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What a Foreign Policy For the Middle Class Looks Like: Realism and Restraint Amid Global Conflict

May 23, 2024 in Washington, D.C.

Keynote #1: Senator J.D. Vance (R-OH)

Introduction by Kelley Vlahos - Editorial Director, Responsible Statecraft

Kelley Vlahos
(0:00 - 2:37)

Morning, everybody. I'm going to be truncating my welcoming remarks because Senator J.D. Vance is here, and he has an important hearing to get to. So I'm just going to leave my remarks till before the next, before the first panel.

Welcome, everybody, to our wonderful conference that we have planned with the American conservative today. Senator J.D. Vance has represented Ohio since his election in 2022. He first broke through national acclaim with his memoir, Hillbilly Elegy, in 2016, which sat on the New York Times bestseller list for two years.

The timing was impeccable as his story narrating the lives of real people, his families and neighbors of the American Rust Belt dovetailed with the successful presidential run of Donald Trump, the populist uprising of the middle and working classes against elites in Washington and Wall Street and its institutions. As detailed in his book, Vance went from his own humble beginnings in Ohio into the U.S. Marine Corps, serving in the Iraq War, went on to Yale Law School before turning his attention to public office. In his time in office, he has focused his attention on the special interests that have captured the institutions and levers of power that are supposed to be working for the American people.

He has also challenged the prevailing wisdom guiding foreign policy and military operations abroad. This includes his effort to condition the billions in Ukraine aid that has left U.S. coffers since 2022. At 39, he is the youngest senator serving in the U.S. Senate today and represents a cohort of young Republicans who are more likely to question their older Cold War generation cohorts on Capitol Hill. During the recent debate over Ukraine aid, he said, this moment calls out for many things, but boomer neoconservatism is not among them, adding that the fruits of this generation in American leadership is quagmire in Afghanistan, war in Iraq under false pretenses. So we are very excited to hear more about how he and his fellow conservatives on Capitol Hill and off are focused on making sure the current U.S. foreign policy generated in Washington can benefit the middle class and all of Americans today. So without further ado, Senator J.D. Vance.

Senator J.D. Vance
(2:44 - 27:35)

Well, good morning, everybody. It's good to be with you. Thanks to the Quincy Institute and the American Conservative for co-hosting this thing.

And I don't remember saying that this is like boomer neoconservatism, but I certainly think that and I'm not surprised I said it. So maybe a good way to start off the morning. But this is really important.

This is a really important conversation. And I want to talk about a couple of the ways in which I apply my own foreign policy principles to the challenges that are facing the country and how I think about these things. And it's very much on the theme of how to build a foreign policy that actually works for the American middle class.

And so I'm thrilled to be here. I'm thrilled to be talking with all of you. And I'm going to say some things I think that a lot of you are going to agree with and some things that a lot of you are going to disagree with.

And maybe you will agree with part of what I say, disagree with part of what I say. But the most important thing I want to say about foreign policy in 2024 in the United States of America is that we really have to get past the tired old slogans and the sort of way in which you could see the foreign policy establishment seizing up when somebody makes a particular argument. The way that American foreign policy has proceeded for the last 40 years, think about the wreckage and think about the actual results.

One of my favorite passages from the Bible is, by your fruits you shall know them. What are the fruits of the last 40 years of American foreign policy? Of course, it's the disaster in Iraq, it's the disaster in Afghanistan, it's Syria, it's Lebanon, it's on issue after issue after issue.

Somehow the foreign policy consensus of this town seems to almost always be wrong. And yet when you challenge that consensus, the most interesting thing I've seen as a United States senator, it's not some of the arguments that people use to push back. And very often it's repeating the same old slogans.

In the Ukraine context, well, this is a democracy against tyranny. Well, that's a very simplistic way, of course, to think about it. I don't think anybody, even the people who say these things, actually believe them.

Of course, Ukraine is hardly a perfect democracy. That doesn't mean, by the way, that we shouldn't support the Ukrainians, though I obviously think that we've done more than our fair share. It just means that you can't repeat the same old slogans again and again and again.

But it's not even that. It's not the way that people repeat the slogans, which I find so interesting. It's this weird way in which they seize up when the foreign policy conventional wisdom is challenged in this town.

And people are terrified of confronting new arguments, I believe, because they're terrified of confronting their own failure over the last 40 years. I was elected United States senator in 2022. I was born in August of 1984.

I'm coming up on my 40th birthday. So I appreciate your condolences. Senator Mitch McConnell was elected literally the year that I was born.

And Mitch McConnell is extremely confident about nearly every single foreign policy view that he holds, despite the fact that he's been a senator since I was born, and nearly every foreign policy position he's held has actually been wrong. So whatever your views, if I can impart something really, really important to you or to anybody else who's listening on social media or otherwise, it's that we have to be open to new arguments. When people say something that challenges our preconceived notions, if your response is to sort of think about it, that's good.

Whatever conclusion you ultimately come to. If your response is to kind of seize up and immediately repeat the slogans that we've all heard for the last 40 years, you are part of the problem. And we have to beat back the problem in order to fix what's going on in the country.

So let me sort of articulate two, and this is not to be a full-scale or fulsome explanation of my foreign policy, but there are two principles that I really care about and I think are really important because they bear on this question of the middle class. The first is that we have to really understand that I think most of us are realists. In other words, we think that our foreign policy should pursue America's interests and pursue it ruthlessly.

But that doesn't mean, even though we can criticize the moralisms of the past, that we can have a foreign policy that's totally diverse for morality. What I would say is we should have a foreign policy that recognizes that the moral intuitions that should most matter are the moral intuitions of American citizens. That's principle number one, and I'll talk about that in a second.

Principle number two is that the most important part of American foreign policy is actually the strength of our domestic economy and the strength of our domestic population. If there is something that should worry all of us, it's not that China is showing more belligerence in East Asia. That certainly should worry us.

It's not that China is sort of expanding its scope into South America and to Africa as part of the Belt and Road Initiative, though again, I do think that should worry us. It's that China, based and because of the stupidity of Washington leaders over the past generation, is now arguably the most powerful industrial economy in the world. If we're going to lose a war, it will be because we have allowed our primary rival to become arguably our most powerful industrial competitor.

And God forbid, I worry that in 10 years, it will become obvious that China is not our primary industrial competitor, but that we're theirs, that they are now the preeminent industrial power in the world. And if we get there, yes, it will be because all of these bad things about China and we can criticize China. But if we get there, the primary reason will be because our leaders let us down a very stupid path to very predictable consequences.

I'm angry about the rise of China, and certainly I don't think that the Chinese are our friends, but I'm most angry that American leadership let it happen. So those are the two things I want to talk about, our domestic strength at home, and also first sort of talk about the moral intuitions that I think that underpin American foreign policy. So let me just highlight the moral intuition argument with a couple of sort of the most pressing foreign policy controversies facing our country.

Number one is what do we do about Israel? What do we do in Israel? And question number two is what do we do about Ukraine?

I sort of come down on very opposite sides of these particular questions. I'm supportive of Israel and their war against Hamas. I certainly admire the Ukrainians who are fighting against Russia, but I do not think that it is in America's interest to continue to fund an effectively never-ending war in Ukraine.

So why are these two things different? Well, there are a few things. There are a few things.

It's sort of weird that this town assumes that Israel and Ukraine are exactly the same. They're not, of course, and I think it's important to analyze them in separate buckets. And importantly, I think those of us who are pro-Israel have to wake up to a new reality.

You see this, the consequences of it on college campuses. You see this in the way in which young people think about these different parts of the world and what America's response should be to them. And it's that even if they're pro-Israel, they're sick of the old arguments, right?

The slogans don't work anymore, ladies and gentlemen. If we're going to support Israel, as I think that we should, we have to articulate a reason why it's in our best interest. If we're going to support the Ukrainians, as I think we've done again, I think we should stop supporting the Ukrainian conflict.

I think that we have to, if you want to articulate why I'm wrong, you have to start to say, this is why this is in America's best interest. There are a few things, I think, that are very distinct about Israel. And when I talk about the moral intuitions of the middle class, why do Americans care about Israel?

I think there are all these arguments you could make, and some of them are true, and some of them are false, and some of them are fake. But look, a big part of the reason why Americans care about Israel is because we are still the largest Christian-majority country in the world, which means that a majority of citizens of this country think that their savior, and I count myself a Christian, was born, died, and resurrected in that narrow little strip of territory off the Mediterranean. The idea that there is ever going to be an American foreign policy that doesn't care a lot about that slice of the world is preposterous because of who Americans are.

Now contrast that with the moral intuition that has most underlined American foreign policy in the last 20 years, this idea that it is in our distinct interest to spread democracy all over the world. Well, I actually don't think that that even holds a little bit of water. Was it in our interest to spread democracy to Iraq, where not only did a lot of Americans and a lot of other people die needlessly, but then we created a proxy of Iran in the Middle East?

It's preposterous. And not only that, not only did we create a proxy of Iran in the Middle East at the cost of thousands of American lives, we also precipitated the genocide of one of the oldest Christian communities in the entire world. Now we're talking about moral intuitions, and I think we have to influence our foreign policy objectives here.

If you had told the American people, if George W. Bush had stood before the American people in 2003 and said, hey guys, we're going to go to war not to eradicate weapons of mass

destruction or to spread democracy, we're going to go to war to create a regional proxy for Iran and to slaughter over a million historical Christians. Not that they will be slaughtered at our hands, but our actions will lead to the genocide of the historical Christian community.

I don't think Americans would have supported it. And frankly, if you look at polling back in 2003, most Americans didn't care about whether Iraq was a democracy or not. The main reason that the American people supported the war in Iraq in the beginning was because they thought Saddam had weapons of mass destruction that would be used against our citizens.

There was actually a very realist case made for the Iraq war. It was just wrong. And now I think hopefully all of us recognize that it was wrong.

But my point is, you can't totally divorce the moral apparatus here, even in a realist foreign policy. Americans want their values reflected in the types of things that they do. And I think one of the best arguments that we should make against a lot of American involvement overseas is that it's somehow, maybe because we're careless, maybe it's purely accidental, but we keep on leading to the death of old Christian communities all over the world.

I think that's a moral scandal. And I think most Americans, given they're part of the Christian majority, would actually agree with that. It's sort of weird to me that no one, even though Republicans are theoretically the Christian conservative party, that no one makes this argument that traditional neoconservative foreign policy keeps on leading to the genocide of Christians.

But it does, which is one of many reasons why neoconservative foreign policy is strategically and morally stupid. So that's one principle. That's one way I apply the principle that our moral intuitions should be motivated by the actual moral views of middle-class Americans, is why don't we stop genociding historical Christian communities?

That's a basic thing we should be doing in our foreign policy. But let me just dive into this a little bit, because it's not just, of course, the fact that Americans care about Israel for religious reasons. I think there actually is a hard-nosed strategic argument that we can make for why we should care about Israel too.

Let me just make a couple of points on that topic. So first, Israel is one of the most dynamic, certainly on a per capita basis, one of the most dynamic and technologically advanced countries in the world. Dan Senor wrote about this in the book, The Startup Nation.

And if you look at what Israel is doing just with the Iron Beam system, for example, this is a system that would allow America and our allies to actually achieve some parity with the people who are sending drones and rocket attacks and so forth. There is no way that we can long-term fight a missile defense battle against people if they're paying one-tenth or one-one-hundredth for offensive weapons that we are paying for defensive weapons, and the Israelis are doing the most important work to actually give us missile defense parity. That's a very important national security objective of the United States of America, and that's something we're working with one of the most innovative economies in the world to accomplish.

There's another reason, actually, motivated by my view that America can't do everything, and that reason is quite simple. We have to sort of ask ourselves, what do we want out of our Israeli allies? And more importantly, what do we want out of all of our allies writ large?

Do we want clients who depend on us, who can't do anything without us, or do we want real allies who can actually advance their interests on their own with America as playing a leadership role, but our allies actually doing something, too? So my biggest criticism of our approach in Ukraine is that it has no strategic end in sight, and it's not leading anywhere that's going to ultimately be good for our country. But the second biggest criticism I make about the war in Ukraine and our approach to it is that we are subsidizing the Europeans to do nothing.

The Europeans are not carrying their fair share of the burden, especially when it comes in provision of weapons, and they're deindustrializing their own country at the same time that they say that Putin must be defeated at all costs. If Putin must be defeated at all costs to our German friends, then stop deindustrializing your own country in the name of ridiculous green energy policy. But I actually think that Washington, at least current Washington leadership, really likes the fact that the Europeans are completely dependent on us.

That's not an alliance. These people aren't increasingly allies. They are client states of the United States of America who do whatever we want them to do.

Well, I think we have a real opportunity to ensure that Israel is an ally in the true sense that it's going to pursue their interests, and sometimes those interests won't totally overlap with the United States, and that's totally reasonable, but they are fundamentally self-sufficient. And I think the way that we get there in Israel is actually by combining the Abraham Accords approach with the defeat of Hamas that gets us to a place where Israel and the Sunni nations can play a regional counterweight to Iran. Again, we don't want a broader regional war.

We don't want to get involved in a broader regional war. The best way to do that is to ensure that Israel with the Sunni nations can actually police their own region of the world. And that allows us to spend less time and less resources on the Middle East and focus more on East Asia.

In the same way that we want our own allies to do the job in Europe so that we can focus on East Asia, I think the same is true of the Sunni nations in Israel and the Middle East. We want to focus more on East Asia, so they're going to have to pick up more of the regional security apparatus, but they can't do that. The Israelis can't do that unless they defeat Hamas.

There's an interesting thing, which is why we should be supporting them in the war to finish Hamas's military capabilities. And one of the things that's frankly reasonable that people say that I think that it's wrong is, well, you can't possibly defeat Hamas as an ideology. Well, you can't defeat Islamic radicalism as an ideology, and it was stupid for us to build democracies in the Middle East to try, but you can defeat ISIS as a functioning military apparatus.

You can defeat Al-Qaeda as a functioning military apparatus, and there is no way for the Abrahamic courts to take off, which allows us to step away from the Middle East unless Israel defeats Hamas as a functional military apparatus and build some real alliances with the Sunni states. That, to me, is the goal of American foreign policy in the Middle East, and that's why we should be doing something much different, in my view, in Israel than we should be in Ukraine. Now, maybe you disagree with that.

Happy to have that conversation, but that's fundamentally how I think about this. How do we focus on East Asia? How do we allow the moral intuitions of America's middle class to influence our own foreign policy instead of crazy things like spread democracy to every corner of the world?

These are the ways that I think about that particular conflict and some of the principles that I have and how to apply them there. Let me say the second thing here, which is you cannot have a foreign policy for the middle class unless you actually have a strong economy at home. I don't want to recapitulate or re-summarize all of the arguments that many of you have heard me made, but look, we allowed China to build its middle class off the backs of the American middle class.

We actually promoted the creation of a Chinese super industrial economy. The crazy thing is, when the free traders never acknowledged this point in 2024, when we were making the argument in the 70s and the 80s that we should build China's industrial economy, we were doing it explicitly with the knowledge that it would harm America's middle class. Go back and read what they were writing in the 70s and the 80s, and they said this will harm America's middle class.

This will lead to a lot of unemployed steel workers and auto workers in Ohio and Michigan and Pennsylvania, but it will be worth it because we will turn the Chinese into a flowering democracy overseas. There's that weird conceit that we have again, where again, if you ask the people in the heartland, the people that I represent, whether they care more about China becoming a democracy or whether they care more about the jobs that sustain their communities, we all know exactly what the answer is going to be, right? But now we find ourselves in a position where arguably, even today, China is the preeminent industrial power in the world.

That cannot coexist with America having a foreign policy that's good for the middle class, in my view. If we are not able to be self-reliant, if we can't manufacture our own pharmaceuticals, our own munitions, the components that Americans rely on for their everyday life, then we are never going to be able to build the kind of middle class that we want in this country. Bob Lighthizer, the former Trade Representative of the Trump administration, and I hope a future Secretary of the Treasury or Commerce or something, Bob Lighthizer famously makes this example, which I've seen very directly in my own life in Silicon Valley.

If you open up an iPhone, even today I believe, it will say, what? Designed in California, right? Buy a new iPhone, I believe it still says designed in California.

Well, the implication, of course, is that if it was designed in California, it was manufactured somewhere else. Where was it manufactured? In Shenzhen, okay?

One of the things that we've learned over the last 20 years is that as economies become better at manufacturing things, they start to become better at designing and technology development entirely. The Western conceit that you could separate the manufacturer of things from the technological innovation in those things is completely absurd and preposterous, and you see evidence of this today as the Chinese rapidly develop their own ability to manufacture chips. Why are they so good at manufacturing and designing new chip technologies?

Because we allowed them to manufacture things like the iPhone for the last 20 years. And aside from the iPhone, a lot of other products even further back than 20 years ago. This was insanity.

It was predictable, and yet here we are and we have to deal with it. And I don't think, by the way, I think the neoconservative approach to China is sort of the dumbest of all possible solutions. They want the Chinese to manufacture all of our stuff, and they also want to go to war with China, okay?

I'm serious. If you sort of look at a two-by-two, go to war with China, don't go to war with China, let them make all of our stuff, don't let them make all our stuff. Put me firmly in the category of, I don't want to go to war with China, and I want to make more of our own stuff, okay?

What really worries me about the China talk in America in 2024 is it's been picked up by the neoconservatives who are just borrowing arguments that many of us have been making for close to a decade, and now they're all real big China hawks, but they want the Chinese to make everything for us, okay? Well, that's the dumbest of all possible options. I really don't, as the father of three young children, I really don't want to go to war with a country that makes all of our antibiotics when I've got three little kids at home.

So for the neoconservatives, maybe pump the brakes for at least the next 10 years, right? But this is where we're headed, ladies and gentlemen, if we don't recognize that the most important component of foreign power for the middle class in this country starts right here at home. And if we have that industrial might, it's going to make our enemies less likely to start conflicts.

If we have that industrial might, our enemies can do less damage to us if they do start those conflicts. And if we have that industrial might, our own country is going to be a lot healthier and happier, completely aside from what we do in the area of foreign policy. So again, not a fulsome take on everything that I think about foreign policy, but I think hopefully illustrative of how I'm thinking about some of these issues and how I'd encourage some of you to think about these issues too.

One, you can't entirely divorce the moral dimension from foreign policy, but the morality we should be pursuing, if we pursue any at all, should be the morality of our own people. And two, the most important component of projecting power overseas is actually having a strong domestic manufacturing economy here at home. And let me just finish with one observation about how totally broken the Washington sense is on this and how their views on Ukraine and Israel are actually totally incompatible.

I met with a representative of the Israeli government yesterday, and I don't like to reveal confidences, but one of the things that was said explicitly that I've seen hinted at in news reports and elsewhere is that in January of 2023, when the Biden administration forced the Israelis to empty their munition stockpile and send it all to Ukraine, that actually, you can make a pretty good argument, prolonged the war in Gaza in service of prolonging the war in Ukraine. So if there's a final argument here, it's that we have to accept that there are trade-offs.

America cannot manufacture enough weapons to support four different wars in four different corners of the world. We just can't do it. We can't do it in part because of the decisions made by my bipartisan colleagues over the last 40 years, but it's the reality that we live in, which means that we have to pick and choose.

We have to identify where our interests are most important, and we have to try to divert American foreign power to focus on those particular things. And this is why I think it is so important that for the next 30 or 40 years in a world of multi-polarity, look, China wasn't built in a decade. It's not going to be unbuilt in a decade, even if we wanted it to, we have to recognize that Chinese industrial power is here to stay.

So what are we going to do in that world? I think, again, that world of multi-polarity, that means that we want the Israelis and the Sunnis to police their own region of the world. We want the Europeans to police their own region of the world, and we want to be able to focus more on East Asia.

