach Bill Gates' house, I'm not so sure about George Bush's house." Well, I'm not so sure that people living in Alaska, Hawaii and the West Coast of the United States would be terribly reassured by that. But the bottom line is that they haven't tested, and we don't know what the capability really is, but Japan has been notified, China has been notified.

What we could talk about, and I encourage your questions, is whether the negotiating strategy -- which changed so dramatically in March of 2001 when Colin Powell was rebuffed and we changed the strategy to cancel the initiatives that Bill Clinton and Madeline Albright had made to Pyongyang -- whether that was the right strategy, and John Bolton, as you know, was deeply involved in that, and in carrying it out.

So yes, North Korea cheated. They cheated on Bill Clinton. They have constructed warheads, we believe, but we just don't know how far along they are and whether this is part of a grand propaganda design. And frankly, one of the most interesting things that I have been told recently, which I will report tonight if we do run a story is that unlike Iran and its complicated geography, I am told that there is a military option for North Korea, and that it is being seriously considered -- a preemptive military option -- and that, unlike Iran, we are at least weighing the risks and benefits of that option if we are absolutely certain that they are progressing, right?

BW: Please note that what you just witnessed there, in addition to the awful news geopolitically -- my other title other than anchor is managing editor -- and that...

AM: I was lobbying hard...

BW: ...gives me some responsibility over how we divi up and which stories go into the half-hour that starts airing at 6:30, so, right now I am being pitched, I'm being sold, right here live in a ballroom! [Laughter] Right after we leave here we go back to our 2:30 editorial meeting where we lay out the broadcast, so she is selling me hard, but I am used to it and god love her a thousand times, I wouldn't have it any other way.

Jonathan Alter, your tour of the hot spot of your choice *du jour*?

JA: Well, I think I will settle on Iran. I was influenced on this last Sunday night – I moonlight for NBC, which is how I got under the wire to come into your august company today, it's a part-time job for me as a contributing correspondent – and last Sunday I had a piece on Weekend Nightly News about Iranian nukes. In the course of reporting that I went over and spoke to Henry Kissinger, who still carries real weight with me in his analysis and he seems to be more concerned about Iran for some interesting reasons. Not that he is not concerned about North Korea, and clearly if a military option is more than an NBC News pitch, you are talking about the potential of a million North Korean troops now perched on the border with South Korea who might be ordered into action, or at least the threat of that.

So I am not minimizing North Korea, but the reason that Henry Kissinger and some other interesting analysts are more worried about this is because of what they call a “new domino effect.” He doesn't actually like to use that term because the old domino effect didn't turn out exactly as predicted, but it is nonetheless being called that in some quarters, and that is that the consequences of a nuclear Iran would be very serious in the region. You could see Egypt moving ahead with a nuclear program, Turkey and a number of other countries, and if we wake up and the NPT is shot and we have 30 nuclear nations, as Henry Kissinger says, [imitates accent] “the world will never be the same.”

I think he is right. I also think that he made a good point when he said it is about time to start speaking of direct negotiations with Iran. We've been sort of applying this good-cop, bad-cop negotiations with what is being called the E-3 European nations, which has not been going well. The statements coming out of Iran are increasingly bellicose, and it might be time for a bolder approach. Time is not on our side on this, and should we wake up and have a nuclear Iran, the consequences for proliferation would be more serious than a nuclear North Korea.

BW: Andrea, is the Bolton nomination going to make it?

AM: Let me give myself a little wiggle room on this one. Today was the deadline for the State Department and other agencies to turn over all of their information on Bolton as requested by Joe Biden and some of you may have read that the normal comity on that committee has been badly fractured by this experience, because Lugar, Sen. Richard

Lugar, the chairman of the committee, wrote a letter to Condi Rice this week saying that he thought that them providing five of nine categories of requests to the committee staff was adequate and that the other requests were beyond any reasonable scope of inquiry.

