SECRETARY OF DEFENSE CHUCK HAGEL REMARKS AT THE WOODROW WILSON INTERNATIONAL CENTER WASHINGTON, D.C. FRIDAY, MAY 2, 2014

Thank you, Jane.

Jane Harman and I have worked together for many years. Her exceptional dedication, ability, and judgment serve the Woodrow Wilson Center well. She is a gifted leader, but most importantly, an extraordinary human being. I also appreciate her service on the Secretary's Defense Policy Board.

Thank you for the opportunity to be here today and participate in the Wilson Center's Forum on NATO Expansion and European Security after the Cold War. The challenges facing NATO today remind us of the enduring need for this historic alliance...and what we must do to strengthen it.

NATO's Enduring Purpose

Sixty-five years in August, after a long debate about America's role in a post-war world, eleven envoys gathered in the Oval Office at the White House to witness President Truman formally accept the ratification of the North Atlantic Treaty.

In doing so, President Truman broke with prominent voices – such as George Kennan's – that called for America to relieve "ourselves gradually of the basic responsibility for the security of western Europe."

Instead, General Eisenhower arrived in Paris in 1951 as the Supreme Allied Commander Europe. By 1953, 11 U.S. Air Force wings, 5 Army Divisions, and 50 Navy warships had followed. Militaries of NATO nations began working together to integrate North American and European strategy, plans, and forces.

America did not make commitments abroad in search of monsters to destroy. Instead, President Truman joined the North Atlantic Treaty because he said he was convinced that NATO would serve as "a shield against aggression and the fear of aggression," and thereby let us get on with the "real business of government and society" at home. Truman joined the North Atlantic Treaty because it was, as he put it, a "simple document" that, "if it had existed in 1914 and in 1939...would have prevented...two world wars."

America was committed to NATO because NATO would help protect vital American interests. By reinforcing the unity of transatlantic security, NATO would ultimately protect security and prosperity here at home – a truth that endures to this day.

The Transatlantic Alliance's Clarifying Moment

On the centennial of the start of World War I, and weeks before the 70th anniversary of the Allied landing at Normandy, Russia's recent action in Ukraine has reminded NATO of its founding purpose. It has presented a clarifying moment for the transatlantic alliance.

NATO members must demonstrate that they are as committed to their alliance as its founding members who built it 65 years ago. They must reaffirm the security guarantees at the heart of the Alliance. They must reinvigorate the unrivaled joint planning, exercises, and capabilities that are its lifeblood. And they must reaffirm that, from the Mediterranean to the Baltics, Allies are Allies. Our commitment to the security of every Ally is resolute.

This moment comes as NATO ends its combat mission in Afghanistan later this year – the longest and most complex operation in its history, and one that has strengthened the capability and cohesion of the Alliance. It also comes as we prepare for a NATO Summit this fall in Wales, which will be an opportunity to reexamine how NATO militaries are trained, equipped, and structured to meet new and enduring security challenges.

After more than a decade focused on counterinsurgency and stability operations, NATO must balance a renewed emphasis on territorial defense with its unique expeditionary capability – because, as we have seen, threats to the alliance neither start nor stop at Europe's doorstep. Emerging threats and technologies mean that fewer and fewer places are truly "out-of-area."

Balancing a full range of missions will require NATO to have a full range of forces, from high-end systems for deterrence and power projection, to special operations and rapid response capabilities.

Allied forces must also be ready, deployable, and capable of ensuring our collective security. I said at NATO's Defense Ministerial earlier this year that we must focus not only on how much we spend on defense, but also how we spend, ensuring we invest in the right, interoperable capabilities for all NATO missions. This will require the United States to continue prioritizing capabilities that can operate across the spectrum of conflict, against the most sophisticated adversaries. And it will also require NATO nations to prioritize similar investments in their own militaries.