You can't do that if you're not willing to make trade-offs. And every single day in this town, I see the weird ways in which this current leadership is totally unable to make trade-offs. When I made this argument, probably six or so months ago, among my Senate Republican colleagues, that there were, for example, only so many artillery shells in the world, and we couldn't send them to Taiwan, Israel, and Ukraine at the quantities that they want because there aren't enough to send there, so we're going to have to pick and choose.

I was told that my math just simply didn't make sense. And yet yesterday, I had a representative of the Israeli government telling me exactly, well, your math did make sense. And in fact, the failure to do those trade-offs prolonged the war in Gaza in a way that I think is really destructive to American interests.

So if we want to do a foreign policy, we want to have a foreign policy for the middle class, maybe the most important thing is to recognize what every middle-class family in this country recognizes, that we have scarce resources, you have to make trade-offs, and you have to focus on the things that really matter. With that, thank you guys. God bless you.

Panel #1: Are Status Quo Policies Abroad Keeping Us Safe at Home?

Panelists: Representative Warren Davidson (R-OH), Branko Marcetic - Reporter, Jacobin, Helen Andrews - Senior Editor, The American Conservative, & George Beebe (Moderator) - Grand Strategy Director, Quincy

Kelley Vlahos
(27:45 - 32:41)

Okay, everybody, let's take a seat. We're going to get started very quickly, and I'm going to give my prepared remarks that I wasn't able to give before Senator Vance was able to speak this morning. I didn't formally introduce myself.

My name is Kelly Vlahos, and I am the Editorial Director of Responsible Statecraft, the online foreign policy magazine of the Quincy Institute. I'm very proud to open our conference today, What a Foreign Policy for the Middle Class Looks Like, Realism and Restraint Amid Global Conflict. If you are not familiar with the Quincy Institute, we are a research and

advocacy organization dedicated to reframing the way that Washington thinks about and directs its foreign policy.

Our co-sponsors, the American Conservative, represent the best in independent thinking about the dangers of interventionist policies that impinge on the freedom and prosperity of Americans at home. We are so happy to make common cause with them today for this event, bringing together left and right and all voices in between a true representation of Main Street interests and matters of war and peace. In March 2021, newly minted Secretary of State Antony Blinken announced the Biden administration had set out to pursue a new foreign policy for the middle class.

He said, we've set the foreign policy priorities for the Biden administration by asking a few simple questions. What will our foreign policy mean for American workers and families? What do we need to do around the world to make us stronger at home?

And what do we need do at home to make us stronger in the world? If we do our jobs right, you'll be able to check our work, to see the links between what we're doing in the world and the goals and values that I've laid out. So our goal here today is in essence to check their work, looking back at the last three years and seeing if indeed it has fulfilled those priorities.

Our speakers today will offer varying degrees of responses to that question, no doubt, but in the spirit of Quincy and Tack, they will also challenge, I know, the decades of conventional thinking that continue to animate endless U.S. military interventions abroad, including direct and proxy wars, often ill-defined and without proper congressional oversight or input from the general public. Many here will argue that these overseas policies, which also include security agreements and tangling alliances throughout the world and keep Washington as security guarantors, end up benefiting a small elite here in Washington, on Wall Street, and in Silicon Valley, while the American people coast to coast and in the heartland between feel and struggle to understand how it makes their lives better at home. These Americans may be shut out of the discourse, but their sons and daughters are fighting these wars, and taxpayers fund the trillions of dollars in weapons and resources expended in their names in such far-flung places as Somalia, Ukraine, Syria, the Asia Pacific, Europe, and Iraq today. To say that the American people are fed up is an understatement.

They vocalize their frustrations at the polls and in voting, and they're not enlisting to serve their country. In fact, recruitment is down, the worst in recent memory. Military families are often the most passionate in their criticisms, as U.S. forces, including the National State Guards, National Guards, have been in constant deployment cycles since 2001. On Capitol Hill, lawmakers on both sides of the aisle raise alarms about war with China, while plowing billions of dollars into a war in Ukraine and into Israel's war in Gaza. Our stockpiles are shrinking, but the defense industry salivates. Endless war means big business.

But our conversations today need not to be all backward-looking, pointing fingers, or engaging in the Washington blame game. We want to peer forward, too, and provide new guideposts for a better way of doing things. In many ways, those guideposts have been with us all along.

We just needed the political courage and the support to actually follow through with them. So, without further ado, I'm going to pass this over to my colleague, George Beebe, who is the Director of Grand Strategy at the Quincy Institute, for our first panel. Thank you, George.

George Beebe
(32:42 - 37:44)

Thank you very much, Kelly. I want to start out by saying that I've never been to a foreign policy conference like this one. I've been to a lot of foreign policy conferences, but frequently they bring together experts that know a lot about what's going on in other parts of the world.

They can talk to you about how much influence Iran might have over Hezbollah, which factions within the Kremlin are currently in Putin's favor. But when you ask them, why do Americans in Ohio care about that? What's at stake for them?

Oftentimes, those foreign policy experts are puzzled. They know a lot more about what's going on in their areas of expertise overseas than they do about the United States. So, what we're trying to do today is to bring those two worlds together, to talk about that intersection between what's going on in the world and what matters most to heartland Americans.

And I can think of no better panel to talk about that than the people we have here today. To my far right is Congressman Warren Davidson, a Republican representing the 8th District of Ohio, has a very interesting background, a graduate of the U.S. Military Academy, served in American Special Forces, also ran his family's manufacturing business. So, he's got, I think in his personal background, exactly this intersection that Senator Vance alluded to earlier today about American manufacturing and foreign policy and what matters to heartland Americans in all of this.

Next to Congressman Davidson is Helen Andrews. She is Senior Editor at the American Conservative. She is the author of the book, Boomers, the Men and Women Who Promised Freedom and Delivered Disaster, which I think is a great subtitle for what has happened in American foreign policy over the last several decades.

And to my immediate right, Bronco Marcetic is a writer at Jacobin Magazine who brings another perspective, I think, that typically comes from the American political left, but I think shares a lot of perspectives on what has gone wrong in American foreign policy and the connection between what our elites are doing in foreign policy and the interests of the American working class. So, there are some very important debates going on on the House floor, not far from us this morning, that Congressman Davidson needs to get back to to participate in. So, I'm going to start out this morning by posing some questions to him.

Now, before I get into that question, I want to hearken back to something that Jake Sullivan, the Biden administration's National Security Advisor, said in an early press conference after the Biden administration took office. This is a quote. He said, everything we do in our foreign policy and national security will be measured by a basic metric.

Is it going to make life better, safer, and easier for working Americans? So, with that as context, I think I want to ask you, Congressman Davidson, we often hear the argument here in Washington that if the United States does not defend a particular foreign state against a particular threat, that some foreign power will take advantage of our inaction, Russia, China, Iran, etc. They will grow stronger, they will grow bolder, they will grow more likely, ultimately, to do something beyond just threatening this foreign state, but will actually threaten American security, the safety of Americans in some way.

Essentially, this line of thinking posits that everything's connected to everything. Unless we make a stand in whatever part of the world is currently in the headlines, bad things are going to flow for the American people. We heard this about the global war on terrorism.

We're hearing it about Ukraine today. We have to make a stand in Ukraine, or the Russians will continue to roll westward, and ultimately, we'll not be fighting them in Ukraine, we'll be fighting them here, which I think is a direct quote from some American officials over the years. What do you make of this argument?

Is everything connected to everything, or can we and should we, as Senator Vance asserted this morning, make some distinctions, recognize there are tradeoffs, set priorities? Are there parts of the world that really matter to us more than other parts?

Rep. Warren Davidson
(37:44 - 41:40)

Well, look, I sum up that idea as simply, unless we squander our resources all over the world, how could we possibly stay strong? And you're like, well, by not squandering your resources all over the world, and by focusing on your own country. Some have summed it up as an American first foreign policy, and that phrase has different connotations, but we should care first and foremost about our own national security.

And we shouldn't find fault with others for caring about their own national security. And that is the idea of realism. And what we've got is a system that wants to pretend that there's no such thing.

There are only really two ideologies, globalism and isolationism. If you don't support globalism, you're clearly an isolationist. And that's just a fallacy.

And so if you look at the metric that Sullivan or Blinken, both were referenced looking at, well, does this actually benefit our citizens? And it's a right question. And the answer is no, the policies haven't benefited our citizens.

And I think that's easy to measure. If you look since the Cold War, to go a bigger view, America's less free, less safe, and more burdened by debt. And so if you go since the war on terror, less free, less safe, more burdened by debt.

If you go just since the Biden administration, less free, less safe, more burdened by debt. And so how did we prevail in the Cold War? Well, mostly by keeping it cold, not by fighting resources.

And maybe the best emblem of that is Dwight Eisenhower. People didn't call him an isolationist, I don't think. He was pretty successful by being not an isolationist, led on D-Day and led our military very capably, and was sought by both parties to be the presidential candidate.

And so he's like, well, I'm actually a Republican, and did a great job. When he first took office, he didn't expand the war in Korea that was already underway, he wrapped it up. And it didn't have a decisive resolution.

It basically drew a line that still exists today along the 38th parallel. And maybe the easiest place left in the world to see where America's involvement really does make a difference. But for America's involvement in South Korea, the whole peninsula would be like North Korea.

But for China's involvement, the entire peninsula could be like South Korea. A first world economy, first world healthcare, you know, for Christian folks, a mission sending country, faith has flourished in South Korea. And so those are things that reflect our values.

They've been great for not just South Korea's economy, but ours as well. And you see some level of interdependence that's gone on there. You see the benefit of our ideas that worked in Japan.

And what's been lost along the way is the idea that trade should be core to our foreign policy. And it is one of the most consequential decisions that broke when you say, you know, less free, less safe, more burdened by debt. It is the trade policy with China, where they said, as a condition of being part of the World Trade Organization, that they would be a market oriented economy.

And no one believes they are because they're not. And so there's no pressure applied to them. And it really has hollowed out our middle class.

So if you look at the metric, I like the metric that they laid out, judge us by this. Great. I think it's a fine metric.

But you would take radically different foreign policies. If you look at this administration, you would think that America is somehow part of Europe, and in particular, Eastern Europe, but right adjacent to Ukraine.

George Beebe
(41:42 - 43:34)

Since you've raised Eisenhower, I want to follow up and ask you about two of the big foreign policy issues that he dealt with during his time in office. One, you mentioned Korea. That was a case where there was a territorial dispute, quite a serious one between the North and South Koreans.

That war ended in an armistice that did not actually settle that territorial dispute. They both still do not recognize the 38th parallel as the formal boundaries of their countries. And yet the war ended.

It is no longer raging as it did during Eisenhower's time. Is that a potential model we could apply in Ukraine? Now, before you answer that part, I want to raise a second Eisenhower initiative, the Austrian state treaty.

When World War II ended, Austria was occupied in its western parts by the United States and its allies, and in its eastern portions by the Soviet Red Army. And the question at that time was, would Austria become like Germany, divided into two states with a hostile line of demarcation between those two territories, both allied to outside powers? Or could we find a way to avoid that kind of dangerous division in Austria?

And Eisenhower opted for what became the Austrian state treaty, which preserved Austria's integrity, its sovereignty, but made Austria a geopolitically neutral state. Are there lessons that we can learn for Ukraine today from those Eisenhower examples?

Rep. Warren Davidson
(43:35 - 46:00)

Yeah, I certainly hope so. And that's part of why I wanted to reference not just Eisenhower, but Korea, because that's a dispute that's still there, but there's a state of peace. And are the people on the North Korean side better off?

Well, we don't think so. Objectively, you would say no. But certainly, the people of South Korea are better off.

And if you really want to pursue what's good for the people of Ukraine, it would be to not have this war going on, but to preserve their territorial integrity and their sovereignty. And frankly, nothing that this administration's offered proposes a path to resolve the conflict decisively on a battlefield, to resolve it diplomatically in a state of peace, or to resolve it asymmetrically by creating instability that would lead to resolution. What they've proposed is a path to continue the war.

In fact, that's their phrase. They've kind of adopted it because it was so unsuccessful in the war on terror in Afghanistan. In 04, they said, as much as it takes, as long as it takes.

And that's how they pivoted from going after the terror groups there to basically nation building as a mission. And they have the same hollow phrase that they're using for Ukraine, never defining what victory is, because for them, victory is that it's sustained. And if we don't take NATO membership off, in the sense like we did in Austria, I don't think there will be a path to peace.

Because for Russia, as long as there's active conflict, then there's probably not a path for immediate membership for Ukraine as a member of NATO. And a long war, frankly, probably is not bad for Russia in a lot of ways. But who's it really good for?

It's great for China. And I would mention one of the other things that Eisenhower confronted was a migration crisis. You had a lot of inflow of folks from Mexico, Central America, South America into the United States, California in particular at the time.

And there was a big push to address that, so much so that there was kind of an overreaction in the 60s that has really been disastrous for our immigration policy. So we should be a welcoming country. We should do it legally.

We should do it with a secure border. And I think that work remains very incomplete from the Eisenhower administration to today.

George Beebe
(46:02 - 46:24)

Before I let you go off to floor debate, I want to ask one more question. And I would imagine it's a question that you hear from your own constituents when you're back in your home district. What's at stake for the American people, for the American middle class in Ukraine?

Rep. Warren Davidson
(46:27 - 49:45)

Yeah, so that's a good question. People are very sympathetic to Ukraine. They feel like they were wronged.

And there are a lot of people that that's enough. There are some people that are, you know, old cold warriors and they were supportive because, well, there's a chance to kill Russians. And that's unfortunately the only logic behind it for some of my colleagues who vote for as much as it takes, as long as it takes.

But I can't say that that's a just cause because, you know, you're also killing off Ukrainians and without it with a sense of false hope to not resolve it. So for the American people, you know, Ukraine has become more integrated into the Western economy. And you saw some spikes in some of the things that we get from Ukraine, grain as a commodity, fertilizer as a commodity.

There's some natural resources there, particularly in the eastern region, that are valuable. But the reality is the Western economy didn't have access to these for the entire Cold War. So very little changed.

And for most people, very little changed when Russia took over Crimea. And if everyone in Ukraine stopped speaking Ukrainian and started speaking Russian again, truly not that much would change. But that doesn't mean we shouldn't care about it.

And I think that gets to what Senator Vance was talking about is our values say there's a sense of wrong there. And we do have the ability to use some form of moral influence, but we should do that in a way that offers a path to resolution of the conflict and not a path to perpetuation of it. And I think that's the big fallacy that we've got there is we're not laying out a path that contains the spread of this conflict, that can have a peaceful resolution.

And the reality is anyone that's studied anything militarily will say the only way that Ukrainians win is over a generational war, like the Taliban in essence prevailed against the United States. We've squandered enough resources here. We're kind of tired of doing this.

We're just going to go back on our side of the border. And if that's the kind of war you're going to wage, you can do it more cost effectively. We helped the Afghans do that to the Soviet Union.

And the way we're waging it is as if somehow there was going to be a decisive victory on the battlefield that was going to extract all the Russians from Ukraine. And they're counting on that being the perception when they say as much as it takes, as long as it takes. They know that a lot of people back home are going to say, oh, to get the Russians out of Ukraine.

And we could give truly as much, we give trillions of dollars, and Ukraine does not have enough combat power to extract the Russians from Ukraine with money, with weapons, with

arsenals. It will take additional combat power wielded by others that can deploy it like the United States or NATO member countries. And I don't think that's good for us or the people of Ukraine in the long run.

So I hope we choose a different path, but it seems like that's the path we're on. And you can already see the mission creep from the Department of Defense saying we need our advisors on the ground. That's a good way, a proven method of expanding the war.

Once you've got tactical support, it's rapidly viewed as tactical participation.

George Beebe
(49:47 - 49:51)

Thank you very much. Very much appreciate you're making the time in your busy schedule to join us today.

Rep. Warren Davidson
(49:52 - 49:58)

Thanks. Hopefully we're going to go ban central bank digital currency. So I have to go do that.

Thank you.

George Beebe
(50:05 - 51:06)

So Helen Andrews, turning to you. One of the arguments in favor of what one might call an interventionist approach to the world is the argument that democracies don't go to war with each other. This is sort of the Immanuel Kant theory of democratic peace.

And it's basically an argument that the United States doesn't just have a moral obligation to support freedom and democracy around the world. It's actually in our security interest to do so because it makes the world more stable and makes Americans safer. And this is an idea that I think has a lot of purchasing power here in Washington.

And it's one that I think is the conventional wisdom, I would have to say, between both parties here in the United States. I wonder if you could comment on this.

Helen Andrews
(51:08 - 54:43)

Well, thank you. Thank you, George. People who make that argument, I have a hard time understanding what kind of world they think they're living in.

They seem to be positing an imaginary world where, I suppose it's true, if every country were part of the informal American empire, there would be very little conflict. But that's abuser's logic. We wouldn't have conflict if you just do everything that I say.

Here back in the real world, I think the claim that democracies don't go to war with each other does not really bear up empirically. We can see countless examples of democratic elections in places like Latin America or Africa that have led to those countries turning against the United States. And if we look at a particular example, let's look at the war in Ukraine.

Did that occur because Ukraine is a democracy and Russia isn't? Well, no, it didn't. That test fails on both sides of the equation.

There are many aspects of the regime in Russia that are less than democratic, but its foreign policy isn't one of them. The idea that Ukraine is a core interest of Russia's is a position that's shared across the political spectrum in Russia. So even if Russia were to become more democratic than it is today, its position on the Ukraine issue would be very unlikely to change.

And on the other side, the idea that Ukraine pursued this war, got into the current situation that it's in because of democracy also doesn't hold up. The reason why President Zelensky won in his presidential race against Poroshenko was because he was in favor of a peaceful settlement to the eastern provinces and their conflict with Russia. And it was only by the United States dumping five billion dollars into the civil society sector in Ukraine that we were able to exercise pressure and push the conflict into the hot phase that it's currently in.

So this idea that more democracy means more peace doesn't hold up. But the final point in answer to anyone who tries to make that argument to you is that we live in a world of limits. We live in a world of trade-offs and costs.

That's a point that Senator Vance made this morning. He said, imagine let's even grant for the sake of argument that it would be nice to if China were more democratic than it is today. Should we achieve that at the cost of sacrificing the American middle class?

I don't know. I don't think that's a reasonable trade-off. And in fact, as the senator pointed out, we tried to make that trade and it failed.

We got neither our middle class nor their democracy. Or in the case of Ukraine, to go back to that very pressing conflict, it would be nice if the regime in Kiev could take back all of the territory that Russia conquered, if they could get the Donbass back, if they could get Crimea back. Sure, in a perfect world, maybe we might support that outcome.

But is it worth risking war with a nuclear power to make that happen? Why? I think nuclear war is pretty bad for the American middle class.

I think it would fail Jake Sullivan's test there. So we have to be reasonable about what we can expect to achieve, even if we were trying to make every country in the world more democratic.

George Beebe
(54:45 - 57:37)

I have been remiss in not inviting questions from the audience. At the tables, you'll notice there are note cards and pens. If any audience members would like to pose a question, please

write down the question on those note cards, hold it up, and one of our conference attendees will gather those up and submit them to me, and I can in turn pose them to our panelists.

So Helen, you mentioned nuclear war. Over the course of my career, I began back in the Soviet period as an analyst of Soviet foreign policy. This was a period when avoiding nuclear war between the great nuclear superpowers was a central occupation of the United States government.

Much of our intelligence was designed to identify warnings that something bad might be coming our way. Much of our diplomacy was focused on arms control, confidence building measures, reaching understandings with the Kremlin on issues that could ensure our mutual security, and I think there was a recognition that the security of Americans was in the nuclear era inextricably linked to the security of the Soviet people. One side could not be secure if the other side were insecure in this area, and that was the foundation for reaching agreements on containing this arms race, etc., etc. I now find myself in a position where that notion that we are co-hostages with the Russians in the nuclear era is not just unpopular here in Washington. It's regarded as heretical. In fact, the problem that you hear when you listen to a lot of the talk shows on TV or read op-ed columnists is we should not scare ourselves in Ukraine.