Now, why that is so significant is because of course what was left off were the emails and other data regarding Syria, and regarding what Bolton did in what Democrats claim was trying to massage and in fact pressure the intelligence on Syria and Syria's WMD. So that is a big piece that is missing. Biden then wrote back yesterday a "Dear Condi" letter which was really directed at Lugar, stating that if we don't get this by Friday, we will view this as a failure of cooperation from the State Department, and all bets are off, was the bottom line -- meaning that they will not then live up to their commitment to Lugar to close it down by today, give John Bolton a chance to respond internally, quietly without coming back for another hearing, and hold a final vote on Thursday May 12.

If they choose to boycott the May 12 committee session, without of forum, Lugar cannot proceed to a final vote. That is why I think, first of all, will there be another smoking gun in the documents handed over by close of business today? That I don't know. Why did they not provide the Syria documents? Is there something in there they don't want the democrats to see?

If nothing changes, if they don't get more documents, there is nothing more to be seen, they don't yet have any evidence against him that I think will prevent some Republicans from going along. The reason I think that is that there is so much linkage here. The Republicans that are on the fence are the same Republicans who would, in a floor vote, vote against changing the filibuster rule, the nuclear option. They have said quietly to their pals in the Democratic Party like Joe Biden, "Don't put us on the spot twice. We don't want to challenge the president twice. We can vote against him on the nuclear option, we can say we are upholding the Constitution, the Senate, we have plenty of precedent, we have former majority leaders, Republicans, weighing in on this, it's a more permanent alteration, and we don't want to risk that. We're more willing to risk living with Mr. Bolton in the next three years because it's a more temporary situation."

I think that may be what compels the committee to vote, and if they do vote next Thursday, I think they will vote it out potentially without a recommendation so it gets to the floor. And once it gets to the floor, there is the tie-breaking vote of Mr. Cheney, the votes of other Republicans. They have got that five vote margin, and I think they can maybe squeak through. But he certainly does not arrive in New York with a great deal of stature and authority, given how troubled his nomination has been. And one also has to ask why was he nominated for New York, and was it just because Condi Rice wanted to get him out of town?

JA: I think I would agree with that analysis completely, certainly as it applies to Lincoln Chaffey and his vote on the committee. I would add one possible other wild card. We have this awful word in the television world called "the get." You know, when you "get" the big interview. I can't stand using it but it comes to mind, because "the get" on this story is Colin Powell. He's had four deputies, close associates of his in the State

Department, who have now gone public with their names, which as you know is highly unusual in Washington, in opposition to the Bolton nomination. These are good, Republican State Department officials, both political and career, so we clearly know what the view of Colin Powell's office is toward Mr. Bolton. The only person we haven't heard from and the person who could scuttle the nomination were he to intervene is Colin Powell himself. Unfortunately, I don't know about you Andrea, but he has not been playing ball with me anyway, on this particular interview request, though in the past he has been cooperative. So I think he is laying low and the odds of him getting involved are not great.

The impact on the United Nations would be, to my mind, and this is where I am putting on my columnist hat a little bit, unfortunate. My view of the United Nations is a little bit like Winston Churchill's view of democracy. Winston Churchill said democracy is the worst form of government, except every other form of government. My view of the United Nations is that the United Nations is the worst place to resolve global disputes except every other place. And so it is what we have to try to get a handle on say nuclear Iran, or North Korea, but particularly Iran, a revived Security Council, a reformed and revived Security Council could be very useful in nonproliferation efforts. If you have an ambassador who is not really in the Jean Kirkpatrick or Daniel Patrick Moynihan mold, which is what I think the intention was, but kind of another order of magnitude, a bomb thrower, it doesn't help get you there in providing the reforms that would be helpful at the United Nations.

BW: Andrea how does Tony Blair view his friendship with George W. Bush as of this morning?

AM: Well, a lot better than he views his friendship with Gordon Brown, I'll tell you that. [Laughter] For those of you who watched this as closely as I know you did Brian, and I know all of these players and have been enjoying the very unwieldy marriage of the past few years, Gordon Brown was originally supposed to be sidelined. We were all told that he was going to be given the foreign ministry, which in the British context, was supposed to be sidelining him, and he was not asked to run the campaign, but then it became clear to Tony Blair that he needed Gordon Brown's popularity – even though Brown is criticized for his personality – he is extremely popular on sort of traditional Labor issues of the economy and social services, and so they ended up going to Gordon Brown to come in and rescue the campaign, which he did.