Since the end of the Cold War, America's military spending has become increasingly disproportionate within the Alliance. Today, America's GDP is smaller than the combined GDP's of our 27 NATO Allies, but America's defense spending is three times our Allies' combined defense spending. Over time, this lopsided burden threatens NATO's integrity, cohesion, and capability – and, ultimately, both European and transatlantic security.

Many of NATO's smaller members have pledged to increase their defense investment – and, earlier this week at the Pentagon, I thanked Estonia's Defense Minister for his nation's renewed commitment and investment in NATO. But the Alliance cannot afford for Europe's larger economies and most militarily capable Allies not to do the same, particularly as transatlantic economies grow stronger. We must see renewed financial commitments from *all* NATO members.

Russia's actions in Ukraine have made NATO's value abundantly clear, and I know from my frequent conversations with NATO defense ministers that they do not need any convincing. Talking amongst ourselves is no longer good enough. Having participated in three NATO Defense Ministerials, and having met with all of my NATO counterparts, I have come away recognizing that the challenge is building support for defense investment across our governments, not just in our defense ministries. Defense investment must be discussed in the broader context of member nations' overall fiscal challenges and priorities. Today I am therefore calling for the inclusion of finance ministers or senior budget officials at a NATO ministerial focused on defense investment. This would allow them to receive detailed briefings from Alliance military leaders on the challenges we face. Leaders across our governments must understand the consequences of current trends in reduced defense spending...and help break through the fiscal impasse.

In meeting its global security commitments, the United States must have strong, committed, and capable allies. This year's Quadrennial Defense Review makes this clear: Going forward, the Department of Defense will not only seek, but increasingly *rely on* closer

integration and collaboration with allies – and in ways that will influence U.S. strategic planning and future investments.

For decades – from the early days of the Cold War – American Defense Secretaries have called on European allies to ramp up their defense investment. And in recent years, one of the biggest obstacles to Alliance investment has been a sense that the end of the Cold War ushered in an "end of history," and an end to insecurity – at least in Europe – from aggression by nation-states. Russia's actions in Ukraine shatter that myth and usher in bracing new realities.

Even a united and deeply interconnected Europe still lives in a dangerous world. While we must continue to build a more peaceful and prosperous global order, there is no postmodern refuge immune to the threat of military force. And we cannot take for granted – even in Europe – that peace is underwritten by the credible deterrent of military power.

In the short term, the transatlantic alliance has responded to Russian actions with strength and resolve. But over the long term, we should expect Russia to test our alliance's purpose, stamina, and commitment. Future generations will note whether, at this moment of challenge, we summoned the will to invest in our alliance. We must not squander this opportunity or shrink from this challenge. We will be judged harshly if we do.

NATO should also find creative ways to help nations around the world adapt collective security to a rapidly evolving global strategic landscape. Collective security is not only the anchor of the transatlantic alliance; it is also a model for emerging security institutions around the world, from Africa to the Persian Gulf to Southeast Asia. I say this having just convened a forum of ASEAN defense ministers last month, and having called for a Gulf Cooperation Council defense ministerial this year.

These institutions bring our peoples, interests, and economies closer together – serving as anchors for stability, security, and prosperity. Strengthening these regional security institutions must be a centerpiece of America's defense policy as we continue investing in NATO. As these institutions develop their own unique security arrangements, they stand to benefit by learning from NATO's unmatched interoperability, and command and control systems.

There can be no transatlantic prosperity absent security, but we must also keep in mind that investing in our alliance – and our collective security – means more than just investing in our militaries alone.

It means the United States and Europe must partner together over the long-term to bolster Europe's energy security and blunt Russia's coercive energy policies. By the end of the decade, Europe is positioned to reduce its natural gas imports from Russia by more than 25%. And the U.S. Department of Energy has conditionally approved export permits for American liquefied natural gas that add up to more than half of Europe's gas imports from Russia.

It means deepening our economic ties through new trade initiatives like the Transatlantic Trade and Investment Partnership.

And it means continuing to exercise global leadership in defense of shared values like human rights and the rule of law.