We should not allow the Russians to blackmail us into some sort of settlement there because the Russians are attempting to instill fear in this, and we shouldn't fall for this. Let's look at this from the point of view of the American people. How should the interests of Americans intersect with this question of potential escalation?

Should we be engaging in arms control dialogue with the Russians? What's in it for people in Ohio and Indiana, etc.?

Helen Andrews
(57:37 - 59:37)

The comparison to the Cold War is a fascinating one because the biggest shock for me is that it was a staple of American Cold War rhetoric that our problem was with communism, not with the Russians. We have no quarrel with the Russian people, only with their regime. Their regime is a particularly odious kind that is ideologically evangelical and world-conquering, and that's the reason why our conflict with the communist empire is just categorically different from any other kind of rivalry that our nation has faced in its history.

Well, I think the Russians took us at our word when we said that decade after decade, and so in the 90s said, great, the United States will no longer treat us as an enemy that needs to be thwarted at every turn. But oddly, we seem not to have listened to our own rhetoric during the Cold War, and we have continued to treat Russia with the same, you know, just as we did during the Cold War as someone to be checked at every turn. Congressman Davidson said that for many of his colleagues, you know, why is Ukraine a win for the United States?

Because it means more dead Russians. That's, I mean, that is bad as a matter of strategy, and also just morally. That's not a good place for your head or your soul to be at if you are rejoicing in dead Russians.

But as for the don't let Russia blackmail us into, well, you know, that's just, that's reckless, is what that is. That's saying we ought to disregard any strengths or the bargaining position that

the other power has. I think if we're going to come to a reasonable compromise, it needs to be one that recognizes that the guy on the other side of the table is holding some cards, too.

We're not the only one. And failing to do that is a recipe for escalation.

George Beebe
(59:40 - 1:01:00)

So, Helen, you've mentioned the moral aspects of all of this. Senator Vance earlier talked about the moral intuitions of the American people and how that needs to be a factor in shaping American foreign policy. Bronco, I want to turn to you on this.

I think most Americans don't like to think of themselves or of the United States as callously indifferent to the sufferings of people overseas. Amoral, realist, focused exclusively on their own interests. I think they like to think of themselves in much the same way that Abraham Lincoln characterized this country.

The last best hope on earth, dedicated to the proposition that we can elevate the condition of all men. So how do we take into account things like human rights, things like responding to the needs of other people overseas? This is a complex question.

How do you think about that dimension of our foreign policy as it relates to the moral intuitions of ordinary Americans?

Branko Marcetic
(1:01:01 - 1:05:18)

Yeah, let me just say first, thank you, you guys, for putting this together, number one. But to answer your question, I mean, I think that obviously the United States has a very important role to play in securing human rights and making sure that people aren't mistreated by their own governments, by foreign governments. The question is how do you do this?

I think we have to accept two things when it comes to foreign policy. One is, you were saying, limitations. There's limitations in terms of trade-offs, but I think there's also limitations in terms of the degree to which we are able to actually control events and the degree to which we are able to control or shape the behavior of other states through our own actions and in ways that we want to actually do that, that don't end up blowing up in our faces.

That's number one. I think the other thing we have to accept when it comes to foreign policy, when it comes to anything to do with securing people's human rights and basic dignity across the world, is that often the options at our disposal are pretty limited. It's not a matter of the best outcome and the worst outcome.

It's usually a choice between catastrophically bad and reasonably acceptably bad. That is unfortunate, but that is the reality. We have to, I think, often temper our expectations around this and understand that we are only going to be able to do so much.

There's only so much that we can control, again, when it comes to doing this. I think when it comes to trying to ensure people's human rights across the world, I think one thing we need

to think about is, if we're going to try and do this, is the course of action that we're going to take going to make things worse? I often think about the example of Libya, which has been conveniently completely forgotten over the last 10 years.

That was done with very good intentions in mind, I think, at least from most people. At the time, it was viewed as a great success. Qadhafi was gotten rid of.

A potential massacre of anti-regime forces was stopped and happily ever after. In reality, what ended up happening was much worse. What followed, because you not only had anarchy and then a decade or longer of civil war in Libya, you had people's basic human rights, living standards in that country just completely go out the window.

Also, then you had the snowballing knock-on effects of that war, where weapons spread into Africa. That's continued on with the crisis that we see now going on in Niger and other parts of West Africa. Ultimately, I don't think anyone would look at Libya now and say, oh, that was a great success.

I think most people would look at the situation in Libya and say, actually, it was much worse what happened for human rights people in Libya, people in that region, than that we actually got involved, or at least got involved in the way that we did, if we had done nothing. I think the other thing, speaking about the Ukraine war, since that is going on right now, that started out as a well-intentioned intervention to secure the basic human rights and sovereignty of Ukrainians, but it's come down to the very real risk of nuclear war, as you guys were talking about before, which not just puts Ukrainians' lives at risk, but everyone's lives at risk. That's another example where the course of action that we've decided to take in response to try and actually secure people's human rights have, in many ways, threatened people's human rights, not just in Ukraine, but even back here at home.

At the risk of going on for too long, I think I'd leave it there.

George Beebe
(1:05:19 - 1:06:18)

Great. Well, I'd like to follow up on that. As you were talking about Libya, I was thinking there's no better illustration of the subtitle of Helen's book, the men and women who promised freedom and delivered disaster, than what happened in Libya.

I think they went in with very good intentions, but produced an outcome that nobody can look back on and feel proud about at this point. But it does raise the question, if we take it as a given that the United States does have a moral interest in the well-being of others, to the degree that we can, helping to promote and safeguard human rights outside our own borders, what then do we do? What might work if military intervention has proven so counterproductive?

What ought we be doing in this regard?

Branko Marcetic
(1:06:19 - 1:09:04)

I think, number one, we have to look at the things that we can control. So, of course, we have to look at our own actions, the actions that are taken by the US government. There's lots of things that the United States does in the world stage that are good.

There's lots of things that it does that are bad. And it would be in our interest to look at the things that are bad and try and change those. I mean, for me, what's happening in Israel is a very good, or rather in Gaza is a very good example of that.

That's something that the United States has almost direct control over, and that it could change just by shifting its policy. So, I think, number one there. I think, number two, again, it's thinking harder about our actions to make sure that we don't take actions that end up making things much worse.

I mentioned Ukraine, but there's so many places where that could apply. I mean, what's happening with Taiwan and China. And I think part of that is also not thinking about a constantly reactive foreign policy, which I think most of the time is what happens in Washington.

It's events happen and then it's, okay, what do we do? And force is often the first resort, not the last one. I think we have to think about things long-term.

If US policy in Eastern Europe and towards Russia had been different over this past decades, we wouldn't get to a point where, in my opinion, if you re-look at the evidence, I don't think we would have gotten to a point where Russia is invading Ukraine. I think similarly, we're at a point where we don't have to necessarily gear ourselves up for a Chinese attack on Taiwan. I think if we just change what we're doing at the moment, we can prevent that from happening.

So I think thinking about things long-term, I think trying to get away from a military first posture, trying to get away from the idea that deterrence is everything and that diplomacy and constructive partnership has no role. I think all those things are important. And there's a variety of soft power tools that obviously the United States can draw on before taking the military step.

And we've seen that the countries do respond to US pressure without a shot having to be fired. So I think all three of those things, if we take them seriously, we can prevent the United States from getting dragged into more and more disastrous conflicts around the world.

George Beebe
(1:09:05 - 1:09:58)

All right. We have several questions from the audience. I'm going to start with one directly related to something that Senator Vance brought up this morning, and that is Saudi Arabia and normalization with Israel.

The question is, what do you think about a formal US security guarantee for Saudi Arabia? Both the Trump and Biden administrations have pursued this. They consider this as an important inducement for the Saudis to normalize with Israel for a lot of the reasons that Senator Vance articulated in his talk.

Is this something that is in the interests of the American people? Does this make, would this make Americans more secure, better off, more prosperous, the criteria that Jake Sullivan outlined several years ago?

Branko Marcetic
(1:10:00 - 1:11:47)

Yeah. I mean, it's a horrible idea, in my opinion. The idea of the United States or American citizens being sent to fight and kill and die for the Saudi government, one of the most reprehensible human rights abusers on the globe, doesn't make any sense to me.

That makes even less sense when, I mean, just this week, there was more evidence that came out that, you know, solidifying the case for the Saudi government's complicity in September 11. How does it make sense for the United States to hitch itself, not just to a country with such a heinous human rights record, but also to one that facilitated or helped facilitate an attack, the worst attack on US oil in history? None of that really makes a lot of sense.

I think the focus on the Abraham Accords, I think that's a very popular talking point in Washington. The reality is that the Abraham Accords are a big part of the reason why the Hamas attack happened and why this horrible war is going on right now. Unless the Biden administration really gets some kind of guarantee from Israel as part of this deal that there's going to be an actual advancement towards a Palestinian state, which it doesn't really seem like it will, I don't think, you know, all this would do is just basically trap the United States into yet another alliance where it would be vulnerable to being pulled into a war it doesn't want to go into because of the irresponsibility of one of its partners.

Helen Andrews
(1:11:48 - 1:12:51)

That's right. A security guarantee of that kind only makes sense if America is confident in its ability to exercise leverage over the foreign policy decisions of its client. For example, you guys may remember the really insane moment in the Bush two years when he wanted to bring Georgia into NATO, which was pretty wild.

But the only way that even made any kind of minimal sense is if we could then exercise a little bit of control over Georgia's foreign policy. And we very quickly learned that we could not, that they would, you know, go around starting conflicts with Russia as Saakashvili did and then expect America to back them up. So you only want to bring on a client if you know he's not going to be, you know, a yapping yard dog out trying to start fights with bigger dogs and then hoping you're going to back up.

And I think the evidence has been that we do not exercise that kind of leverage over Saudi Arabia. So that would be a reckless move. Okay.

George Beebe
(1:12:53 - 1:13:09)

Another question. The TikTok ban is a wake-up call that U.S.-China policy is dangerously out of control. What can be done to reduce tensions with China and lessen the risks of war?

Branko Marcetic
(1:13:12 - 1:15:04)

I think one, obviously, to kind of stop testing the line around, the red line around Taiwan. China has been pretty clear on this. Xi Jinping reportedly told Biden about it directly.

He said, look, you know, this is a huge line for us. And if you cross it, you know, I may not be able to basically not go to war. I mean, what's happening there, to me, it's a really surreal slow motion repeat of the exact same thing that we witnessed happening in Ukraine for years until it finally culminated in this other terrible war.

And so it's kind of, you know, insane to me that we are basically doing the exact same thing that was done in Eastern Europe and that ended up provoking this war, that we're doing the same thing in China, which in that war would be, you know, as bad as the Ukraine war would be, this war would be, you know, I would say much worse. So I think that's a good way to go about it. I don't think a lot of this, the trade war stuff that is going on, I don't think that's a very effective or constructive way to manage competition with China.

I don't think that's necessarily going to, you know, help rebuild the U.S. industrial base. I think so far what it just looks like, certainly what, how it's taken in China is the United States attempt to strangle its own industrial development because it sees it as a rival to its own position in the world. So I think, you know, for a start, I think probably those two things, if we could slightly just step back a little bit and, you know, move away from that, I think that would be a good start.

Helen Andrews
(1:15:06 - 1:15:56)

The TikTok ban is interesting. I agree that we need to minimize needless provocations toward China. On the other hand, there are certain things that any self-respecting country has a right to do.

You don't want a rival nation, a powerful rival nation, controlling critical aspects of your nation's infrastructure. You know, you don't want Huawei in charge of critical resources in the United States. Does social media qualify as an industry of that kind that you don't want a rival nation to have control of?

I see a strong argument for saying yes. But that being said, I think a relationship of mutual respect is what we should aim for with China. And I think guarding our nation's, you know, the minds of our young people could very well be part of that.

George Beebe
(1:15:58 - 1:17:31)

Very interesting comments. And they spark for me some interesting questions. I want to start out by asking about the relationship between the United States' involvement in war, in conflict overseas, and the impact of that on civil liberties here at home.

We saw during the global war on terror, which no one has declared over as far as I know to this point, that our government believed that it was in the security interests of our nation to

intrude on liberties that we've long held as fundamental to the American way of life. And we're hearing today that we have to protect the American people from disinformation and misinformation, and that the government needs to play a more hands-on role in these areas. Why?

Because of our rivalry, our competition, the threats posed by foreign states. Is there in fact a trade-off in this area? And is it in the interests of the American people, if they want to safeguard those liberties, to take the foot off the accelerator pedal a little bit when it comes to getting involved in foreign conflicts?

Or are these independent issues?

Helen Andrews
(1:17:32 - 1:19:56)

Well, the nice thing about David French is that he doesn't have some of the filters that a lot of your liberal pundits do. And so he once really kind of gave an unfiltered comment where he said, you know what we need with all these crazy January 6 types running around? We need a counterinsurgency operation, just like we had in the Middle East, but for Americans.

You know, we need to be sponsoring local tribal leaders out in the Midwest. It was great. I loved it.

It was a really fun riff from him. And the real giveaway is that so many of the people currently in the disinformation space are veterans of de-radicalization, sort of war on terror, anti-terrorism. That's, you know, that's what they got their degrees in.

And then they figured out that they would get a better job with that degree turning to the domestic audience. It's really a chronic problem that, you know, look at something like the war on Ukraine. You can ask, has it been good for Ukrainian democracy?

And that's a valid question, but I always ask, has it been good for American democracy? And the answer is no. The problem with being a global empire is that then the whole rest of the world starts to take a very great interest in your domestic politics and starts pouring tens of millions of dollars into lobbying your politicians and starts exercising power over your domestic political debate in ways that are often unproductive or illegitimate.

And, you know, it's the most undemocratic thing about the Ukraine war is that the American people, you know, elected Donald Trump because they wanted him to scale back our involvement on the globe. They wanted a more rational foreign policy. And their democratic will is being thwarted by what Donald Trump would call the deep state.

And so the more involved we are in the rest of the world in our foreign policy, it seems the less democratic control American voters are able to exercise over how American power should be used. And that's a decades long ongoing problem, but it just seems to be getting worse and worse.

George Beebe
(1:19:57 - 1:21:35)

Okay. One final question. I think we're reaching the point where we need to wrap things up, but I want to ask about America's interest in the security, not of American territory per se.

I think we all would agree that that's a critical interest that all Americans share. But in the parts of the world that link us together, the United States has long been a trading power. We've been a sea power.

We've been an aerospace power. Why? Because our connections to the rest of the world are directly related to our own prosperity, our ability to sustain our way of life.

So the sea lines of communication that carry goods to and from the United States, the orbit of satellites whose functions are absolutely vital to our ability to live day to day. I don't know about you, but I couldn't have gotten here this morning without a GPS assist. We can't take for granted that those areas will simply be secure because other countries won't threaten them.

How does the United States, how should we approach safeguarding those links at sea, under the sea, in the air, and in space that matter very much to the well-being and security of Americans?

Branko Marcetic
(1:21:38 - 1:23:23)

Yeah, I mean, I think it comes down to trying to create an order that is relatively stable, not just peaceful, but actually stable. And where every state, certainly every immensely powerful state, feels like it has an actual buy-in to the functioning of the system. I mean, I think it's not a coincidence that the Nord Stream pipeline, which had been contentious for many, many years, was finally actually destroyed and blown up because of this war in Ukraine.

So I think the most likely way to actually prevent all this vital infrastructure from being destroyed is to foster stable relations between countries so that there is no real incentive to attack it and try and undermine each other. And part of that is, I think that with the China question, I think it's possible for the United States to compete with China. It's possible for the United States to invest more money into itself, into its own domestic economy and stop sending it into wars overseas without necessarily severing the links that the United States has to China, without tarnishing that relationship completely to the point that one or both parties think, you know what, I'm at a point where I know this might cost me, but maybe I will attack a satellite or maybe I will destroy a pipeline or maybe I will cause chaos by destroying one of these undersea cables.

I think that is entirely possible and I think it's something that the United States should pursue.

Helen Andrews
(1:23:25 - 1:24:25)

Yeah, I think the key in this, as in many aspects of American foreign policy, is to be minimalist in our objectives, to be clear and moderate in the things that we're trying to achieve. Do we have an interest in protecting sea lanes? Yes.

However, being able to do that depends on not then exceeding that mandate and saying, well, your country is adjacent to a sea lane, therefore we're going to meddle in your domestic politics. I think you need to have limited objectives and then try to achieve them in the same way that you mentioned human rights earlier. I think guarding human rights is important, but the problem is that the human rights mandate that the State Department understands has multiplied beyond, you know, keeping people alive and averting genocide and is now involved in, you know, human rights means making sure your domestic policy is sufficiently feminist.

You know, don't add on things to the Christmas tree. Just focus on the basics. Keep to the basics.

That's what we need to do.

George Beebe
(1:24:26 - 1:25:27)

Okay. One final related question. Much of our economy and by extension the day-to-day lives of Americans depends increasingly on things like rare earth minerals, without which none of this gee whiz technology is going to work particularly effectively.

And much of that mineral wealth does not lie within the borders of the United States. Much of it is overseas. To what degree should the United States be competing with other powers, China for example, for influence in places like Africa, which has an abundance of these minerals?

Do we have a stake in what could be a new competition in this part of the world and how should we approach that?

Helen Andrews
(1:25:29 - 1:26:15)

We do have an interest in competing, but our foreign policy keeps getting in the way. If you go anywhere in Africa and ask them to describe the competition between the United States and China for things like resources in their nation, they'll say, well, the reason why we are disinclined to go with the U.S. is because if we sign on with you guys, we get a whole laundry list of complaints about human rights and this and that and our domestic policies. And it's a whole web of demands, whereas the Chinese are more willing to have it be simply a business relationship.

I think that that's a fair criticism. And if that's what we're hearing in Africa, I think it makes a lot of sense to change our posture towards those countries in response to that. We got to listen to what people are saying.

Branko Marcetic
(1:26:17 - 1:28:02)

Yeah. I mean, I think, unfortunately, the United States has a long history of interfering in domestic politics of other countries. It has a long history of carrying out regime change, not just through war, but through more covert means.

And I think all of that, that long history has piled up in conjunction with, as you say, all these complaints that these governments have about being lectured and about being told how to govern, how to live their lives to make countries more favorable towards China, who they don't see as a lecturing power, who they don't view as a potential threat. If they allow them into the country, that will be used as a kind of Trojan horse to eventually change the government or influence its policies. I don't think that's insurmountable.

I think the problem is that that kind of policy by the United States has kind of remained. You know, I think when you look at things like the Maidan revolution in Ukraine and the US government involvement in that, or more recently, some of the foreign involvement in the protests in Georgia, I think all of that helps to kind of back up this idea that governments in Africa and other parts of the world have that, oh, okay, the United States and the West are basically still up to their old tricks. They have not changed. They still want to come in and basically order us around.

So I think taking steps to no longer do that, to no longer kind of be perceived as meddling in other countries' affairs, I think will help a great deal in terms of confidence-building for these countries to say, yeah, come on in. You know, American business is welcome in.

George Beebe
(1:28:03 - 1:28:37)

Great. Thank you both very much. I think this has been a fascinating discussion.

We have lunch coming up. We have a few minutes where you all can take a rest break. But then after that, come get your lunches.

The boxes are over on the tables at the entrance to the room. Then Rand Paul will be joining us, Senator Rand Paul, for some lunch remarks. And he will be, as I understand it, taking questions from the audience.

So thank you very much.

Keynote #2: Senator Rand Paul (R-KY)

Followed by a Q&A with Kelley Vlahos - Editorial Director, Responsible Statecraft

Kelley Vlahos
(1:28:45 - 1:30:32)

Okay, everybody. We're going to be starting shortly. Senator Paul is on his way in.