But I think the strategy from the Brown partisans who are deeply resentful of Tony Blair for not living up to this alleged commitment that was made at a lunch eight years ago to run for two terms and then get out and give Brown his turn, since Brown was the senior partner then in Labor. I think what the Brown people have pulled off, if you can believe some of the internal conversations, is an election where Blair won, where Labor won, but by a small enough margin that Blair is really, really damaged.

Its so interesting for those of us here in the states who covered Tony Blair's speech to a joint meeting of Congress and see him at joint news press conferences with the president.

He's so articulate and so interesting and American audiences love him, but he is so unpopular at home. And a lot of voters apparently felt well, we don't like Michael Howard and he has no way of separating himself from Blair on the Iraq issue being on the same side. There were a couple of constituencies that obviously voted for the Liberal Democrats in a protest sort of way, but I think they were going to the polls with a clear understanding in the last couple of weeks, the whole election was three weeks, but certainly in the last week, that they were voting for Brown, and for the future of another Labor government. Blair coming out so specifically this week saying that Gordon Brown would be a good Prime Minister and Gordon Brown, when he was asked if he would have a different policy on the Iraq vote, saying no, one word answer. So Brown came through for him, and Brown came through right before the critical vote in Parliament, the vote of confidence on Iraq. When they didn't get the second UN resolution and Brown rallied all of the Scottish constituencies, and got those MPs to vote for Blair and the war, he did what was at least technically correct, and was loyal to a fault, even if he clearly was not as pro-war as Blair.

I think Blair's victory was also predicated by the American relationship. The Brits like -- even with this unpopular president, unpopular over there -- they like to have a Prime Minister who at least works the American relationship, and traditionally the Conservatives, Margaret Thatcher of course is the greatest example of this, have made that the capstone of their politics, and Blair had to have that close connection, that's why he did woo George W. Bush. And I think that Tony Blair, in his heart of hearts, after 9/11 had the same kind of response that George Bush did. He believed that Saddam Hussein had to be removed. There were conversations in the summer of 2002. They did decide to go to war long before they said so publicly and I think he thinks they did the right thing. I really don't think that Tony Blair would apologize for the American connection, although you won't see it emphasized nearly as publicly.

BW: Jonathan, anything to add on the election results?

JA: Just very quickly, I think Blair looks across the Atlantic and says, well, I won by more than Bush did, so why should I give up power? He's already executed his double cross of Gordon Brown, and Cheri Blair certainly likes 10 Downing Street better than the alternative, so I really don't see them going anywhere at least in the short term.

I do think there was one thing that was overlooked on this side of the pond -- these memos that came out, which were a huge story in Britain. One of them that was from Dearlove, the head of British intelligence, who said his intelligence folks reporting back from the United States said, and this is the quote -- that in advance of the war and at a time when the president was saying publicly that he hoped we didn't have to go to war and there had been no decision made to go to war, as Andrea indicated -- not only had a decision been made to go to war, which would render the president's public statements at the time inoperative, not only had a decision been made but the quote was that the intelligence had been "fixed to the policy."

So, in other words, they started with the policy, and then they fixed the intelligence to fit the policy. Now, there are a lot of grey areas in all of this, and I am not suggesting, the way some on the left are, that this is some sort of smoking gun, but it does raise the question of the corruption of intelligence. You are not supposed to fix intelligence to fit the policy.

BW: The elephant in any room when discussing foreign affairs is the subject of Iraq, and it is hard to get our arms around it as multifaceted as it is. Yesterday, again on the Hill, we saw a hearing on why more armor isn't in country. And the answer, as we were going over in yesterday's 2:30 editorial meeting, is very simple and very clear. It doesn't cast blame. It is that they got more of a war from the insurgents than they ever dreamed. They would have put many more "thick-skinned," as they're known, Humvees and other transportation vehicles [in theatre] and they would have been "up-armoring" them much more in the run up to war had they thought we would still be in a shooting war now. And we are very much still in a shooting war.

