

GREAT DECISIONS

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Let's start off with Iran. One of the biggest challenges facing the new administration is Iran's alleged nuclear program. How serious is the threat from Iran?

If Iran gets to a nuclear weapon and particularly if they have a missile that they can deliver it with it is a serious threat to the region. It's got a president that has threatened the obliteration of another country, Israel. And it is viewed as a serious threat by most of Iran's neighbors, including Russia. I don't think the Russians look forward to Iran with a nuclear weapon. Thus the region would be destabilized. A lot of other countries would try to catch up to Iran and attain nuclear weapons, and it would add to the proliferation problem. It would have a very destabilizing effect and the UN has made it very clear that the world community does not want Iran to get to a nuclear weapon.

Does the intelligence committee have it right for timeline on Iran's nuclear capabilities?

The estimates vary but within the next couple years the prediction is that Iran can get to a nuclear weapon. It varies a bit between us and Israel, but nonetheless it's somewhere in that area.

Do you see Iran as an irrational actor in the Middle East as opposed to say, North Korea, which makes these bellicose statements? Of course Iran's president makes those types of statements, but based on Iran's actions in the region regarding Iraq and other issues it wouldn't seem that it is an irrational actor. What do you think?

It would be an irrational act from most definitions of irrational. North Korea is certainly deterrable. North Korea has one goal in mind and that is their own survival. Period. So it's clear that if North Korea ever decided to attack us or South Korea, they would be gone in a matter of hours, particularly if they used a nuclear weapon. Is Iran deterrable? Their president makes statements that sound as though he is a religious fanatic. And religious fanatics are not deterrable. If they really think that they can

attack a country, or innocent people, and that somehow or other this is a positive religious statement on their behalf than instead of a deterrent it's an incentive. They think they are on their way to heaven, or some better place. So there is a lot of concern as to whether Iran is deterrable.

And there's one other factor about Iran in addition to the statements that are extreme statements from it's president and that is that they support terrorist organizations that are not deterrable. They support Hamas and Hezbollah. These are terrorist organizations that aim at innocent people. Innocents are killed in war, but when you aim at innocents, you become a terrorist.

And those organizations attack innocent people. They attack cities willy nilly. So when Iran supports those kinds of organizations and when they have a president who makes the kinds of threatening statements that the Iranian president has done, then you have a real concern.

And are you in support of the current administration's initiatives and outreach towards Iran?

I am. I think we should talk to people who we have very fundamental disagreements with.

We do with Iran, we ought to tell them why to their face. Why we consider them a threat and why the world community considers them a threat. What I am hoping we are able to do is knit together the world community in a tight way, and this would include the Russians, the Chinese and others, that moving toward a nuclear weapons is unacceptable to the world community.

And I think it's very doable now.

You mentioned China. What are your thoughts on military discussions between the US and China? Does China's military pose a short term or long term threat to the US?

Short term, no. I hope not long term. I don't believe there is any particular reason to believe that they would be a threat. On the other hand you want to be prepared for things that happen down the road. They have taken some bellicose actions towards us. Recently we had a conflict with a ship which was not a friendly action on their part. I don't think that one could predict a military conflict or think it is likely, but on the other hand you want to be prepared not just for China, but for any country that might gain military strength, change policies and become threatening. I do believe we should have military to military conversations and dialogue between our military leadership and the Chinese, and we do. It is a topic that I raise with our top military leaders all the time. I

encourage it. The way you can avoid unintentional acts and mistakes and unintended consequences is to communicate. Our military is very good at it, and the Chinese are more than willing to engage in those talks, so we should do that so that we don't have accidents, which are the way things can get out of hand.

Moving on to the Global Financial Crisis – you have done a lot here to resolve the issue but as we know it is a global problem and requires a global solution. What steps are you taking in the Senate and as a whole to reduce the impact on developing countries and other countries.

We've adopted a major commitment to the IMF as part of our commitment and we passed an amendment that a significant portion of those funds go to poorer countries. This global economic crisis has seen a significant increase in the number of poor people in the world, and a significant reduction in the amount of resources that are available to help out in this situation.

But the Senate did adopt a significant appropriation for the IMF as requested by President Obama with a direction that they focus on poorer countries.

Has the GFC impacted the United State's global standing and world image?

I think a lot of countries look to us and feel that our regulatory system broke down, which it did. I don't know that we bear any more responsibility than any other country whose regulatory systems broke down.

We didn't regulate properly. In fact we took some steps that took the cops off the beat when they should have been on the beat when it comes to Wall Street and the financial institutions. We said that these financial derivatives, so called, would not be regulated which created a situation where we basically have a gambling casino.

What is supposed to be insurance, but it's not really insurance, is capital backed up by the insurance commissioners. Some of the actions Congress took, unknown to most, in December of 2000, on a bipartisan basis under the Clinton administration, they wanted us to deregulate the derivatives, and Phil Gramm, a Republican, took the lead in this deregulatory approach adopted. In the meantime there has been a very significant price that has been paid for not having proper regulation of these very very risky ventures, which in the case of some of these credit default swaps, amount to trillions of dollars of exposure. So I don't know if we carry most of the blame on our shoulders in terms of the global meltdown, but we have our share of it.

Another issue that we are looking at is Global Organized Crime. That ties in closely with proliferation issues...is that something that you are concerned about?

We have a big concern about organized crime, a lot of it on our southern border involving drugs. The drug trade is dominated by criminal elements. We've got a big problem in Afghanistan, its organized.

Yes, organized crime is a significant threat to us, particularly its connection to the drug trade and the potential that any weapon of mass destruction or any material falling in to the hands of a terrorist that might be facilitated by a criminal it would be the most significant threat of them all.

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