So if you got your food, please have your seats. I believe he's here. Sorry for the long line.

It looks like we only have a few more people left that haven't gotten their boxes yet. Okay. Great.

Okay. So I am very excited to introduce Senator Rand Paul, who really needs no introduction, but I will lay out the high points. A practicing ophthalmologist, Rand Paul has been a U.S. Senator representing his state of Kentucky since 2011. His independence and willingness to take unpopular positions on behalf of American interests, liberty, and constitutional values has catapulted him into national attention. Just in the last few years, he has led efforts to claw back congressional war powers by challenging the post-911 AUMFs, sought to prevent weapon sales to Saudi Arabia and Egypt, bring our troops home from Syria and Iraq, and questions unconditional aid to Ukraine and saber rattling against China over Taiwan. All this in addition to his unflagging efforts to protect American civil liberties at home.

I personally enjoy hearing his worldview, which is richly steeped in constitutional values, and I look forward to hearing about what he thinks is a foreign policy for the middle class. So without further ado, I'd like to introduce Senator Rand Paul.

Senator Rand Paul
(1:30:39 - 1:49:01)

Thank you, Kelly. Thank you, Quincy Institute and American Conservative for putting this on. I got to compete with food, so I don't know how well I'll do with competing with lunch, but I noticed some people were wavering on whether to hear the speech or get the lunch, and I saw everybody stay in line for lunch, so lunch is important.

I was thinking about what to say today, and I was reminded of an interview I had one time. This has probably been 10, maybe 12 years ago, this was on MSNBC, which I don't do very often anymore. This is back before Trump, and before people became deranged by Trump, and before people could think of nothing else, and their heads exploded, and you couldn't have a reasonable interview anymore on these channels.

This was an interview with Chris Matthews. I actually kind of liked Chris Matthews. We weren't from the same wavelength on a lot of things, but I enjoyed being interviewed by him.

I thought he was a fair interviewer. At one point, we got to talking about Hillary Clinton, and he had worked for the Clintons, and I said, well, she's just a neocon. I don't think she's much different than George W.

Bush. He was a little bit aghast, but he didn't really argue that much, and he asked, why do you think that? I said, well, she supported the Iraq War, like many Democrats, but she's from that wing of the party that basically thinks that we should use our military might, that we should intervene, and somehow it's going to be for good around the world.

Then she claims to have learned a lesson, but then as time went on, when she had the ability and power in the Obama administration, she took us into Libya. They went into Libya without a thought, and the result was sort of the same, and you can ask this question. After the Iraq War, was the Middle East more or less stable?

Was Iran more or less checked in their behavior by an oppositional force next to them? You can ask the same about Libya. After toppling Gaddafi and we get rid of the dictator, was Libya better off or worse off?

Was the Middle East more or less stable at that point? I think on every question, even today, you ask people, and they're worried about arms trafficking and terrorism in the sub-Sahara. They say, well, yes, because they're still coming out of Libya.

It's still a mess, and all the arms that went into Libya and all the arms that Gaddafi had accumulated over time are still traveling out throughout the Middle East, so the idea that we can intervene and make the world safer democracy and we can make the world look like us just practically in reality hasn't really worked, and yet the foreign policy seems to still be the same. There are those of us here, but the people who run this place, the people who run the political parties, the presidential candidates, there just doesn't seem to be a lot of difference. You look at the Senate Foreign Relations Committee that I'm on.

Really, the only difference between the Democrat chairman and the ranking Republican is degree of bellicosity, degree of hyperbolic rhetoric, but on policy, they're essentially the same. Unlimited arms for Ukraine, rattling the sabers for China. They seem to be in complete agreement, but nobody ever really takes an assessment of whether it's working or not, so one of the questions I like to ask of any of the State Department people who come in is, can you tell me one behavior that has changed from a sanction?

Can you tell me one sanction you put on Russia that Russia has now said, oh, we're sorry. Oh, damn, we should have never done that, and we're going to do exactly what you want us to do. Just tell us what to do, and we'll do it, or tell me any kind of behavior that's been modified by China or by Russia or by Iran.

In fact, if you look at Iran, it's sort of the opposite. Many Republicans were for the maximum pressure of the previous administration, but the facts dictate otherwise. If you want to say, did maximum pressure work?

Well, are they enriching uranium more or less since we left the Iran agreement and we have inserted this maximum pressure? Well, a lot more. I mean, I think under the agreement, it may have been down as low as 3%.

It's 60%. I think people say they're a week away from being able to, if they wanted to, to enrich to where they could have bomb-grade uranium. So, I mean, there's no real objective evidence that putting more sanctions on them helped.

In fact, I would argue the sanctions don't work at all. The only sanctions that work are if you offer to repeal them, in fact. But what we tend to do is we put more on and more on and more on, and to my knowledge, I don't know of any that were removed.

In the Iran agreement, there were some sanctions that were going to be removed and were removed. But with Russia and China, we've been doing this for five years, some of these for 10 years with both countries. I'm unaware of any that we've removed.

So, I asked Blinken this in the committee last week. I said, you know, you guys are great with a stick. You know, you guys went over there and, you know, he dressed them up and down and it was reported how sort of startling the contrast was of a secretary of state in a foreign country, you know, really reading China the right act.

But I asked him the question, do you think they're more or less likely to quit selling dual-use parts to Russia now? That's what they want. That's what our country wants.

We don't want them selling parts to Russia that could be used in the war. But do you think dressing them down, do you think yelling, scolding them and telling them they shouldn't subsidize these industries and they shouldn't do this, do you think that somehow they're just going to say, oh, we're sorry. And now that you've told us, and now that you've yelled at us in an embarrassing way in our capital, we're sorry, we're just going to quit selling arms to Russia or arms parts.

They're not literally selling arms. But the thing is, there is another alternative and it's called diplomacy. Another word is called quid pro quo, but you're not supposed to have quid pro quo anymore, but that's what diplomacy is about.

If someone doesn't like you and you don't like them, you won't do it because you dislike me and we have an adversary relationship. I have to give you something and you give me something. It is a trade.

And one of the bizarre moments in the impeachment process over Trump was they said it was a quid pro quo. He wanted an investigation of the Biden corruption over there or they wouldn't get their foreign aid. But the hilarious thing that wasn't reported very much is four senators, all Democrats, sent a letter at the same time and they said, we'll withhold your aid if you do investigate the Biden family.

So both sides wanted to condition the aid on something they wanted. But the bigger, broader question, and people ask me this all the time and I don't care which country it is, whether it's a friend or a foe, should aid be conditional? Well, of course it should be.

All aid should be conditional. Should there be a bare minimum standard? Absolutely.

There should be a bare minimum standard. Maybe you don't put blindfold over people and shock their genitals or capture 15 year olds for texting that they want to show up at a protest of the government. These are the countries we give money to.

Egypt. Look what Egypt does to young people in Egypt, to anybody that protests in Egypt, to Christians in Egypt, to any kind of minority in Egypt. Or, you know, look what Shia countries do to minority Sunnis or what Sunni countries do to minority Shias.

There's a lot of bad stuff that goes on. I'm not saying we can make it perfect, but maybe we should have some conditions on who we give money to. You know, Patrick Leahy had an op-ed yesterday in the Washington Post.

I don't know if anybody saw but it was on the Leahy amendments or whatever. And they were put in such that if there's been a coup in a country and it's not a democratically elected country, the foreign aid is supposed to end. And I think it was great.

It was the idea of introducing at least some bare minimum of conditionality to our money. But it's never used. It's completely ignored.

And look, I mean, Egypt is a military coup. Niger is now a military coup. There's half a dozen sub-Saharan countries that are military coups now.

In fact, of the 11, I think, military coups in sub-Saharan Africa in the last five years, almost all of them were trained in democracy in Washington, D.C. They came here. We paid to bring them here. The most recent general that took over had his democracy training here.

I guess we should have sent him to CNN also. If he'd been to CNN for democracy training and to our military camp here, maybe he'd be a better Democrat. But he decided to go home and just take over power.

But we built a $100 million base. We have a $100 million base in Niger. And right now, you talk about ignominious, you talk about shameful.

Our soldiers are sharing the base with the Russians. And when we leave, the Russians are going to get the whole base. We built a nice drone base.

We have all this housing, equipment, runways, and the Russians are going to get it when we leave. But the Nigerians say it's sort of an arrogance that we tell them what to do all the time. And we tell them what they can do.

And we don't ever listen. And I think that's part of the problem with our foreign policy, is you have to listen. You don't have to agree with your enemies.

You don't have to agree with your adversaries. But you have to listen. I was in a committee hearing one time, and a Republican on the Senate Foreign Relations Committee says, I don't care what Tehran thinks.

We do this. I don't care what they think. You don't have to agree with what they think.

They're our adversary. But you have to know what they think. And you have to know why they're doing things.

If you want to change your behavior, you have to understand what motivates their behavior. Unless you're just going to defeat everyone, unless there's just going to be unconditional surrender. See, we live in a post-World War II era, where the people were brought up on a lot of nonsense, frankly, that war will always end in unconditional surrender.

I think World War II is more the exception than the rule. And it did. Germany surrendered unconditionally, and so did Japan.

But I don't think that's going to happen in the Ukraine-Russian war. I don't think anybody thinks unconditional surrender is going to happen on either side. And in fact, I think the most outcome from talking to people and people telling me what they think is that it's going to be more like Korea than anything else.

It's going to be a peace in place. Not good. Both sides will still claim their territory, and they may just sit in opposition to each other.

And maybe it gets to a ceasefire at some point. But if you were going to think about this diplomatically, would you have your chief diplomat, Anthony Blinken, go around the world and strut around the room saying, but absolutely, the one thing we will never do is put on the table that Ukraine would be a neutral country. That will never be observed, and there's no possibility anybody wants to be in NATO, including Montenegro, Burma, whoever else.

I mean, everybody can be in NATO. But we're never going to offer that someone might not be a NATO, and there would be military online in exchange for something. I would say, why in the world would we not play the bluff on the Russians and say, or the Ukrainians would say, we'll agree to be a neutral nation if your troops will leave.

We'll give you a month to leave and see what happens. I don't believe the Russians probably would leave, but it could be part of negotiating. You have to have something to give.

If you're at a stalemate, and the Russians have a bigger country with a bigger army, and they're just willing to lose more soldiers, and they have more to lose, and they occupy a big chunk of your country, they're not going to leave because we call them bad people, and we call Putin a dictator and all the things that he may well be. But it just doesn't make them leave. You've got to give them something.

So you either have the gift of neutrality if you're willing to give it, or you have something. The other thing we're saying we're going to do is we're going to take Russia's money. And apparently it's not an insignificant amount.

It's about $400 billion in sovereign Russian wealth that is in Europe. I think there's a little bit here, not as much. So we claim we're going to take it.

We might have the ability to take it. I mean, we have amazing controls over the banking system. But at the same time, if we take it, do you think Russia's going to crumble?

You know what Russia has said they'll do? They'll confiscate not sovereign wealth, because we don't have a lot of sovereign wealth in Russia. They'll confiscate all the private wealth of American companies.

They claim there's about $400 billion worth of private wealth in Russia. So we'll take their sovereign wealth, and they'll take all of the private wealth that's over there. I don't think it gets us more towards a solution.

Now, if you thought you were going to negotiate with the Russians, and you thought someone somewhere believed in some kind of remnant of diplomacy, you might say, we will take your money unless you negotiate. You might say that this is a threat. A threat, actually, a threat of sanctions, a threat of a tariff, a threat of taking someone's money has the ability maybe to bring someone to the table, and then you trade that.

But once you do it, it's almost impossible to go backwards. So for example, we probably have the ability to take Russia's $400 billion. So then let's say 20 years from now, there's peace, and the Russians want their money back.

What will happen is all the reactionaries will look at that and say, oh, you're giving U.S. money to Russia, and you're giving money in aid to the enemy, because that's what they say

about Iran right now. This is before they ended up holding back this money, but Iran had made an oil deal with South Korea. South Korea paid them for oil.

They used the oil, they bought it, but then we confiscated the money. But recently, when some was going to be released back to Iran, hopefully in trade for something, everybody said the U.S., and many on my side said the U.S. is subsidizing Iran and giving money to Iran. Well, Iran's money, we stole the money, and we were going to give some back.

But the problem with giving it back is then it's portrayed that you're giving money to the enemy. So it's the same with the Russians. We take their $400 billion.

Don't you think that anybody that chooses to give it back, even if it's in exchange for something, is going to be accused of an appeaser? You're Chamberlain, you're an appeaser, you're giving the enemy money. But you have to give something.

You either conquer people, defeat them, and kill them, or you have to trade. And I guess that's sort of the realism that I think sometimes can't be escaped. I don't think people are going to escape that the Ukrainian war is going to end in a stalemate.

I don't think they can escape that we're broke. But there are people, Mitch McConnell and others, who want to harangue, and the last dying gasp, they're going to support Ukraine, and they're going to support internationalism, they're going to support giving our money away, and call people like me an isolationist. But you know, the idea, and some of these ideas of our founding fathers, that we'd have commerce with all and alliances with none, doesn't mean you retreat within a fortress, an iron fortress, and you don't go anywhere.

Commerce with all is a big deal. That means we're going to have trade with all. What do the McConnells of this world and those beating the drums with China want to do?

They want to end trade with China. Big trading partner with a lot of stuff. And I'm not here to say the Chinese government's a great government.

I wrote a whole book talking about how they obscured the fact that they in all likelihood knew about the virus coming from a lab. So I have no love lost for the Chinese communists. But I think ending trade is a disaster, and hurts both sides.

Trades helps both sides. Same with the Saudis. I don't love that the Saudis, you know, what they did to Khashoggi.

I think it's awful. In fact, I wouldn't sell them arms, but I wouldn't have an embargo. You know, I wouldn't quit trading with them.

So really, there's a bit of isolationism that actually goes into neoconservatism. They're the ones that want to ban trade with countries. They're the ones that want to send armies places.

Those of us who are less interventionist simply want to have more interaction with the world. We don't want to isolate ourselves. We actually want more interaction with the world.

And so I think the terms have become confusing. The terms are used as an epithet. But we also have to argue that it isn't so much about isolationism.

The fact that I oppose sending money that we don't have to another country, or that borrowing money to send it is somehow, to me, that's not isolationism. That's just fiscal conservatism. If we had a $500 billion bonus surplus, we could argue whether it's wise or not to give it to different countries if we ran a surplus.

But since we run a $1.5 trillion annual deficit and have a $34 trillion total debt, I think it's just simply fiscally conservative. We shouldn't borrow money to give it to people. And it's sort of the analogy of you see a homeless person, and you walk past them, and your salary is $20,000 a year.

And you have two kids and a wife or a husband, however you want to do the story. But you don't have enough money to barely pay to rent and get food. You're just getting by.

Would you go to the bank and borrow $1,000 to give it to the homeless person? That's not true charity. That's just a terrible notion and something that will make you worse off and less likely to ever give money to anybody.

So we do have to worry about our fiscal house. And there is a reason why we just shouldn't borrow money, frankly, to give it to other countries. And we can have another debate when we start running surpluses, which we're a ways from.

I think in the end, though, that the debate over foreign policy should also be tied into and part of the understanding of where wealth is created. We are the richest, greatest country really ever in history. And I know it just sounds nationalistic, but it's largely true.

People die to come to our country. People love our political freedom, but they also love the amazing amount of drive anywhere in our country. You can't go more than five or 10 miles in our country and just see extraordinary wealth.

But it's not just here. It's spread throughout the world. It's spread throughout the world by trade.

When we become isolationist and we start having no trade with other countries is when we become poor as a world. Humanprogress.org does some good stuff with research and data. And they say that at about 1820, at the beginning of the industrial revolution, that maybe 98% of the world lived on less than $2 a day using constant dollars.

If you look at how much of the world lives on $2 a day today, it's less than 10%. So we went from almost everybody in the world. And in fact, if you look at wealth, the X or the Y axis being, you know, profitability or wealth over time, and the X axis being time, all of humanity has lived on the X axis for the almost the entirety of human existence.

I don't know how long we've had humans, a couple hundred thousand years or whatever. But we're on the X axis. When we get to 1820, it does this.

Why? Because we started listening to Adam Smith and the wealth of nations, the division of labor, not only division of labor within countries, division of labor between countries, international trade. There are a movement among us, some who don't want trade.

Trade is part of capitalism. And it is the engine that has made us the greatest richest country. And I think we need to remember that when looking at our foreign policy, we have to be prudent with what we have or don't have.

But we also have to not kill the engine that has created the greatest constitutional republic in the history of the world. Thank you very much.

Kelley Vlahos
(1:49:05 - 1:49:29)

Thank you, Senator. Thank you, Senator. I appreciate you sticking around for a couple questions and literally have three here.

So, and I like this one and I don't know who asked it. But do you think the War Powers Act or the budget, the purse string is a better tool for stopping dumb wars?

Senator Rand Paul
(1:49:31 - 1:52:58)

Well, I think the best tool would be the constitution because the constitution takes the power away from the presidency and gives it to the legislature. Many people, you know, ranking member of the foreign relations committee, he's one who will say often, he'll say, well, you can start. And so what Lindsey Graham will say is you can stop a war anytime, just quit funding it.

And so you have the power of the purse, but the reason it doesn't work is for several reasons. And it's not the way the founding fathers did it. They didn't say you could defund the war.

You can, but they didn't say that maybe because they realized how hard it is to defund a war. And the reason is, is that, you know, maybe your son is a soldier and you look at me and say, what, you're not going to buy him bullets. He's not going to make food.

He's not going to have gas for the tank. You're going to do that to my son. He was in the middle of a war.

And so it becomes very hard to vote against him. I had this conversation with Pat Leahy one time or a couple times because he was there at the end of the Vietnam war. And this was a war.

We don't have wars that unpopular. That war was fought under conscription. People thought the poor fought more of the war than the rich.

People in college seem to be not have to fight in the wars as much. And, um, you know, the, when, when you looked at that and people said, uh, you know, could we end that war? It was very unpopular protest.

I mean, we still couldn't get the votes. And he said, fine. There was a vote.

I think it was like 1975 in one Senate committee, but I don't think there was ever a full Senate vote, uh, to defund that war. Um, which is, is why we've had some remarkable votes here

recently. They haven't been active wars, but we tried to end the Iraq war, which has been over for 20 years.

And we actually were able to muster majority to do that. We tried to defund a couple of different wars and we actually won some of them that were vetoed by the president. Um, but the, the funding mechanism doesn't work because of the emotions and because it's just too late.

I mean, you want to start the world before, before you get in, have a half a million dead and have, have people serving in overseas. So, and, uh, the war powers act, it's never really interpreted the way it's supposed to, nobody ever reads it. And in it, it actually defines, I think, three different ways you can go to war.

It says you can declare war. Our constitution says you can authorize a war and what's the other one? And maybe an immediate defense of the country or something.

So how would Libya qualify? It's none of those things. We never wrote to authorize it.

It is, you know, we're not, they, they aren't attacking us. They're having their own internal squabble. Um, people report it.

When you see it reported in the news, they'll say, Oh, the war powers act tells the president he has to within 60 days, tell us why he's fighting war. It doesn't really say that it's contingent on the first three getting to the reporting requirement. So the reporting requirement is a secondary requirement.

That's all they ever report. No one ever reports that, uh, you know, Senator so-and-so says they haven't adhered to the first part of the war powers act, which is really adhering to the constitution. Um, and our founding fathers discussed this and we had divisions among the founding fathers, but on this, they were unanimous that the people should vote on it.

It was to make war less likely. And then people argue, Oh, Congress is so feckless. They can never do anything.

We'll never be able to declare war. Well, we were virtually unanimous in world war two. We were virtually unanimous after nine 11.

So I think people, um, Congress will do things when, when we're attacked, but maybe we'd be in less wars, like maybe the Iraq war or the Libyan war. Some of the things we probably shouldn't be involved with.