My last exposure to it was for the election trips to Mosul and Baghdad, and I hope Andrea you can – and start big picture if you like – but a lot of American are expecting to hear about the first draw-down, I think as of yesterday, of the 143,000 U.S. troops there. They are optimistic about the newly formed government, and yet the insurgent attacks, the 8-day death toll is I believe 217 people as of close of business last night. Where to begin? Perhaps what the future looks like, near or far?

AM: You know, I spoke with the top leadership, Cheney and Rumsfeld, the night of January 30, and there was such exuberance on the night of the election. I think what has been so dramatic is how difficult it has been, as a number of people would have predicted, in these months to pull that government together.

And how does Chalabi get back in charge of the oil ministry and his nephew in charge of the finance ministry? I mean, how does that happen? Of course, we're told that its only until the next round of elections, that it is a temporary government until the constitution is drafted, but he's still in the position, even temporarily, to pull a lot of levers and I wouldn't be at all surprised if Allawi isn't permanently marginalized and Chalabi isn't right in there. So, that is one of the more stunning outcomes of the politics of it.

What we have to acknowledge is that the insurgency is just much more embedded into that country, as Brian has pointed out, than we had ever anticipated. Some of this is because of our initial mistakes in the first weeks after the war, and we can talk about how there are very few military that I know of, outside of a few examples at the very top, but very few uniformed military, who will tell you that they are not distressed with some of the civilian leadership and some of those early decisions that were made after the invasion and the taking of Baghdad.

I'm not sure what options we have. I don't think we are going to be able to draw down as quickly as we even now anticipate. I don't think the politics are going to come together as easily. We now have to think of Zarqawi, at least temporarily, as a more important

threat to us than Al Qaeda. I am one who wants to in my own personal capacity celebrate the capture that we accomplished this week in Pakistan. I think it is a very big deal indeed, because it is taking at least one player out of the operation side of Al Qaeda. But I think what we are facing in Iraq is potentially a much more serious problem, because it is tying us down militarily, it is complicating all of our outreach efforts to affect the region democratically and its obviously making what we are trying to do in this crucial window in the Middle East on the Israeli-Palestinian front that much more complicated.

Let me just add one quick word about the media, because we have taken so many losses. We have had more journalists die in Iraq, and elsewhere in the world, but this year has been a phenomenally brutal year for brave people in my profession. Of course there is the loss that we at NBC suffered a few years ago, David Bloom, but we are criticized every day by the people I cover at the Pentagon and State Department for not telling the “good news” about Iraq. So I just want to say, it is not for lack of trying. Brian and others have gone out to try to do these stories on schools and on soccer teams and other positive themes, and it is true that life in Baghdad is returning to a greater sense of whatever normal is, whatever the new normal is. But it is just damn dangerous, and if you can’t drive the airport road without getting blown up, it is awfully hard to get out and do stories. And if you can’t catch a ride in a Black Hawk, you can’t get outside to where you need to be. We are taking risks, and its not that we’re just emphasizing the negative, but I think we all have to face the fact that the insurgency is a lot stronger than they anticipated, and that is part of the story, a big part of the story, and it is probably the most important part of the story still right now.

JA: I would just very briefly add that I think one of the parts of the story that is being under covered is what is fueling the insurgency externally. NBC News had a terrific story on about 10 days ago where they caught a Saudi minister on tape, just after the Crown Prince returned from Crawford holding hands with the president, and this guy is urging young Saudis to go to Iraq and join the insurgency. When all their spinmeisters that you see on television from Washington were first confronted on it, they denied it, so NBC called Riyadh and the minister admitted it, saying, “Yes, I did say that. It is my voice on the tape.”

AM: He was the head of the Supreme Court.

JA: So somehow, and I would say we at Newsweek as well, should have picked up more on that story. We were doing a big special issue on China last week, which consumed the space we might have devoted to it, but I think we and the rest of the press ought to follow up on this question of what continues to fuel this.