The Legacy of NATO Enlargement

Let me conclude by reflecting on the historic decision twenty years ago to move toward NATO enlargement, which I know is a focus of this conference.

Then, as now, some argued that NATO enlargement invited Russian aggression. Critics called it a "tragic mistake" and an "irresponsible bluff." Some still do.

But the historical record now speaks for itself. And it makes clear that NATO has sought partnership, not conflict, with Russia...and that enlargement has contributed to stability and security.

No one wanted to replace Europe's Cold War dividing line with a new one, so America and its allies made a good-faith effort to convince Russia that our security interests were converging. President Clinton urged that "the measure of Russia's greatness would be...whether Russia, the big neighbor, can be the good neighbor." Despite the reservations of many aspiring new members, NATO established the Partnership for Peace and negotiated the NATO-Russia Agreement. Some U.S. government officials went so far as to say that Russia might one day even join the alliance.

But even as we pursued cooperation with Russia, we were never blind to the risks. Strobe Talbott, former Deputy Secretary of State, warned in 1995 that, "among the contingencies for which NATO must be prepared, is that Russia will abandon democracy and return to the threatening patterns of international behavior that have sometimes characterized its history, particularly during the Soviet period." And today, NATO must stand ready to revisit the basic principles underlying its relationship with Russia.

NATO enlargement did not invite Russian aggression. Instead, it affirmed the independence and democratic identity of new members. It did not foment crisis, then or now. Instead, it settled old disputes and advanced regional stability. It promoted freedom and free markets. And it advanced the cause of peace. That is why NATO still holds the door open for aspiring members, and why it must maintain partnerships with nations around the world.

Consider the alternative: a world without NATO enlargement, and the assurances of collective security it provided.

That world would have risked the enormous political and economic progress made within and between aspiring members. It would have risked a precarious European security environment in which today's Central and Eastern European allies would be torn between Europe and Russia. It would have risked insecurity reverberating deep into the heart of Western Europe. And, ultimately, it would have risked a Europe more fractured and less free.

Thanks to American leadership, and thanks to some of the distinguished leaders you will hear from today – that is not the world we live in.

In 1997, I said on the Senate floor that "America, Europe, and Russia could all benefit if the nations of Central and Eastern Europe are anchored in the security NATO can offer."

Today, the transatlantic alliance anchors global security. It offers a powerful antidote to the "aggression and fear of aggression" that President Truman warned against in 1949. It has spread the rule of law, freedom, stability, and prosperity. And it will endure well into this century and the next one – but only if nations on *both* sides of the Atlantic seize this clarifying moment.

Two years and 19 days after General Eisenhower arrived in Paris as the Supreme Allied Commander Europe, he was inaugurated as the 34th President of the United States.

President Eisenhower was as war-weary as the American public. He had written to his wife, Mamie, that he "constantly wondered how 'civilization' can stand war at all." He would lie awake at night, smoking cigarettes, and acknowledged privately that there was "not one part of his body that did not pain him." But in his first formal address as President, Ike insisted that America had to remain engaged in the world. "No nation's security and well-being," he said, "can be lastingly achieved in isolation...but only in effective cooperation with fellow-nations." And in 1957, President Eisenhower returned to Paris, where, in his address to the first NATO

summit of heads of state, he connected America's transatlantic commitments to the "vitality of our factories and mills and shipping, of our trading centers, our farms, our little businesses," and to our rights at home to "produce freely, trade freely, travel freely, think freely, pray freely."

Those who doubt the value of America's commitments abroad should recall that wisdom...because the unprecedented peace and prosperity we enjoy today was hard-won – and perishable. As Ike liked to say, "it takes a lot of hard work and sacrifice by a lot of people to bring about the inevitable."

Without deep engagement with the world, America would face more conflict, not less – and on the terms of our adversaries, not our own. That is why America's commitment to its allies – in Europe and around the world – is not a burden or a luxury. It is a necessity. And it must be unwavering.

Thank you.

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