Kelley Vlahos
(1:52:58 - 1:53:23)

Let me ask you a quick question on that. Um, for those other wars, like Yemen and Libya, uh, ongoing operations in Somalia, do you find among your colleagues that they would rather not cast a vote on any of these things like push for the war powers act, because they would rather have the executive handle this because they don't want to be on the record either way of making, um, a bold statement on war?

Senator Rand Paul
(1:53:24 - 1:53:44)

Probably. And that is one argument that, well, if we do, if the president, I don't have to go home and say I was for or against the war, I said the president did it. And so some of it's that some of them think the president can maybe, uh, handle it better.

Um, but I, I think that's part of some of the answer of, of turfing it, um, is sort of the responsibility of not having to accept responsibility. Right.

Kelley Vlahos
(1:53:45 - 1:53:56)

Okay. Our next one is, can you discuss Congress's current feelings towards Cuba? It's something we don't talk about too often, uh, but is normalization on the table?

Senator Rand Paul
(1:53:58 - 1:55:10)

Um, the Castro's are gone, right? One's dead. Now I sort of, they're both dead now.

So it's a brother dead to my name. He's still alive, but he's not really in charge so much, but I mean, the communist party still is in charge. I've always thought that, uh, you, uh, have a better chance if you're not going to actually go to war with a country of defeating them with trade than embargoes.

And so I think you're better chance of, and people don't like that, but most of the Cuban population doesn't like that idea. So then some of the younger Cubans have had begun to have a different idea on this. Um, and I think it, uh, the, the problem is it doesn't always work.

I mean, everybody said with China, you know, we'd open up and with economic freedom comes political freedom. And it really didn't happen that way. Um, no, it is arguable and people will, this debate is a difficult one, but are they arguably politically more free than they were under Mao?

Probably still bad things happened. Yemen square was a bad thing. The repression they have now, but you might argue they do have more freedom.

They've got, it's just been incremental and hadn't been as great as we'd hoped. But, uh, with Cuba being so close with international trade and tourism, um, I, I think that that's a better way than the embargo. The embargo didn't work that well.

Kelley Vlahos
(1:55:12 - 1:55:28)

What do you think? Um, you know, I know this is going to be a thorny issue and you only got a minute or two. Um, but is there going to be a certain point at which Congress really has to think about the weapons it's sending to Israel?

Um, I know this is a fraught subject.

Senator Rand Paul
(1:55:28 - 1:55:31)
I thought that was in my contract. I didn't have to answer that question.

Kelley Vlahos
(1:55:31 - 1:55:32)

I don't remember.

Senator Rand Paul
(1:55:33 - 1:59:12)

Um, no, it's, it's, it is, it is a difficult situation. Um, I do think that aides and arms have conditions and should have conditions even with allies. I voted with, uh, Bernie Sanders and about 10 or 11 other very liberal Democrats.

I might've been one of them. I think it was the only Republican to have a report, simply a report on, uh, what's going on versus human rights in the, in the, uh, in the war. Now this isn't to say that I, you know, Israel can't defend themselves.

Sure. They can. It's not to say that it was an atrocity and utter atrocity.

One of the worst in Israel's history to attack the civilians, kill women and children, all that. And then how do you fight a war with people who hide behind women and children and are underneath the hospital? How do you do that?

The debate and the ultimate answer, we, we can have one answer of what our sensibilities, uh, um, conclude as far as our arms and our money. But then also Israel has to have a decision making process too. There is a point at which collateral damage, unintentional damage, civilians dying, even to get at bad people, that the disadvantages of what comes from that are greater than the advantages of getting the bad people.

But it's not something that's, I can give you as a mathematical concept that it happened a week ago, a month ago, or it's going to happen next week. Um, and there is a difference. They aren't the same collateral damage.

Civilians isn't good and it shouldn't be something we desire or happy about, but it isn't the same as killing 1200 people in the desert who were civilians who were unarmed and just going in. I mean, that is unconscionable. And I think the problem with the debate on campus for young kids wearing Hamas bandanas and thinking it's just great to rebel Hamas is if you start from that position, you lose me.

And I'm pretty open minded as to, uh, you know, assessing everybody's arms and everybody's money that we give away. But you lose me if you're, if you're marching for Hamas and thinking it was a great deal of what Hamas did in the desert. And some will say, well, Israel does it all the time.

There are problems and there are abuses. I don't see Israel going and killing 1200 people in a camp that are unarmed. I just don't see that.

So they aren't the same thing. But it is, there is a point at which enough civilians die that, uh, it'll, it'll be a backlash on Israel, that it'll, Israel will be more endangered, uh, the longer it goes on. I was there in 2013 and I met with Len Yahu and I suggested to him at that time that he built a port in Gaza with those who live there and that they have a long period, 20 years, 50 years of security.

Whereas you came into the port, there'd be uniformed Israeli soldiers and uniformed whoever the people are from Gaza. The problem was Hamas was already in charge in 2013. They didn't want to negotiate.

And then Yahu was a little bit off and they have a port in Israel. And it's like, so, I mean, yeah, but it isn't a longterm solution. You have utter devastation now.

What you really would hope for is not so much, you know, did Israel do too much or too little, but if there is a next step, uh, can you convince the Arab nations to come in with their great wealth and help rebuild Gaza? Could you have a permanent port built as part of this? I asked our state department people, is there anybody in Gaza you could negotiate with?

Are there others, are people like a chamber of commerce, like successful businessmen and women who think maybe it was wrong that Hamas went and killed 1200 people and they're willing to sort of be a new government. But all these things are easier said than done. And really they, Israelis feel like there's still people there that were involved with the attacks.

It isn't an easy, an easy answer.

Kelley Vlahos
(1:59:12 - 1:59:19)

Do you worry about the U.S. including our troops in subjugating to some sort of collaboration?

Senator Rand Paul
(1:59:23 - 2:00:21)

I worry about our troops everywhere throughout the Middle East being a drug into things. I think not enough is being said or written about how militarily it is a terrible strategy to put 200 soldiers somewhere. Reagan recognized this with the bombing of the Beirut barracks.

But we have probably eight different locations in Syria with about 200 people in each one of them, 200 soldiers. You do not fight a war with 200 soldiers. It's a ridiculous notion from a strategic point of view.

And they become, you know, when Iran fires off all their response, they don't fire them off at New York because technologically they probably can't reach New York. Let's hope that stays that way. But they can reach all those little tiny bases and they can inflict harm.

And there's always, there's a much, it's a much better prize to kill an American than to kill any other person because they see us as this symbol of everything they're against. But I don't think it is that useful to us to be everywhere throughout the Middle East, particularly these small encampments. And I think that has the danger of drawing us in.

Kelley Vlahos
(2:00:22 - 2:00:23)

Thank you very much.

Senator Rand Paul
(2:00:23 - 2:00:23)

Thank you.

Panel #2: Competing with China While Avoiding Military Confrontation

Panelists: Saagar Enjeti - Co-Host, Breaking Points, David Goldman - Deputy Editor, Asia Times, Jake Werner - Acting East Asia Director, Quincy Insititute, & Kelley Vlahos (Moderator)

Kelley Vlahos
(2:00:24 - 2:02:59)
Appreciate your time. We'll be back in a few minutes. 145 is our next panel.

Okay. We'll be starting in a few seconds. Everyone can take their seats.

I think we're good to go. So that was great with Senator Paul. Now I am happy to be moderating our afternoon discussion, competing with China while avoiding military confrontation.

I have a wonderful panel here, some truly thoughtful individuals who come from different backgrounds and vantage points on the issue of U.S.-China relations. While they agree on one thing, I believe, that the U.S. should be leery of provoking a military war with China, they may agree much less on whether the U.S. should act more aggressively against China and protecting American interests on trade, on the trade and economic front. Now we know that the United States has gone through a number of economic convulsions over the last 20 years in which the promises of neoliberal policies and globalization have fallen flat and also left much of the world behind.

These convulsions have triggered populist movements and fierce criticisms, not only of multinational corporations and Wall Street, but of America's peer competitors, namely China. This came to an apex when Donald Trump's trade war on China, with his trade war on China, Biden, for his part, has left most of Trump's measures in place. Running tandem to this is the military competition, which, depending on how you look at it, concerns protection of Taiwan and building deterrence with U.S. allies against the Chinese hegemon or aggressive U.S. primacy and block building that is forcing China to hunker down and behave more militaristically in its own neighborhood. Now we might not solve that military question here today, but what we're going to talk about is how to navigate the economic part without setting

off military trip wires. So let me introduce my panelists. Saagar Enjeti, in the middle here, is co-host along with Krystal Ball of the number one political podcast, Breaking Points, which I believe just commemorated its three-year anniversary?

Saagar Enjeti
(2:03:00 - 2:03:00)

Yes, that's right.

Kelley Vlahos
(2:03:00 - 2:05:28)

Awesome. Before that, he and Krystal co-hosted the podcast Rising for the Hill. Sagar is a Tony Blankley fellow at the Steamboat Institute.

He previously served as media fellow at the Hudson Institute and was a White House correspondent for the Daily Caller. Jake Warner, all the way to my right, is acting director of the East Asia Program at the Quincy Institute. Prior to joining Quincy, Jake was a postdoctoral global China research fellow at the Boston University's Global Development Policy Center, a Harper Schmidt fellow at the University of Chicago, and a Fulbright scholar at National Shaitung University in Taiwan.

And David Goldman here is deputy editor of Asia Times and a Washington fellow at the Claremont Institute. He is also a contributing editor at American Affairs. He headed several research departments at major Wall Street firms in the past and was a partner at the Hong Kong Investment Bank Reorient Group.

His book, You Will Be Assimilated, China's Plan to Sinoform the World, was published in 2020. So thank you all for joining me today. I'm really excited about this.

So I think I'm going to start with Sagar. So you have criticized the opening of permanent trade relations with China, particularly the 2000 PTNR vote, which you blame for lost manufacturing capacity throughout the Midwest, leading to the U.S.-China financial system becoming more dramatically intertwined, the U.S. supply chain shifting over to Beijing. Worse, you say the PTNR has led to dramatic social changes in the United States, the decline of wages for working class men throughout the Midwest, leading to divorces, more people not being able to get married, and even the opioid crisis, because young people do not have access to proper job markets and can't afford to leave, even if they wanted to.

Can you tell us what you think the United States should have done differently? What it could do to correct the conditions you speak of? And for the benefit of our talk today, do you think it is possible to reverse course, become more protectionist, without antagonizing China on the security front?

Saagar Enjeti
(2:05:29 - 2:07:34)

Yeah, thank you for the question. Thank you for having me here. Big fan of the Quincy Institute.

And I'm just a YouTube commentator. So please take everything I say with a grain of salt, especially with these two esteemed people here, actual experts. I can only say and zoom out that instead of zooming in on the specific question of permanent normal trade relations and others, I would criticize the mindset through which the decision was done, and specifically the mindset then that took over all of U.S. trade policy for approximately, let's say, 16 years until the election of Donald Trump, where it was anathema to question the idea that loss of U.S. manufacturing would even have any sort of negative effect on the United States and its own population. So can we reverse course?

I think that the bipartisan change and at least acceptance that itself was a problem is a step in the right direction. The problem is that, as you pointed to, is that not only we had the loss so much of the social impact on our overall population, it's that our elite, and both in terms of education and in terms of practitioners throughout the U.S. State Department on a bipartisan basis, do not really agree, even with the populace, which elected now two successive presidents, which have criticized this disastrous mistake.

So I'm not sure, honestly, if it is possible to reverse course, because from what I've been able to see, while you may have the president, even at the top line level, the extension of the tariffs, the most recent expansion, and others, at a very basic level, the administration, both previously and now today, is chock full of people who do not agree fundamentally with that premise and have worked against it. And worse, I would say that U.S. capital has fully embraced this to an extent where reversing the policy is extraordinarily difficult. So all I would have advocated for at the time was not a religious faith in permanent normal trade relations, not only with China, with NAFTA, Mexico and Canada as well, just an idea that what's best for overall GDP is not necessarily best for the average working-class person in, let's say, in the state of Michigan.

Kelley Vlahos
(2:07:35 - 2:07:40)

Do you think COVID exacerbated a lot of the issues that you highlighted?

Saagar Enjeti
(2:07:40 - 2:08:34)

Absolutely. I mean, as we all witnessed in terms of the disaster of just-in-time delivery and the impact on supply chains, not to mention the shipping container problems, again, it took the wool out of a lot of people's eyes. But actually implementing this is hundreds of billions of dollars, not just in terms of government policy and an incentive, it's a recognition of the problem.

I opened Financial Times this morning in preparation, and I finally see Jamie Dimon, he says something along the lines of, we do have a problem in China. But in terms of actually changing policy, changing the way that the bank and Wall Street approaches its business with China, even thinking strategically, I think that probably did happen as a result of COVID. And I certainly think that the US population has been aware of this for a long time.

But again, I am pessimistic in terms of actual fundamental change in a policy level.

Kelley Vlahos

(2:08:35 - 2:09:53)

Thank you. And I just wanted to note that everybody has note cards on their table, and I failed, and I see a gentleman back there. I failed to mention this in the past two events.

So I'm mentioning it now. If you have any questions, somebody will pick it up from the table and we'll have them for the panelists. Does anybody have a two finger on Sagar's comments?

Okay, I'm going to basically extend that and ask you a question, David, you wrote a book in 2019, entitled, You Will Be Assimilated, China's Plan to Sinoform the World. You say they want to have everybody in the world pay rent to the Chinese Empire. You said in an interview when your book came out, they want to control the key technologies, the finance, the logistics and make everyone dependent on them.

Basically make everyone else a tenant farmer. America is on track to become poor, dependent and vulnerable unless we revive the American genius for innovation. What do you think about what Sagar just said, the problems that he invoked, and do you still believe that way?

You wrote the book before some major events in the world, COVID, the wars abroad.

David Goldman
(2:09:55 - 2:14:03)
The biggest single economic fact in the world is a globally aging population and a rapidly aging population in the industrial world. And it will be rapidly aging in India, Latin America and elsewhere. The scarcest resource in the world is young people who can read a manual and get trained and work in a factory.

China 15 years ago, looking at its own demographics, determined that it wanted to essentially annex the young people of the global South, particularly in Asia, Latin America, where you have a reasonably disciplined workforce and the ability to introduce infrastructure and make them part of the Chinese economy. They've accomplished that. They did that first by using a digital broadband infrastructure as the thinned end of the wedge.

That's Huawei and ZTE, which are the dominant players in telecom infrastructure, particularly in the global South. They did that through the Belt and Road Initiative, which built a lot of physical infrastructure. There have been many failures in that project, and the American press tends to play up the failure, debt trap, diplomacy, cathedrals in the desert and so forth.

But during the past 10 years, there's been virtually no change in Chinese exports to develop markets, US, Japan, Europe, Australia. But in the last five years, their exports to the global South have doubled, and that's an astonishingly big achievement. Now, a lot of the exports that they do to the global South are re-exported to the US.

We put tariffs on Chinese goods, but Chinese-built plants in Indonesia, Vietnam, Mexico, and so forth, sell components and capital goods to these countries, and we buy from them. So despite the best efforts of Donald Trump, who is completely sincere in his concern about this, we are more dependent on Chinese imports and more globalized now than ever before. And the key to this, I mean, the key to solving this is rebuilding American industry, seizing the heights, getting the high tech.

But that's exactly what the Chinese set out to do. You look at their subsidies, they're very targeted. First, they got solar panels.

Secondly, electric vehicles, where they're certainly the dominant player right now. They're working on low-end semiconductors, and they'll use that as a springboard for high-end semiconductors. And the Chinese have probably, and of course, telecom infrastructure, the Chinese have done more in terms of applications of AI to manufacturing than we did.

One of the insane things about destroying a manufacturing base is if you don't have it, you can't innovate with it because you don't have the people to do the innovation. So I think the key to all of this is a domestic industrial policy. I don't mean necessarily handing out checks to every industry that knocks on the door.

That's just rent-seeking. But a policy that trains workers, trains engineers, makes capital available to private investors who are willing to take risks on goods production, and aggressively seeks to innovate our way out of this mess. There's a lot to be said about that.

I wrote a little book about that for Claremont, which is available on their website, free. But at this point, we tried to slam the door on some Chinese exports that just came in the window, as I mentioned, through third countries. And that puts us definitely on a back foot.

And the solution is to give American workers the tools and the skills to return to the kind of golden age of working class incomes that we had in the 50s and 60s.

Kelley Vlahos
(2:14:06 - 2:15:14)

Jake, I'd like you to comment on a bit of that. But I'm going to ask you an overall question first. So you and I talked a bit before the conference.

And one of the things that you say bugs you about being in Washington, and I know you're not from here, so it's like coming into a different world when you do. But one of the things that bugs you is that there seems to be a school of thought that economic competition with China is completely divorced from the security question. In other words, no one who is supporting punishments against Beijing, whether it be sanctions, or against companies, or exports into China, or the pressuring of allies to isolate Chinese markets, or talking about decoupling, would ever veer into the security realm.

When in fact, as you've pointed out to me, supporters of these policies, including the Biden administration, often use national security reasons to justify all of those actions. The Chinese, for their part, do the same thing. You call it a security dilemma in the economic realm.

Can you talk more about that?

Jake Werner
(2:15:15 - 2:19:54)

Yes, thanks. Thanks, Kelly. You're right.

I grew up in the Midwest, and I live in the Midwest, so my words should carry greater weight because I'm a real American, unlike all the sort of DC, insulated DC people around here. But I do. I talk to people on both sides of the aisle who think that we have real security problems with China.

They worry about the possibility of violent conflict, but they think that we can push and antagonize China in the economic realm without any kind of limit, because it has no danger of building up towards some sort of war or conflict in some third country. I think that that is quite unrealistic. We look at the history of major great power conflict over the last 120 years or so.

All of those conflicts were rooted in economic competition. World War I came out of a competition over which country could dominate markets and raw materials in the colonized world. The conflict between Japan and the United States that led to Pearl Harbor, that ultimately came out of a question of who would be able to dominate commerce in China.

Of course, the Cold War was also really fundamentally about who would dominate the industrial capacity of Western Europe and Japan. We see historically that economic tensions build into security conflict, the most disastrous global conflicts of the last century. We see that happening now in the US-China relationship.

There is what is thought on both sides to be a zero-sum question over who is going to dominate the high-value sectors in high-technology industries, who is going to dominate the export markets for those goods, and who will be able to dominate the sourcing of the raw materials that are necessary to produce those goods. Increasingly, we are seeing the two sides in an escalatory arms race in the economic realm. I actually agree with what my co-panelists have said quite a bit.

The issue is rather that I think we need to take into account the very real danger that even as we need to attend to the core economic problems in the United States, we also need to figure out a modus vivendi with China so that this doesn't spin out of control into the kind of global conflicts that we've seen historically. How do you do that? Of course, in capitalism, economic competition is a fact of everyday life.

It doesn't always spin out into a world war. That only happens every couple decades or so. So what makes the difference between everyday economic competition and the kind of zero-sum existential economic competition that leads to war?

I think it's the choice between open competition on the one hand and exclusion on the other. In an open competition, you're constantly meeting your adversary in some space, whether that's a sports stadium or a political debate or in a commercial market. The competition is constantly renewed.

There's possibilities for the other side, even if they lose this game, to come back and win the next one. It's an ongoing connection between the two competitors. Exclusion is quite different than that.

That is severing the connection between the two sides, making sure that there is no competition. Right now in D.C., everything that we do that antagonizes China, we call competition. But in reality, the vast majority of these things are exclusion.

They're actually cutting off competition, whether that's preventing Chinese businesses from buying advanced semiconductors, cutting Chinese businesses out of the American market, making it illegal for Chinese citizens to purchase land in the United States, blocking the Chinese construction of undersea cables. These are really core vital interests. The United States wants to do these things precisely for the same reason that China thinks that they're core vital interests.