I’m a little more optimistic in the medium term, because when I think that when at least part of the story is about politics, Iraqi politics, even if it is corrupt politics, and coalitions and who is going to join the government, who’s not, who is backstabbing who -- that is a healthy sign. It means they are moving in a positive direction, even if they haven’t come to agreement on a lot of the major points. If you look at the vicious politics of the early American republic, they were not a lot different.

BW: Well I don't normally contribute at these things, but two brief stories that contribute to the ephemera of Iraq. Both of them relate to Andrea's points. As I mentioned, I was last there during the election. We took a fixed wing aircraft up to Mosul from the Green Zone in Baghdad. I was with General Casey, the commander of U.S. forces there, when we were grounded because of a SAM (Surface to Air Missile) missile threat up ahead and had to switch into three Black Hawks. We land in Mosul, get transferred into a military Striker -- they are very proud of these and their ability to deflect some if not all of the blast from an IED (Improvised Explosive Device). We then headed downtown to what is in the U.S. military now a famous building and a famous rooftop in Mosul where they had a long stand against the insurgents.

The back hatch of the Striker opened and I caught the neck piece, kind of a blast shield that you wear around the neck on the body armor, and an AK round snapped, just like somebody snapping their fingers, in front of my head about six inches. It was clear to our sergeant that somebody was "leading" me and was going to follow me out the back door. But for the fact that I caught, I am here able to host the FPA luncheon in New York.

We went inside and I met a young gunnery sergeant from New York, he's just back from Germany where he had 21 shrapnel wounds all sewn up, and couldn't wait to rejoin his unit -- which, by the way, is a universal truth from Ward 57 at Walter Reed to all of the folks who get shipped out to Germany for what would have been a million dollar wound. All they want to do is get back. This includes amputees with new prosthetics and say, "Get me any job with my platoon, but I want to go back." So he is back and says to me, "Mr. Williams, where do you think the shot came from?" And I gestured generically, and moments later he killed a 16-year-old at a roadblock about half a block down the street. We will never know. That is to say that it is every bit a shooting war every day.

We flew back from that, on the eve of election day -- and remember how high hopes were just 24 hours later -- I said my goodbyes to General Casey at the airport and we land with these three gleaming Black Hawks and enter what was the general aviation terminal at Baghdad International, Learn to Fly under Saddam. I came back out and General Casey had left, and so had all three helicopters. A colonel had explained to me that all three pilots had gone over their metered time, meaning they had flown more than 12 hours that day, and sadly my ride back would have to be at night on the airport road in a Humvee. The only thing you don't do in Iraq is take the airport road, so the only thing you would certainly never do would be to take it at night and in the profile vehicle that is the most popular among the insurgents.

With me is Brian [inaudible], father of four, a cameraman out of London. I looked at Brian, and exchanged very few words. We had a very simple choice to make. If we overnighted at the airport, I would have missed the broadcast in the States. This was the night before the election. So we, I guess by default, climbed into what was an armored Humvee, which will get you some bit down the road, and we didn't exchange a word. For the first time in my life, I forced myself to get some sleep. We were exhausted. We had been up really for days, and the body armor, the way you can rest your helmet on that

blast shield, you can kind of fall asleep within a hardened shell. It was the first time when he and I discussed this that we were going into a situation with a very high likelihood of death or dismemberment. I didn't think we would make it down the airport road.

We had to drive at 60 miles per hour to avoid ground fire, and in the roof turret, where the machine gunner would usually be – I was in one back seat, Brian was in the other, driver, colonel – there were two Special Forces machine gunners with small, Mack-10 machine guns, black balaclavas, hats, turtlenecks, all black so they would give no profile to anyone looking. They were going to divide up the road, right and left. And the only downside of driving 60 miles per hour is that you can't see these IEDs. They are in dirt clods, road kill, hub caps, two-by-fours, pipes, anything they can retrofit, a log, a piece of a tree. If they can fit it with explosives, they will. And believe me, after eight measly days in country, nothing, a holiday compared to all of our units over there – I'm driving my son to soccer practice when I returned and a Hefty bag blew from the right side of the road to the left, and I must have swerved 12 feet to avoid it. That is how it gets in your head. It is an incredible experience.

I want to read two questions that I am not going to call for answers on, and it will become apparent why, and a third that I am. I have one for Andrea and one for John. This may speak to the tenor of some in the room today.

“Andrea, if North Korea can reach Bill Gates house and not George Bush's house, should we ask them to switch homes for the sake of humanity?” [Laughter and boos] Second, “Is a pale shade of fascism beginning to color the American body politic?”

Now, the question I would like answered, Andrea, “What can America do to restore its reputation in world affairs, and does Europe still matter for the U.S. in the long-term, actually does reputation matter, and does the U.S. care about it any more?”

AM: The U.S. cares about reputation. Condoleezza Rice cares about reputation. That's why you've seen her go to Europe, Asia and Latin America. The problem she is encountering, though she is having tremendous welcomes wherever she goes diplomatically, is the damage that was caused during the UN debate leading up to the war [in Iraq] very frankly. We cannot have cabinet members being as dismissive as they were of the European alliance, and the president himself in certain respects, without it having an effect.

Does Europe matter? Sure it matters. First of all, it's a huge market and if China and India are going to be as powerful economically at least as far as the National Intelligence Council reported to the CIA recently in their 2020 report, if we are facing that kind of a realignment of world economies, of course Europe matters. And Europe matters for historic reasons, for reasons of cultural identity, for geopolitical reasons, for reasons of every aspect of American diplomacy. I think Condi Rice certainly feels this deeply. If we are going to be persuasive on the subjects of North Korea and Japan, Europe matters, Europe less than Asia on North Korea, but certainly on Iran. In fact, we are

relying on the Europeans to do the heavy lifting right now, a position we've come to somewhat reluctantly after our own failures diplomatically on that front.

The Russia relationship matters. It is a balancing act. And you can argue with the way they choose to balance this relationship. And you can argue whether she is being tough enough with Russia or too tough with Russia. Are the president's visits to Georgia and other neighboring states as offensive to Vladimir Putin as they claim? And when Lavrov sends a nasty note to complain, was she correct to say, "We'll determine where the president decides to travel, thank you very much, Mr. Foreign Minister?"

You can argue the nuances, but I think she is deeply involved in a more traditional diplomacy than some might have expected from the way the National Security Council operated in the first four years. The other thing about Condi Rice – she is received by Chirac and others. When I was with her in Berlin, they were fawning all over her. It looked, in fact, like it was a little dance that she was going through with Schroeder. And why is that? It's because she is powerful and her power is perceived. She has access to the Oval Office, and she has not been marginalized like her predecessor was, unfortunately. As a result of that, they know that she has the president's ear. She has tremendous impact on his decision making, and you are seeing the elevation, once again, of the State Department in foreign policy, and that is not all a bad thing.

BW: We have China and Afghanistan to go, but I am going to back up to these two questions. Jonathan, 9/11 syndrome. How much do you see it coloring our everyday, our every utterance in gatherings like this? In our business? How much do you see it coloring the national discourse, the past election, and will it be forever thus at least for the foreseeable future?

JA: It's a great question. I would say that my bigger concern is that it is wearing off, that it is like any event that that starts to recede into the past. The urgency we felt after 9/11 to get some important things done is gone and it may take at least a near miss, something that really scares the hell out of everybody, to get focused again on things that really need to be done, like securing our chemical plants.

You know, the chemical industry went to Capitol Hill and went in to the administration and they lobbied for exemption not only from regulation on security of our chemical plants but from even studying the vulnerabilities. That is how powerful they are as a special interest and there are many other examples. The FBI's computers aren't fixed three and a half years later. When Franklin Roosevelt said he wanted 50,000 aircraft built or earlier, when he first became president, he wanted 250,000 unemployed working in the CCC in three months, and they said that can't be done for reasons A, B, C and D -- the same things the FBI is now saying about their computers -- he said, "You do it or you're fired." He didn't give the Presidential Medal of Freedom to people who had failed. So, the sense of urgency is gone.