When you pursue exclusion around core vital interests, that is incredibly provocative, violently provocative. If it's in some realm that China is interested in and can just move its efforts elsewhere, fine, that's not a big deal. If it gets to vital interests, then China is going to respond in kind.

We're already seeing that kind of escalatory spiral in the economic realm. I don't dispute the problems that Sagar and David have raised. I think they require very serious attention.

But as part of our thinking through those things, we also have to find a way to accommodate the desire to grow and to improve the prospects of the people of both China and the United States.

David Goldman
(2:19:56 - 2:22:46)

There's an old joke about the Austro-Hungarian Empire that it was a tyranny tempered by incompetence. I think the same can be said about American technology policy towards China. We certainly impose serious costs on China.

But when President Trump, I believe in April of 2019, put a ban on higher-end chips to Huawei, most American analysts said that will finish off China's 5G program. They won't be able to roll it out without the higher-end chips. Well, six years later, China has 3.8 million 5G base stations, and we have 100,000. And their 5G is real 5G. It's about three or four times as fast as ours. And that's having a big effect in their industry.

They've managed to work around it with lower-end chips. Huawei shut down, virtually shut down its handset business because you need the better, the faster chips to run 5G. But then last September, they demonstrated that they could produce domestically with the technology they had higher-end chips that were good enough to run a 5G smartphone, and they could kick the stuffing out of Apple in the Chinese market.

So we have not really stopped the Chinese from proceeding with their plan. We've imposed substantial costs on them. My guess is maybe even a half percent of GDP per year.

It's a big cost, but they're willing to pay it. The chief technology officer of Huawei told me in an interview about a year ago, you don't understand the Chinese, the guys in Australia, that if we have a problem, we'll put a thousand engineers on it. And if that doesn't do it, we'll put 10,000 engineers on it.

And China graduates more engineers than the whole rest of the world combined. So they've got a lot of them. So whenever you put a specific problem in front of the Chinese, they'll attack it, and most of the time they'll solve it.

Where we really shine, and the Chinese don't, is in the unknown unknowns, in innovation. It's the kind of maverick, eccentric, antinomian, problem with authority rebel that did most of the great innovations of the digital age in the United States. So I'm convinced that if we pick our spots and we put the resources behind innovation the way we used to during the Cold War, we'll leapfrog China in many areas.

But it won't work to try to stay ahead of them or suppress them in every area. It's a matter of picking our spots and being excellent in really key areas.

Saagar Enjeti
(2:22:46 - 2:24:41)

I would also say, I think just at a more philosophical level, what I find often a little bit frustrating with this discussion about exclusion is that we never seem to understand or acknowledge the exclusion on the other side. Try being an American citizen buying land inside of China near a Chinese military base. Try being an American company that doesn't have to give 51% or whatever ownership over to a CCP controlled entity inside of China with a vast transfer of IP.

So I'm a very strong believer also in competition, but in competition, as you said, comparing to sports stadiums or any sort of competition here in the US, we would understand it's rooted fundamentally in the game of fairness. And so if we think back to the very basics of reciprocal trade, reciprocity comes back to the idea that if you're going to exclude something—or US companies or US freedom of action, US citizen business and others that can't compete on a fair level inside of your country—then we can't necessarily allow that here in the US. Now, the common argument is like, why would we behave like them?

It's not from an authoritarian impulse. It just comes back to a basic market fairness, as David referenced previously about the ability to transship Chinese goods to US markets in order to evade tariffs and or sanctions. A lot of that is done specifically to go around reciprocity and internationally recognized trade rules.

So if we were in an open and a free competition, I would totally agree with you. But because we have a state entity that actively suppresses US ability to compete both in that country and specifically—as David is acknowledging—targeting manufacturing innovation dedicated to state resources and then directing their so-called free market directly towards those particular industries to then compete against private US markets, we find ourselves at a fundamental disadvantage.

Kelley Vlahos
(2:24:43 - 2:24:59)

Jake, what do you think about that? I mean, is there something to be said of not concentrating so much on the US excluding and punishing and isolating the Chinese if they're doing the same thing to us? How are we supposed to react then?

Jake Werner
(2:25:00 - 2:26:48)

I mean, I think there's a lot of truth in that. And in a lot of ways, you could say that a lot of the really poisonous dynamics in the US-China relationship started on the Chinese side. So I think it would be helpful for us to recognize how damaging we feel that kind of exclusion was when it was directed at us and understand that if our response is simply to do the same thing back, it's going to be equally damaging.

It's going to be felt equally to be insulting and unfair on the other side. So, like you mentioned, this is a security dilemma in the economic realm. A security dilemma is when both sides feel that their actions are being pursued in a defensive nature against the aggression of the other side.

And both sides actually have a lot of reason to think that. So it's not that one side or the other is at fault. It's that both sides are acting in a defensive way, but a defensive way that makes the other side more insecure and therefore encourages more aggression on both sides.

So you get this spiraling towards very serious conflict because the two sides can't stop for a second, recognize that what they're doing is spiraling towards a catastrophe, step back and start making some compromises and find a way to live with each other. So I think that these kinds of restrictions placed on China, if that helps spur a set of negotiations that get us to that modus vivendi, that's great. I'm completely in favor of that.

And maybe we couldn't have got to that modus vivendi if we didn't engage in these kinds of restrictions on China. I see no evidence that we're going that direction. We're not imposing these restrictions in the hope of moving China into a set of discussions about what the new rules of the global economy will be now that the old rules have failed.

That's not what's happening. What's happening is that the United States is trying to cut China out of the strategically important parts of the global system. And that's not going to work.

That's going to lead to conflict.

David Goldman
(2:26:49 - 2:29:26)

Kelly, I think we should start from what's best for Americans, best for middle class Americans and work backwards. It's fine to say trade destroyed a lot of American jobs. There's no question about it.

But to what extent is that process easily reversible? We've got 600,000 manufacturing jobs advertised right now and about the same amount of construction jobs, skilled jobs. We can't fill them.

We've got schools that don't teach kids basic math. My dad got his first job at the Brooklyn Navy Yard in 1941. He worked on the Marblehead after it got chewed up in the late Gulf.

And he got a good education in math at Brooklyn public schools. And he was qualified to start as a machinist apprentice. If you look at what you need to start as a machinist apprentice now, well, it's proficient trigonometry, for example, coordinate geometry.

Fewer than a quarter of American high school kids are proficient in high school math. So a kid with good high school math can walk out of high school and get a $50,000 a year job right now. They're there, but we're not training these kids because we've destroyed our educational system.

We are so dependent on imports, particularly for capital goods, that we're like a junkie who's so weakened that if you put them on cold turkey, you kill them. I'm not talking about just the cranes and ports. Virtually every switch, capacitor, piece of electrical equipment that goes into utilities comes from China right now.

We just stopped making them. Do you want to hand out subsidies for people to make capacitors right now? So there are things, just situations where, fine, we accept the goods from China, and other places where we kick them out.

I'm all for tariffs on autos, particularly EVs. Donald Trump's exactly right. It would be a bloodbath if we let the Chinese manufacturers dump stuff on us.

But I also agree with Trump that allowing Chinese automakers to build plants in the United States and employ American workers is a good idea. So unfortunately, the devil's in the details. And you have to, as I said, start with what's best for us, what's best for our people, and their compromises.

You can't get rid of China altogether. It's just too big. That problem is metastasized.

But you can do a great deal to reduce our dependency and to leapfrog them. It'll take time and a lot of effort in a lot of different areas.

Kelley Vlahos
(2:29:28 - 2:30:41)

So David, and I was going to ask you about this, and you wrote about it, that Donald Trump made a point in his March campaign rally to build electric car companies here in the US. During the speech, he vowed to impose 100% tariff on Chinese car imports, either direct, that were coming directly from the mainland or from intermediaries, like Mexico. But then he added, if they want to build a plant in Michigan and Ohio and South Carolina, they can, using American workers, they can.

They can't send Chinese workers over here, which they sometimes do. But if they want to do that, we're welcome, right? Question mark.

And you mentioned, you think that that would be a good idea. My question, I guess, is that you know that there's been a myriad number of proposals, legislation at both the state and federal level to keep Chinese nationals from buying land here in the US based on security reasons, not just trade and labor concerns. Can you talk about this conflation of economic and security threats, and whether that conflation is hurting the ability to compete effectively with Beijing?

David Goldman
(2:30:42 - 2:33:00)

No Chinese company has thought about building an auto plant in the United States right now. The atmosphere is pretty poisonous. And I actually had a talk with the economics attache of the Chinese embassy a couple of weeks ago.

She said, well, what do you think we ought to do? I said, you know, call up Donald Trump and say it's a great idea. You may or may not make money building auto plants here, but if you want to build goodwill for yourself and you think you can build good cars at a good price, why not take them up on it?

The Chinese bought something like 0.2% of American farmland. These headlines, $4 billion of American farmland or tubulate, whatever it was. Farmland is worth trillions in the US, a tiny bit.

So that's the last thing I'm worried about. I think we've got politicians who are terrified to take on the big issues because they're big issues. And if you're not scared, you're not paying attention.

And they want to show quick and easy results. We zing them, we zang them, we got them there. And it's popular because people don't like the Chinese, maybe understandably or maybe not.

But that's a different issue. It's a popular thing to do. You have a lot of cheap successes touted by politicians in lieu of taking on the really difficult issues.

Biggest issue, you know, Senator Poll is exactly right. You know, we're broke. $34 trillion worth of debt.

How are we going to spend money on industrial subsidies when we're already broke? So that's a very good question. Back in 1983, when I was a very junior contract researcher for the National Security Council, Reagan was terrified we couldn't afford SDI.

We hardly had any debt back then. And we concluded that high-tech research for SDI would pay for itself by civilian spinoffs, which, of course, it did. So these are tough issues.

And I think there's a lot more smoke than fire, in short, to this farmland business. We don't like BYD or Geely Auto buying land for a plant. Let's just rent it to them.

Kelley Vlahos
(2:33:02 - 2:33:37)

Somebody said tariffs in the audience. I was going to ask about that. So President Biden slapped new major tariffs on Chinese electrical vehicles, advanced batteries, solar cells, steel, aluminum, and medical equipment this month.

He said that Chinese government subsidies ensure the nation's companies don't have to turn a profit, giving them an unfair advantage in global trade. Jake, what do you think of the tariffs? And do you think, is this the balanced approach that you are seeking in our relations with China?

Jake Werner

(2:33:38 - 2:36:29)

Yeah, I think there's two things to consider here. One is how the tariffs help improve the competitiveness of the U.S. economy. And the other is what damage it could do to the U.S.-China relationship that could build eventually to some kind of very serious conflict. I support the tariffs. I think that the build-out of the EV industry in the United States is far behind where China is right now. I do not support the destruction of the American auto industry.

I think it's essential to the future of the American economy. So I think that we need to find a way to make sure that American automakers are competitive in the EV sector. And I think the tariffs are required to get there.

The thing that I'm seeing missing from the tariffs is the entire rest of the strategy. How do we get the American automakers to, rather than just sitting behind the barriers that tariffs put up and continuing in a basically complacent way, as they have been for the last couple decades, how do we get them to take on this challenge and start innovating and start meeting the competition that will come both from China and from companies in Europe and Japan who are exposing themselves to Chinese competition?

One of the advantages, I think everyone in this room will understand immediately, one of the advantages of competition is that it spurs you to meet the challenge and improve yourself. If American companies are not being spurred in that way, what are they going to do? Are they going to be able to develop the kind of technology and the kind of marketing that will allow them to compete?

I worry very much about that. I think actually the best solution would be to bring Chinese companies and produce in the United States and then we should steal their IP. I am completely in favor of that.

That's how China developed. I think that's actually the only way that capitalism diffuses technology, which means it's the best way to improve the wealth, create incapacity of the economy. If you bottle up technological IP in one country or one firm, that impoverishes the rest of the economy.

That impoverishes other firms. So turnaround is fair play. We should invite the Chinese in, just as they invited American companies in.

We should learn. American companies should hire the people who work there and learn the intellectual property and the know-how that comes with working at the and then use that to make American companies competitive. So it's that other side, the pro-competition, pro-innovation side of the strategy that's missing right now.

And I'm not seeing it on offer and it's precisely not on offer because we feel that touching the Chinese is poison. But if we want to advance ourselves and if we want to avoid conflict, we have to maintain that connection with China and figure out a way to make it sustainable.

Kelley Vlahos
(2:36:31 - 2:38:07)

One more question from me and then I'm going to get to this pile of audience questions. Last year, amid escalating trade sanctions against Russia, US Treasury Secretary Janet Yellen described how the war in Ukraine could create fundamental changes in the world economic order that prioritize security concerns over economic integration. Going forward, she said, quote, it will be increasingly difficult to separate economic issues from national security.

Around the same time, the president of the European Central Bank, Christine Lagarde, described how the war in Ukraine could be an economic tipping point, driving a shift from economic, quote, efficiency to security and globalization to regionalization. Amid the sanctions activity over the last three years against Russia, coupled with continuing maximum pressure sanctions against the Iranians and North Koreans, we have begun to see an alternative economic market take hold, one in which US adversaries are working with each other, increasingly outside of the dollar, building great trade relations, finding alternative routes and pathways outside of what Washington would call the, quote, international order.

I'd like to ask each of you, what could the kind of friend-shoring, that's, quote, quote, unquote, that the West seems to want look like when it collides with the axis of resistance on the other end? And does this, A, serve Americans' interests, and B, could this lead to a less safe world overall?

Jake Werner
(2:38:10 - 2:40:12)

Go with me? Sure. I mean, I think these dynamics are playing out.

They're often exaggerated. The global economy is still really focused on the rich countries, which is Europe, Japan, and the United States. And that means that for China to be successful, it needs to have access to those markets, at least for the time being.

Now, it is, as David mentioned earlier, it is moving its focus to the global south, which is different than these specific, the official enemies of the United States. And there may be a future for the Chinese economy there. But at least in the short term, it would be very hard to unwind all these connections that have bound China.

And now, this is different than North Korea, which has been on the outside for decades. It's different than Iran, which is forced on the outside by the United States after the end of the JCPOA. And it's different than Russia, which has now found itself on the outside after invading Ukraine.

China is not on the outside. China is fundamental to the way that the global economy works and the way that currency and trade and finance work in the global economy. So China actually has a really deep core interest in maintaining the stability of the system in a way that's not true of these other countries.

I think that's something that is really getting lost in discussions of D.C., that the U.S. and China actually do share some core interests about both maintaining the stability of the system and figuring out ways to reform it so that it's more responsive to the needs of those regular people who have been damaged by it in the United States and in China. Also, we should remember there are people who live in China, and they are regular people who are not

necessarily a fanatical nationalist. And they have also been damaged by the operations of the global economy over recent decades.

So I think that there is a potential for the U.S. and China to talk about these issues and figure out if they can come together around a set of reforms that would both renew the legitimacy of the global economy while making it more productive and more dynamic at the same time in a way that would offer enough space for both countries to feel that they could prosper alongside each other rather than trying to over who gets to survive.

Saagar Enjeti
(2:40:13 - 2:42:22)

I think that the sanctions regime and the subsequent failure, I think if we're all being honest about what we imposed on the Russians, demonstrates to us something that is really fundamental to a lot of this panel, which is that industrial capacity and production is itself king. You can overestimate the hubris of control over financial and capital markets, which the U.S. did, and fundamentally believed we would be able to crush the Russian economy and fundamentally the Russian war machine, intertwining exactly, as you said, both economic security with national security concerns. So to pull ourselves out of it and to, I think, address a real fundamental thing, which is here, is focusing both just on the punitive measure of sanctions or exclusion really does miss the point.

What we are missing, and bringing back to my first answer, was why I'm pessimistic is if we look at the New Deal, it was both, or any sort of large government operation which fundamentally transforms the U.S. economy, Apollo as well, it was a combination of popular political rhetoric and then 1,000 to 10,000 to 100,000 workers, programs, bureaucrats, and others that were working towards a common goal with actual work through political buy-in from here on Capitol Hill in tandem that actually accomplished a singularly set goal. So as the problem that we have is that, and the farmland thing, like you said, is a perfect example. We go for the headline, but we don't follow through with any sort of state official program to actually, let's say, boost and really do it, not just some headline, EV production capacity outside of just tax credits.

What about actual industrial production? So the real problem that we have is we have lost the ability to look for these grand programs. And we've almost forgotten, in a sense, on top of the education crisis and the lack of the skills that a lot of the workforce that we have for high-tech manufacturing.

So I think that the real answer to this is that to escape the Thucydides trap, securities dilemma, is that on-shoring, French-shoring, whatever you want to call it, gives you strength and options in the moment of a crisis, as opposed to comparing us to a junkie. Well, what do junkies do whenever you pull them off of the supply? They lash out, and that makes us less safe.

So that's where I see the intertwining really come together.

David Goldman
(2:42:24 - 2:45:47)

On the security situation, I'm probably a lot less worried than most people in the room about the possibility of a confrontation between the United States and China, simply because the industrial prowess which China has shown in EVs can also do things like mass-manufacture cruise missiles. Chinese have produced videos showing plants that produce 1,000 cruise missile motors a day. We know from the Pentagon estimates they have several thousand satellite-guided long-range or medium-range, that's 1,000 miles or more, surface-to-ship missiles, which means that anything sitting on the surface of the ocean is basically a sitting duck now.

And they have an arbitrarily large number of cruise missiles, and they've got a home-court advantage. A destroyer can easily intercept cruise missiles, but it can carry about a hundred interceptors in its hold. The Chinese can shoot a hundred interceptors at any arbitrary—a hundred cruise missiles at any arbitrary shift they want.

So I think the Pentagon knows very well that we're outgunned in the home theater of China, and they're not going to want to get into a conversation of any kind. That's a perverse example of peace through strength. That's unfortunately Chinese strength.

Regarding the negative consequences of sanctions, I agree with my colleagues here. This is the dumbest thing anyone did since Napoleon imposed the continental system against the British in the early 1800s. It completely backfired.

It's easy—and I say this as an ex-banker—to finance trade in any currency you want. Just expensive, cumbersome, and annoying. You could use UAE dirhams, Indonesian rupees, Chinese RMB, Russian rubles, and if you're excluded from the dollar bank system, people will go to the extra expense of doing it.

Normally they wouldn't. The most important thing that we did with the Ukraine war was not just to force Russia into the arms of China, but to also force a great deal of European, particularly German, industry into the arms of China because the quadrupling of natural gas prices in Germany made BASF and other major chemical producers uneconomical, and it put a squeeze on the German auto sector. So three weeks ago, a dozen German CEOs, including the CEOs at BASF, Volkswagen, BMW, and Mercedes, frog-marched Chancellor Olaf Scholz to Beijing and announced billions of dollars of investments in China.

There's a near integration of the German auto sector now with the Chinese auto industry, and BASF now has more employees in China than it does in Germany. So we've really created a monster here. I'm just stunned by the stupidity of the Biden administration, and unpacking that will take a great deal of effort if we ever get around to it.

Kelley Vlahos
(2:45:48 - 2:46:18)

So I'm going to start with some audience questions. The first one is from George Beebe, our director for grand strategy at the Quincy Institute. He says, there is a tension between advocating domestic industrial policy and advocating, quote, innovation as our comparative advantage over China.

Innovation seldom results from government-driven programs. How do we reconcile this tension?

David Goldman
(2:46:20 - 2:49:13)

During the 70s and 80s, starting when Harold Brown, who was a great physicist, became the Secretary of Defense, the United States invented the entirety of the digital age. Everything from the internet itself to fiber optic networks to CMOS chip manufacturing to the GUI interface, every single thing came out of the Cold War program. But we did it in a very unique way.

A DARPA would give a grant. Usually the grant was for something pointless and stupid, and some clever engineer would hijack it and do something useful with it. Instead, we had public-private partnerships where the public side only funded innovative, cutting-edge, push-in-the-envelope research, and the private side took full responsibility for commercialization.