On the other end, I think that one of the unfortunate byproducts of this is that back in the media, we're back to some of the trivia that we covered beforehand. You know, we said

after that summer with Gary Condit, after 9/11 that we're never going to do that again, that era of 24-7 coverage of trivial or much less important things is over. Well, unfortunately it's kind of back. I think people said the era of great partisanship and [inaudible] is over, and that's obviously back with a vengeance.

And I would actually include the earlier question about fascism as an example of that. I really bristle when I hear people talk about fascism, because -- I am sure everybody in this room has studied real fascism and what it did to the world -- and however critical one might be of this administration, it is not fascist. The idea that we have pretty respectable people in the national debate thinking in those terms is alarming to me.

BW: It is hard to believe, and here I am trying to fit entire nations and geopolitics into categories here! And there is a 24-hour cable network, as we speak, trying to update the runaway bride story. It is nothing we are proud of.

And I am going to have to throw this out to get us to China, Andrea, "How confident are you that the U.S. has the right policy vis-à-vis China?" It says, "It is a mile wide and an inch deep."

AM: I think it is probably the biggest challenge we face, other than perfecting our intelligence so that we know what rogue nations are doing, how to deal with the Chinese. When I first went there with Ronald Reagan in 1984 we came out through Shanghai. True confessions here, I was very, very fond of Ronald Reagan in a lot of ways. I've covered five presidents, and he was clearly one of the most interesting, and whatever you think about his politics, people can divide on either side, but watching the world through his eyes was always a fascinating adventure for me.

So, having gone through what he called "Red China", we went to Shanghai, which was then the most Westernized part of China, and we asked him what his impressions were. He said, having gone to one of the universities and seeing some of the students, he said, "Well, um, the so-called communist Chinese," he was calling them so-called communists, "I think they are much closer to capitalism." And the truth is, for all sorts of reasons of culture and history, there really is a much more embedded capitalist impulse in China than in many other communist countries with which we deal.

I think that China is right now much more of an economic challenge than a military challenge, or a challenge of weapons of mass destruction or anything else. Obviously, there are proliferation concerns along with everything else, but if we could get the balance of trade right and if we could get the currency issue straightened out I think we could accomplish a great deal. I am far less expert on that than I ought to be, partly because I recuse myself on many of those issues.

BW: Jonathan, same question on Afghanistan.

JA: Ok. Just want to give 15 seconds, I'll cut it to 10 seconds on China. I also went there first in 1984. As we say on our cover this week, it is China's century in the same

way that Walter Lippman called the 19th century the American century. The numbers in this story, a great summary of them in Newsweek, are just staggering. Just to give you one of my favorites, they have six million PhDs. Six million -- one hundred times as many as we do already, and they are on a nine percent growth trajectory that just continues and doesn't really show any signs of letting up despite the naysayers.

On Afghanistan, you see it again in the back pages of the newspaper. They still have a lot of problems. They just had a terrible explosion a few days ago. Again, it plays to our weakness, which is follow through. We have what at times seems like an inflatable map of the world, where one country will inflate and will kind of blot out everybody else, and then another country will inflate, and so when we are not looking, and attention is elsewhere, we tend to think, out of sight out of mind, but the problems there continue.

Their great advantage is that they seem to have a great leader in Hamid Karzai.

BW: Mary Belknap, I got your question and Saturday evening is no good for me. [Laughter] A quick reading list, which is going to include my colleagues up here. I would say if you read "The World is Flat" by our friend Mr. Friedman, and that is not enough for you and you really want to be depressed, couple that with an advance copy I received, it looks like Mr. McCullough has done it again with 1776, which will be a widely anticipated book by one of our great, great historians. Jonathan, do you have a title?

JA: Um, the Roosevelt Moment, but subject to change.

BW: And Andrea, I know you have a title...

AM: Talking Back. September 12.

BW: Who else gets a reading list with lunch. You've been so kind. I could fill another two hours with the questions you have, and that is always the case, but this is a great relationship and it is symbiotic. We love our side. Thank you for your hospitality once again.

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