Every time the government spends a nickel, demons awake and go abroad seeking rents. And we Americans love a scam as much as anybody else, and industrial policy left to its own devices would be, you know, mostly scam. The only time that we have been altruistic, forward-looking, innovative has been when we've got a national security issue.

When we want to go to the moon, we want to beat the Russians to space, we want to protect the homeland from missiles. Then we rally together around this. So we're not good at it.

It's a great question because Americans are always jonesing for subsidies. So the two answers, which are partial and limited, but the best answers there are from our experience, is number one, keep the public and private side to very well-defined rules. The public side does basic research, only the private side takes full responsibility for commercialization.

And the second is focus it on things that really do require push-in-the-envelope of physics for national security reasons. My favorite one, I'm an old Reagan hawk, so I like SDI stuff. Is directed energy weapons.

We now have a $1 billion budget for directed energy weapons. That's ridiculous. We should be spending easily 10 times that much.

We're spending in terms of GDP half of what we spent under Reagan in basic research, basic defense research. So that's how it's possible. But you need a visionary president and a visionary secretary of defense to make it work.

Jake Werner
(2:49:16 - 2:50:59)

But yeah, I think two responses there. One is that, and other people today have alluded to this, a lot of innovation just comes from having the industrial ecosystem present and having people active in it on an everyday, getting the know-how, working with practical problems. So one way in which industrial policy would help with innovation is that it could revive the existence of a manufacturing sector in the United States and start generating those kinds of dynamics.

Another thing, maybe it would be a helpful reference to how China does its industrial policy, and there are various ways, but one of the core dynamics in Chinese industrial policy is the government throws a bunch of subsidies out there, a bunch of companies come in to produce whatever is being subsidized, and then you get an excess of production for the given demand of that, and then the Chinese government pulls the subsidies away and essentially leaves everyone to rip each other to shreds over who's going to survive now that the subsidies are gone. And on the other side of that, there's a moment in which there's massive overproduction, but on the other side of that process, the companies that are not viable, they collapse, they disappear, they die, or they're eaten up by the other companies. And on the other side of that process, you get a handful of companies that are actually very strong in innovation and production and can survive in a market that China previously didn't even have a capacity in.

So I think there's some guidance there that we put market forces to work within a context that's designed to pursue public purposes, not the government deciding what happens, but the government structuring the existence of competition that wouldn't be there otherwise.

Saagar Enjeti
(2:51:01 - 2:52:06)

I would encourage people to read both histories of the New Deal, of the Reagan SDI program, and in particular, that period of innovation of Silicon Valley in the 1970s. The bedrock of a lot of this innovation and the understanding was both in public-private partnerships, but also never underestimating dual use. So what we found during the Apollo program is that specific directed tasks of getting to the moon had multiple dual use technology and application in the commercial sector after the patent became available.

So one of the things that we really witnessed in some of the successful programs, if we want to try and to recreate it, is to target very specifically these national security goals, but also to ruthlessly keep the money flowing in public-private partnerships. But the key part of this is actually, as David said, a dedicated president, a dedicated secretary, dedicated bureaucrats who are actually ready and understanding to the strategic vision, who implement and oversee that partnership, so to make sure that it doesn't become the private using the public, and instead it's vice versa.

David Goldman
(2:52:07 - 2:53:16)

If I can mention one anecdote. I had the privilege in the 2010s to do some consulting for the Office of Net Assessment at the Pentagon, which was run by the legendary Andrew Marshall, who was one of the architects of the Reagan policy, actually the Carter policy before that. So when Trump took office, I rounded up a bunch of the newly minted national security staffers, and I took them to Andy's apartment in Arlington.

He'd retired a couple years earlier. I said, what would it take for us to really, you know, leapfrog the Chinese and get the program like Reagan's program back together? And he said, it's simple.

It needs to run out of the Office of the Secretary of Defense. And I don't mean what's on the org chart as the Office of Secretary of Defense. It means out of his physical office where he holds people on the carpet and says, this is what I want done.

And they say, sir, yes, sir. Visionary Secretary of Defense, visionary president, for what that's worth.

Kelley Vlahos
(2:53:16 - 2:54:13)

Sagar, I wanted to ask you about the political connotations of all of this, because I know that there's been a tension and an ongoing debate among conservatives recently, particularly on the side of the new right and the old right, over this idea of a domestic industrial policy. So you have a lot on the old right, you know, traditional Republican conservatives who want to keep markets open. They really bristle at the whole thought of government getting involved in industrial policy.

Can you talk a little bit about those tensions? And how do you see that playing out on Capitol Hill? Do you see a growing number of Republicans actually starting to talk about these issues and willing to take political risks and moving policy forward?

Or is it like everything else in this town, everybody's five years behind and not really willing?

Saagar Enjeti
(2:54:13 - 2:55:57)

Well, luckily, I think we're seven years into it. So even if we're five years behind, we're two years ahead where we started. So I would say that Donald Trump unambiguously won the debate in 2016 with his election by both the political force of his personality and, frankly, the strength of his argument, both in translating into political victory.

Republicans, at the very least, had to rhetorically accept Trump from the ground that in terms of China. What I have observed is that it has moved now behind the door, where we will embrace the rhetoric. The rhetoric is one which is completely embraced.

But then whenever it comes to those of us who watch the policymaking, let's say, in these hallways or behind the committees or with the committee staff, that is where the time lag is a serious problem. And also in terms of the anonymity, especially in a body like here in the U.S. Senate, in terms of the damage that even one person can rot if they want to, and just the very structure of this body itself. So I don't think that the debate is really a debate anymore.

I think fundamentally, at a rhetorical level, it is basically embraced by all Republican politicians. It comes down to the action, let's say, on the Commerce Committee or of the staffers that people will hire, and in terms of how far they will go, or if they will, let's say, make up an excuse to vote against something. But by and large, I would say the rising Republicans on the spectrum, all the way from J.D. Vance, Marco Rubio, Tom Cotton, ideologically different in several ways, all three of them would have staffs or would rhetorically embrace the same vision of competition with China and both embracing the Trumpian style rhetoric. So the rhetorical debate, I think, is over. But the actual practitioner

debate, which is always the most difficult part, and translating that into action, there's still a lot of work that needs to be done there.

Kelley Vlahos
(2:55:58 - 2:57:12)

So I'm caught in a little bit of a bind here, because I'm being told I only have three more minutes left. I have a number of questions that would probably elicit a much broader conversation. So I think what I'll do is maybe just do a wrap-up question, and maybe you've answered this already, but I guess I want to go back to the original theme, is can we compete with China in all the ways that you've just highlighted without pushing this security dilemma?

I still haven't heard really convincing arguments that we can separate the two, because let's face it, every time we turn on the television or the podcast or open a news article, we're seeing the mixed language. Like Jake has mentioned, I've quoted some members of the administration where they mix this idea that we have to do these economic things in terms of sanctions or tariffs or whatnot, in essence, because it's for national security. So how do you separate that and prevent things from escalating out of control?

David Goldman
(2:57:12 - 2:58:24)

If we were going to a 1940 situation, like with Japan, where we actually boycotted, 1941, we boycotted oil for Japan, that would shut down the Japanese economy. We basically forced them to put them in a position where they had to respond. That would be the equivalent of cutting off all chip technologies to China, every one of the different parts of chip manufacturing, all the chip software, not just the higher-end stuff.

We've given them enough wiggle room to work around, so it's not worth their going to the mattresses over it. I think this is a very ill-conceived policy. Machiavelli said, if you hurt somebody, better hurt them enough so they can't come back.

And all we've done with China is hurt them enough so they're really annoyed, and it's cost them a lot, and they're going to look for ways to make trouble for us for time immemorial. It's just a dumb thing to do, but that by itself doesn't push them towards military action. That would be Taiwan or something like that.

Saagar Enjeti
(2:58:24 - 2:59:04)

Yeah, I think it can easily be avoided through options and through independence, and that's why I'm not just a supporter of punitive measures or exclusion, but of building up our own capacity. Let's say we don't rely on another country called Taiwan with a security problem of 90-some percent of the world's most advanced semiconductors, and we reduce that number. That gives us options to be able to respond in a crisis, whereas if instead we end up in a situation where suddenly overnight we are cut off from 90-some percent of the world's supply, well, we have a much more constrained amount of options.

We're the junkie, and we have to leash out. So our strength could come from options, from capacity, and that is something that we can control here in our country.

Jake Werner
(2:59:05 - 3:00:21)

I think it is perfectly possible, and sort of as I was referring to earlier in the example of EV production, I think it would be beneficial to both countries if we could compete, actually. It would cause both of us to perform better and be more productive and produce more wealth that can be shared with our people. I think that is possible, but the key issue is that we understand the competition not in zero-sum terms, not in existential terms.

Right now, I think there is no question we are understanding the economic competition in zero-sum terms, and for many people I think increasingly so in existential terms, precisely because we are conflating economic security and national security. I don't think that is wrong. I think that is true, actually.

But we can only avoid moving towards conflict if economic security can be pursued in a non-zero-sum way, in a positive-sum way. And we don't currently have the framework with China to pursue economic competition in a positive-sum way. I think it would require us to work with China to revise the rules of the global economy, to open up space for both countries to succeed at the same time before we can have that kind of healthy competition that pushes both countries to be better.

Kelley Vlahos
(3:00:23 - 3:00:40)

Thank you very much, all three of you. This has been very fruitful and enlightening, and yeah, I learned a lot, and I hope you all did too. We'll be back here in about 15 minutes for Curt Mills and Vivek Ramaswamy, so hold tight.

I'll see you in a few minutes.

Keynote #3: Vivek Ramaswamy

Followed by a Q&A with Curt Mills - Executive Director, The American Conservative

Curt Mills
(3:00:48 - 3:01:23)
Hello, hello, everybody. Turn to the place that you are sitting. I am Curt Mills, Executive Director of the American Conservative Magazine, co-sponsoring this event with QI.

Thanks for joining us today. Our guest needs no introduction, but I'm going to give it anyways. Serial entrepreneur, former presidential candidate, possible vice president, cabinet secretary, would-be chief executioner of the deep state.

Let's find out. Vivek Ramaswamy.

Vivek Ramaswamy

(3:01:30 - 3:22:28)

It's great to be here. I'm looking forward to actually a sit-down discussion we'll have to dive deeper, but I'll foreground the discussion with where I see the future of the America First movement and what the implications are for our foreign policy, which I know is the subject of the day. We use this word a lot, America First.

What does it mean, actually? I think it comes down to two core principles. The first is a simple principle we fought in the American Revolution to protect in 1776, and that is the idea that the people who we elect to run the government ought to be the ones who actually run the government, not the shadow government of people who were never elected to exercise public policymaking.

You think about this, in ancient England, the power to issue edicts. I'll give credit to Professor Philip Hamburger of Columbia Law School, actually. This is his framing, not mine, but it's one that sticks with me and influences my own worldview.

The American Revolution was fought against the idea that there was the ability to issue binding edicts when you did not have accountability to your own people. That's what the king could do. King George II could issue a binding edict, a legally binding edict that told you what you can or cannot do, but without having any accountability to you, the person who was actually bound by it.

And if America was founded on one premise, it was the idea that if you are putting somebody in the position of issuing a binding edict, and I use that, frame that broadly. I don't say laws, because most of the laws that actually functionally bind you today are not actually laws. They're rules passed by the uglier of the buildings in the city rather than the beautiful ones, and that's for a reason, right?

You give your kids a tour of Capitol Hill. It's what I did when I had my four-year-old son here. It felt like I was visiting a museum, because that's not where the laws are actually made anymore.

But the people who issue binding edicts are accountable to the people who they bind. It's a core premise of the American founding. As I understand it, that's not what we're going to mostly focus on today, unless you want to take us deeper in that direction, because that largely relates to domestic policy, although I think there are deep implications for the direction of our foreign policy as well that are underappreciated.

That's the first basic principle, though, of the America First movement that started not in 2016, but in 1776. The idea that the people who we elect to run the government should be the ones who actually run the government. And then there's the second premise, and I think that is closer to the subject of our discussion today, that those people who we do elect to bind us with their edicts at home, they owe their sole moral duty to the citizens of this nation, not another one.

Shouldn't be very controversial on its face. Nothing I just told you is particularly partisan. The people we elect to run the government should run the government, and their first and sole moral duty is to the citizens of this nation, not any other one.

It's not a black idea or a white idea. It's not a particularly red idea or blue idea either. There have been points in the last 40 years where Democrats have advanced these ideas more so than Republicans, and there have been points in the last 40 years where Republicans have worn the mantle of those ideas more than Democrats, and I think that that's the moment we fall into now.

Those are the basic ideals of our founding. So let's take a look at that second premise a little bit more. I think right now we're failing on both counts, but we'll focus on the second premise today.

Are our elected leaders implementing a foreign policy that is exclusively designed to advance the interests of U.S. citizens? I posit the answer to that question is no. I posit that the answer to that question is no based on the results that we experience in this country.

We are expending far more of our own military resources to protect the borders of other nations than we're using to protect our own borders in the United States of America. To fix the southern border crisis, it does not require additional legislation. What we require is an enforcement of the laws that are already on the books.

This is where it intersects with principle number one. The people we elect to run the government, they're not running the government because they're not actually implementing the policies that already supposedly represent the law of the land. I think we are perfectly justified to use our own military resources, talking about air, land, sea, coast guard included, to protect our own borders, to deputize the National Guard and deputize using 287G and other measures, even local law enforcement, to provide added resources to protect our own borders in this country, which we're failing to do.

Ten million illegals have invaded our own country over the course of the last four years alone, an upward total of 30 to 40 million people who are in this country illegally. If you think about it, even if 1% of those, I think there's a conservative estimate, by the way, but even if 1% of those who entered the country illegally, out of every 100 who came in, let's just say one had really bad intentions, that would be upwards of 300 to 400,000 people in the United States right now who have ill intentions towards the United States, potentially violent intentions towards the United States. And I think the number is actually likely to be much higher than that. And yet, our own foreign policy expenditures, our own defense expenditures are directed towards protecting other people's borders more than they are to protect our own borders in the United States.

I think that is a failure of the basic principle that our own elected leaders are not owing their or exercising a moral duty to the citizens of our country, but they're exercising their duties to the citizens of other countries directly, advertently or not. And so I will make things a little bit spicy by getting from the theory into the specifics to foreground maybe a discussion we could have by talking about three different conflicts in which I think that is true today, actually. At least evidence of a violation of that second principle.

The first is, of course, in Ukraine. Right now, we are forking over the next $100 billion roughly to Ukraine without an iota of explanation of what the next $100 billion is going to achieve that the first $100 billion didn't. I think it's a mistake.

I think any premise for a debate, if you're even going to have a debate on the idea of sending more money to Ukraine, at least a basic predicate for that debate has to be, what are we going to achieve with the next $100 billion that you did not achieve with the first? I come from a business background. I've been a founder of multiple venture-backed businesses.

If you have burned the first million or $10 million or $100 million of venture capital money thrown into your company and you go to your venture capitalists or your investors for more money, a basic answer is what you're going to achieve with the next round of funding that you didn't achieve with the prior round. Well, Zelensky came here and told us that it was not charity, but it was an investment. Well, it was his language, not mine.

The basic language of an investment would require answering why the return on that investment for the United States of America is going to be greater than the last round of investment, which was an abysmal and utter failure. But it's not just the financial commitment. If it was just the financial commitment, if you look at this in the scheme of the US defense budget, it's bigger than it should be.

I think it should be zero at this point for further investment into Ukraine. But it's not actually just the financial impact on the United States that actually betrays our own interests. I think in some ways people on my side of this issue, if I may say for some of us in this room, on our side of this issue, the mistake we make is reducing this to the financials.

Sure, would that money be better spent at our southern border than defending the border of Ukraine? Of course it would. But that belies the greater risk of that expenditure, which is not the increase of risk to our national debt, though there's an increment of increase there, but the increase in risk of drawing the United States into major conflict at a moment that does not advance our best national interests.

Right now the number one most dangerous effect of our arming Ukraine has not been the added $200 billion of our budget that's been sent over there. It's a false framing in some ways. It's a straw man that our side of this debate often falls into because they could easily on the other side make the ROI based argument for this being a rounding error in a budget.

I think the actual cost of our decision to arm Ukraine is increasing the risk of World War III by driving Russia further into China's hands at a moment where the Russia-China alliance is the single greatest threat that the United States faces today. I don't think that's controversial for anybody on any side of this issue. You look at Russia's nuclear stockpiles, you look at Russia's hypersonic missile capabilities, combine that with China's naval capacity and the fact that they have an economy that we depend on for our modern way of life, for our most important industries from semiconductors to be potentially amplified on an annexation of Taiwan, to pharmaceuticals, to even our defense industrial base today dependent on China. Combine that with Russia's capabilities, they outmatch the United States in every area of great power competition. And yet our own policy decisions are driving Russia further into China's hands because of the limitation of choices that we've given Russia in their relationship with the West.

I don't think all is lost. I think there still remains an opportunity to use the status quo as a basis to negotiate a deal that best advances U.S. interests not just about saving the money but about in a lasting way reducing the risk of that major conflict between the United States and the China-Russia alliance. Here's how that would look.

Using the Ukraine war as a catalyst to do something that we probably should have done anyway in the last 20 years, and that is to reopen economic relations with Russia, reopen diplomatic relations with Russia, but do it not for free as a condition for Russia exiting its military alliance with China, demonstrably exiting its military alliance with China, ending joint military exercises with China, no more joint naval exercises outside the Aleutian Islands, hundreds of miles from the shore of the United States itself. And I know that would be an alarming notion, but alarm bells are going to go off in Washington, D.C. when I present an idea like this. That's okay.

That's part of the purpose of this. This runs against the grain of our contemporary foreign policy as it did for Nixon to propose a similar vision in the 1970s. It's about as ridiculous today to propose an end to the Russia-China alliance as a consequence for U.S. rapprochement with Russia as it would have in the 1970s for Nixon to say that we could do the same thing with China with respect to the then-USSR. That was a ridiculous idea then as it is now, but I think it takes an ability to think outside of the conventional norms to actually secure a more stable equilibrium. Back then, a Brezhnev-led USSR was in an alliance with China.

We did what we needed to do, not because we trusted China, not because we trusted Mao, but because we understood that our own self-interest required pulling China apart from its alliance with the USSR. I would now argue that Putin is effectively the new Mao. Do we trust Putin? No.

Should we trust him? No. But can we trust him to follow his self-interest just as he can trust us to follow ours?

That's the best bet that each side has. So if we reopen economic relations with Russia, negotiate a reasonable end to the Ukraine war, using that as a catalyst for negotiating an agreement that we otherwise couldn't have had, but as a condition also require Russia to exit its joint military exercises with China, exit its military presence in the West, Russian military presence in places from Cuba to Nicaragua to Venezuela, where many people are not aware that Russia has a military presence today, that actually advances the interests of the United States far more than the dollars that we would save because it reduces the risk of major conflict, moving us from a bilateral international order right now between the United States and China that increasingly favors China because of the Russia-China alliance to a trilateral international order in which none of the three major nuclear superpowers are allied. Oh, and by the way, the counterargument you'll hear to this, I'm a big believer in making sure that you understand the best argument for the other side.

If you can't articulate that, that means you don't understand your own view. And so I'll give you what I believe is the strongest argument offered for the other side, is that such a move would only embolden China to invade or otherwise annex Taiwan. Because if Russia with impunity could go beyond the sovereign boundaries of Ukraine and annex territory that wasn't internationally recognized as theirs, then China will be emboldened to do the same.

I'm tempted to go on an aside that we could take us on for a long time to say that, well, Ukraine's sovereignty was codified in the 1994 Budapest Memorandum, which we conveniently forget was only three years after James Baker's famous not one inch guarantee to Gorbachev that NATO would expand not one inch past East Germany. And yet NATO has

expanded more after the fall of the USSR than it ever did during the existence of the USSR. But we won't go there. I think that reopens, we go there in our discussion.

But I think that takes us off the basic point I wanted to make, which is that actually, it's the inverse of that calculus when it comes to China's decision to invade Taiwan. Right now, China's calculus, I believe, is that the US will not want to go to war with two different allied nuclear superpowers at the same time, Russia and China, so long as Russia and China are in a guaranteed military alliance with each other. But if Russia is no longer in China's camp, then China would absolutely have to think twice, at least think twice, before making any military move of any kind on Taiwan, their leverage would actually be far lower than it is today.

Leaders like Xi Jinping, autocrats like Xi Jinping do not reason based on analogy, they don't analogize, they analyze what is their relative power. And I think that their relative power is greater when Russia's in their camp rather than analogizing what they're able to do based on what Russia was able to do in a different theater. So that's my perspective on Ukraine.

Before we get to the other topic is probably the second topic that we'll bring up, which is what's going on in the Middle East, I'll actually take a tour around the Soviet perimeter to what's happening in Azerbaijan. It's interesting, the same crowd, item number two, the same crowd, even in corridors not far from where we are right now that will scream bloody murder when Putin crosses the boundaries of the internationally early 1990s recognized boundaries that we're supposed to respect in Ukraine, have nothing to say about Azerbaijan's incursions in the Nagorno Karabakh region in Artsakh, where the Armenian Christians 120,000 have lived and have more recently been displaced. Now people, when I brought this issue up over the course of the campaign trail in the last year, one of the pieces of feedback I get is, well, aren't you talking out of both sides of your mouth here? Because in one case, you're saying that the US should not intervene to protect Ukraine.

And yet you're calling out the injustice of Azerbaijan's incursion on the Armenian Christian population in Nagorno Karabakh. For those who follow that, that was a semi autonomous region, internationally recognized in the early 1990s as a region that was be formally part of Armenia, but recognized as quasi autonomous region that Azerbaijan was supposed to respect, which in recent years, that is absolutely effectively invaded and driven 120,000 Armenian Christians out through persecution and otherwise. But the irony is actually, non intervention is the answer in both cases, because the dirty little secret is that maybe not too many of you because you're in Washington, DC, where the Azerbaijan lobby is as strong as it is.

Azerbaijan is funded by the United States of America. So that itself is a product of US intervention that led us to the very catastrophe that leads us to hypocritical position not recognizing the internationally recognized boundaries of sovereignty in one case, while we're using US military resources to come to the rescue of the Ukrainian invasion. In the other case, actually, it's the current status quo and establishment that's bipartisan, frankly, in this country, that's talking out of both sides of its mouth, funding Azerbaijan for the last several years, not saying a peep about its incursion into the Nagorno-Karabakh region, while pretending like it has to be the top US foreign policy priority to come to Ukraine's rescue to the tune of hundreds of billions of dollars, while increasing the risk of World War Three by driving Russia further into China's hands. And of course, that leaves the third, the third and perhaps most controversial third rail that that, you know, I've been advised not to touch, but I believe in candid conversation.

And I hope that's what we're having today is how we analyze the situation of US engagement in the conflict in the Middle East, with what's going on with Israel and Gaza. Now, here's my view is not each situation is the same. You don't just analogize each situation, you analyze each situation independently.

Israel is a more important ally to the United States in advancing our interests in the Middle East than is Ukraine. I think I can bluntly say that these two situations are not tantamount to one another. Nonetheless, I think we have fallen into a trap that actually leaves both the United States and Israel worse off as a consequence of the United States financially intervening in this particular war.

The reason is Israel's rate limiting step to its own success is not money. People forget Israel's own national debt per capita is less than the national debt per capita in the United States of America. So it's a bizarre move to say that we're going to help somebody who is not financially constrained is through some form of financial aid.

It's a bizarre step. It's a bizarre step, especially because the thing that Israel is short on is diplomatic latitude to be able to defend itself. Diplomatic latitude from the UN, the EU, and increasingly, even the United States of America.

And so it's my view that both the United States and Israel, and I say this because it's a paradigm not just for our relationship with Israel, but our relationship with all of our allies, both the United States and Israel would be better off if the United States stood diplomatically for the right of Israel to defend itself, just as we believe in the right to defend ourself if there's an incursion at our own southern border.

God forbid something like what happened on October 7th happens here in the United States, although I do believe that's what our border policies are signing up for. That Israel has a right to defend itself, but we constrain our ability to provide that diplomatic iron dome when we assume responsibility for those consequences through financially intervening in that war, pretending as though the sale of arms is never an option, when in fact you could actually open up that as an alternative option to engaging in foreign aid to a country that actually is not rate limited by its financial circumstances today. And so hopefully that gives you at least a bird's eye view of my perspective on three of the most important foreign policy engagements at the moment right now, one of which is strangely and bizarrely ignored by the press, that in Nagorno-Karabakh of the Armenians who are suffering at the hands of the Azerbaijanis. But more broadly, it brings us back to the grounding principle that George Washington left us with in his farewell address in 1796, which is that we the people elect a government that is accountable to us.

We the people put people in charge of the government who are accountable to us. We can vote them out if they don't serve us, but their first and sole moral duty is to the citizens of this nation, not another one. To me that's what real America first means.

It doesn't come with an asterisk. America first includes all Americans, but it starts with Americans first. Citizenship itself is about duty to a country.

One of the reasons that in the campaign trail I supported a policy which has seemingly nothing to do with foreign policy here, but it does, it's about foreign policy for the middle

class is the theme of today's discussion, is that I believe every high school senior who graduates from high school should have to pass the same civics test that every immigrant has to pass in order to become a voting citizen of this country. It's a demonstration of your civic duty to your nation.

Citizenship isn't about what you get. It's about what you give actually. Citizenship is about your loyalty, your duty.

That's why I happen to believe that the concept of dual citizenship is an oxymoron on its own terms. You can't have loyalties to two different nations at the same time because it's possible those nations could have interests that conflict with one another at some point and the question is as a citizen to which nation do you owe your exclusive undivided loyalty? That's why legal immigrants to this country are required to not only pass a civics test to demonstrate they know something about this country, but are also required to swear an oath of loyalty to this country.

That's what citizenship is about. But the flip side of citizenship is that that loyalty is a two-way relationship. It's not a one-way relationship, it is a two-way relationship.

And just as we as a country have lost our notion of citizenship, it's no accident that we see at the same time in our history that we have lost our sense of what citizenship is all about, the loyalty of a citizen to his nation. It's precisely at that moment in our history that we have also lost our sense of what is the duty owed to those citizens by their elected leaders in places like Washington, DC. And I think those two are two sides of the same coin.

And one of the things that I hope to do in this country in one way or another, in whatever way a young person who hasn't been in politics can, but as a citizen, is to revive our duty to this nation. And in so doing also to revive elected leaders who remember that their first and sole moral duty isn't to them, isn't to their pocketbook, isn't to citizens of some foreign nation, but to the citizens of the nation that they serve, the United States of America. Thank you for the warm welcome, everybody.

I'm looking forward to a discussion. Thank you. Thank you for having me.

Curt Mills
(3:22:34 - 3:23:01)

All right, making sure this is on. Cool. All right.

So at the risk of a very shameless plug, our magazine was founded in 2002 by conservatives and friends against the Iraq War. And it occurs to me that the true fault line in what I believe is a GOP civil war is where a man or woman stands on foreign policy. You announced your campaign for president in the spring of 23, if memory serves.

Vivek Ramaswamy
(3:23:02 - 3:23:05)

It's February, late February. Spring, by the time anybody heard about it.

Curt Mills

(3:23:05 - 3:23:37)

Yes. Were you as ideological on foreign policy then as you are today? Because I believe the seminal sort of exchange of the campaign wasn't between some of the nominee Trump or even matter of Santis, etc.

It was between you and Ambassador Haley on the nature of America's responsibility abroad. Did you find your exchanges with your rivals intensified your views? And did you find you learned a thing or two from folks on the trail?

Vivek Ramaswamy
(3:23:38 - 3:28:05)

So the answer to a lot of questions, absolutely. I learned far more than I contributed over the last year, mostly from citizens across this country who care deeply about the future existence of their country. And yes, I learned more than I contributed, but I contributed also what I learned.

What drew me into the race originally was a vision for a domestic revival of this country, right? I feel like we have lost our national identity, our sense of who we are, and especially young people, people in my generation and younger have lost their sense of what it means to be an American. I was drawn in, in part, due to my own personal experiences and battles in corporate America and in the economy, seeing the infestation of woke culture and anti-American ideologies into every institution from our universities to corporate America, to our companies, to nonprofits.

That's what pulled me into the race. And it was core to the themes that I addressed throughout the race. My vision of foreign policy wasn't on day one, a core element of my, I mean, I had my views, but it wasn't where I defined my candidacy.

I would agree with you that certainly by the end of it, the thing that was most distinctive about my candidacy versus everybody else on the debate stage was my unabiding commitment to America first principles. A lot of people will use that word, but are ready to discard it when it conflicts with their other preexisting commitments. And so I do think that those debates were useful.

I think they were productive because it smoked out something that we're at risk of, frankly, papering over right now. I mean, it does make me vomit a little bit, gag a little bit when we talk about the divide in this country as being between Republicans and Democrats right now. Certainly when it comes to foreign policy, it's not.

It is emblematic of a deeper division between those who believe that the role of the United States of America is something other than serving its citizens versus those who do. And I think there are some in the Democratic Party who are actually more sympathetic to that view than they'll admit. And there are many in the Republican Party that right now in a rush to show party unity or whatever that means, are eager to bury what is a deep ideological division within the GOP.

And I think conversely, I believe the Republican Party in our country will be the strongest version of itself if we actually smoke out those differences and are able to have respectful,

even if vigorous, debate about those ideological differences. One of the things I learned was that, unfortunately, some of the people who are the most vociferous advocates of the alternative view, call it a neoconservative view, aren't actually all that well educated in why they hold the views that they do. I think they hold the views that they do in part because they are what the American system has become, an assembly line for politicians becoming products that are funded by people who write checks.

But I do think that that betrays stronger arguments for the other side. I think if you look at the people who write for the editorial board, whoever writes the staff editorials of the Wall Street Journal, say what you will, they're at least thinking people. These are intelligent people.

But I think the politicians who, even at the presidential level often, who are responsible for serving as the mouthpieces of those views, often have very little idea why they adopt the views that they do or where the places that they pontificate about would appear on a map. And so one of the things I endeavored to do during the presidential campaign was to smoke out that level of hypocrisy, that level of utter absence of knowledge. But I think that that, in some ways, did not allow us to get to the core of the debate of having actually the real argument which says that the job of the United States is to serve as the unambiguous arbiter of international justice versus the job of U.S. elected leaders to be exclusively looking after the best interests of U.S. citizens. And I think there's a really interesting debate to be had there. I don't think we got there in the context of the presidential debate because while I had the sole view on that debate stage, I would have loved nothing more than a ideological peer to spar with on the other side. But what we actually found were mouthpieces who often did not know why they were saying what they were saying but were going through the motions as a matter of muscle memory acquired over 30 years of partisan sausage-making.

So that was my experience. But I think that that debate still lies ahead. And I do think that it would be good for the country for us to be able to have it in the open.

Curt Mills
(3:28:06 - 3:28:11)

All right. I will appreciate the very eloquent dunk on Ambassador Haley there.

Vivek Ramaswamy
(3:28:12 - 3:28:13)

Interpret it how you will.

Curt Mills
(3:28:13 - 3:29:10)

Yes. So something you did say leads into my next question, though. You did have a tit for tat of sorts, if memory serves, with the journal editorial board, specifically on your Taiwan policy.

And you referred to it a little bit in your remarks. If I recall, it is that you think the U.S. should declare unconditional support, essentially, or more or less, correct me if I'm wrong, for Taiwan until we get to a point where we can reshore and then policy has to change. So far as I'm aware, there's a totally sui generis policy proposal.

If you were advising the 47th President of the United States on this issue, would you hold to that line? And then secondly, I think perhaps everybody in this room knows, Chairman Xi has ordered his military to be ready for 2027. That could be a fake out.

He might invade in 2025, or he might literally do nothing. You're a pretty experienced guy. What do you think is going to happen?

Vivek Ramaswamy
(3:29:10 - 3:34:49)

Yes. So I think what's going to happen is not yet determined, is what I believe. I think it will depend on a number of factors, including who's in the White House.

And I think that the probability that Taiwan is invaded or annexed goes down dramatically. If Donald Trump's the president, it goes up dramatically if Joe Biden's the president, but I can go into that political reason and rationale separately. To your earlier point, one of the things I did discover is even those who are ideological and ideologically coherent, even if different from my own ideology on foreign policy, like those friends at the Journal Editorial Board, did take the opportunity in a way that disappointed me too.

It's one thing when dumb people do it, but if smart people do it, you know what they're doing, is to purposefully mischaracterize what view they're up against, because they would rather not contend with the essence of the view. And so I tried my best not to let them get away with it, but we had some tit for tat on that, as you mentioned. My policy on Taiwan is, you could argue, stronger than any defense hawk posture on Taiwan, which is that we have to move from strategic ambiguity, which is the U.S. posture right now, which is we won't say what exactly we will do, to a position of strategic clarity, where we draw a clear red line, where we say, no, no, no, the U.S. will defend Taiwan if China invades or otherwise annexes or attempts to forcefully annex Taiwan, at least for the foreseeable future, because it's in the U.S. interest to make sure that we do that. Our own modern way of life depends on leading edge semiconductors manufactured in Taiwan, everything from the phones in our pockets to the lights in the back of this room to the refrigerator that kept your bottles of water cold before they brought it out are powered likely by leading edge semiconductors.

Our modern way of life grinds to a halt if China exercises leverage over our ability to live a modern first world lifestyle. So yes, it is in our interest to make sure China isn't squatting on the semiconductor factories, just as it's in our interest to make sure that in the long run, we're not exclusively dependent on Taiwan, to onshore production to not only the United States, but to diversify our supply chains to countries ranging from Japan to South Korea to other countries where we could more feasibly do it in the foreseeable future.

I think that could be if we really put our efforts to it, could be a period as little as five to 10 years that we're able to successfully achieve that milestone. But in the meantime, it is unconscionable. It's an unconscionable risk, an unfathomable risk that China controls that semiconductor supply chain, which is the main reason why I say for the foreseeable future, the United States needs to be clear, draw a red line and stick to it, that China will have no business annexing Taiwan, and we will militarily defend moving to strategic clarity.

At which point in the future, after we've achieved semiconductor independence, we can revisit that posture and possibly resume the current status quo of strategic ambiguity at that time. Now, this was bizarrely characterized as a weak position on Taiwan, which I found laughable because I've actually been, I think, about as strong as they come on this issue. Well, most of the Republicans who criticized me for it, I think were not aware that the current policy position of the United States is to respect the one China policy, is to currently accept the US posture of strategic ambiguity, which I believe is insufficient.

And so we did see this move in this jujitsu several times over in the campaign. One of the unspeakable truths that I touched during the campaign, I have no regrets about it, was also acknowledging the reality. It's an uncomfortable reality.

It's not something that doesn't affect our foreign policy at all today, but you brought up principal conservatives who were against the invasion of Iraq. The whole premise for invading Iraq at the time, for people who recall it, was that Iraq had something to do with 9-11. We now know that to be, for all intents and purposes, false.

However, what we now do know, that we were unwilling to admit that even though the facts stared us in the face, is that Saudi Arabia did have a direct linkage to what happened on 9-11. Omar al-Bayoumi was a 42-year-old graduate student who randomly met, happened to bump into two of the terrorist attackers on that day, and said at LAX airport, he's just a graduate student, bumped into these people and housed them and opened bank accounts for them, things that normal friends who meet at the airport do. He's 42 years old, he's a graduate student.

But the 9-11 commission and the FBI both, at the time, said vehemently they believed his account and he had nothing to do with Saudi Arabia. 20 years later in declassified documents that come out in the context of families of 9-11 victims now suing the Kingdom of Saudi Arabia, we learn he was a Saudi intelligence operative and in touch with diplomatic actors at the highest level. That's just a fact.

It's not saying we should do anything about it. It's not a conspiracy. It's just a reality and a fact we have to contend with.

It would have been about as poor of an idea for us to invade Saudi Arabia as it was for us to invade Iraq. But the whole premise for invading Iraq was they had something to do with 9-11 and yet you're not supposed to talk about another nation that did demonstrably have something to do with 9-11. And so I think on a lot of these issues, this is another one that really got under the skin of our friends at the ed board, at the journal.

But what I will say is I respect at least the folks there for having thinking brains of representing an alternative ideology about the US's place in the world. But I wish we could have those debates a little bit more honestly rather than mischaracterizing the best articulation of the other side. Because I'm hungry for the best articulation of the side that I'm facing up against.

But I think that our country would be better off if we advanced the best shake from both sides so that we can actually be the best version of ourself at the end of it.

Curt Mills

(3:34:50 - 3:36:11)
Cool. Final question. Softball. Israel. I had a coffee last week with a fairly prominent Arab American activist, Dearborn, Michigan. That's where he's from.

Plead anecdote, need a caveat that no one literally knows what's going to happen in November. He thinks that Trump will win Michigan by 10 points. He thinks that it's the polls are totally wrong.

He's going to get smoked, Biden that is. It occurs to me that the Middle East imbroglio is at this point just a negative asset on the president's balance sheet. The White House is pleasing no one.

He is insufficiently pro-Israel for the campus protesters, and he is insufficiently anti-Hamas or Palestinian for the establishment wing of his own party. On the flip side, Trump appears to be benefiting from the impression that he himself stokes, that he is the most pro-Israel president in American history, and there's a pretty clean case for that. But additionally, I mean, he spoke in the Midwest, I believe he spoke in Ohio, where the crowd shouted, chanted, Genocide Joe, and he said, quote, they're not wrong.

Again, again, consigliere, Ramaswamy here, new administration, this time next year. What do we do?

Vivek Ramaswamy
(3:36:12 - 3:37:37)

Look, I actually view myself as pretty closely aligned with, I would, for all I know, identically aligned with Trump's view here. I am pro-Israel. I believe Israel is an ally of the United States of America.

And I think what Israel deserves is the diplomatic latitude that they're not getting from the United States to be able to get the job done that they need to get done. It's not up to us to define their war objectives. It's up to Israel to define its own war objectives.

And it's up to the United States as an ally to give them the diplomatic latitude to do it, which is what they're missing today. And I think for a lot of reasons, you know, Trump did not follow the standard party line of what you're supposed to say on every item of Israel. But when it came, when push came to shove, in terms of the results he delivered, from the move of the embassy to standing with Israel when it counts, I think he was actually a stronger ally of Israel than anyone else who recites the pieties has been.

And I think our relationship with Israel in some ways is embodied by, I think, a cultural relationship. Israelis are very candid people. Donald Trump's a candid person.

I'm a candid person. I think that that candor actually causes the U.S.-Israel relationship to thrive and be the strongest and best version of itself. But at the same time, if the U.S. is providing war-specific aid in one particular war, then the U.S. cannot be in the position of having nothing to say. It's incoherent to be able to say both of those things at the same time. And so that's why many of the strongest pro-Israel voices in Israel are against U.S. added financial aid in Israel.

Curt Mills
(3:37:37 - 3:37:41)

So if you were in Congress, would you have voted against the aid package that came out last month?

Vivek Ramaswamy
(3:37:41 - 3:40:05)

Yes. Yes, because I think that for all the reasons I described, I think it's not in the interest of the United States, and I think it's not in the interest of Israel. I would have voted against the aid package for Ukraine.

I would have voted—I mean, this is a whole separate discussion, but I would have voted against the TikTok ban, not because I think TikTok's an awful platform. There are major risks. But there are major risks for countless other platforms that are leveraged with the CCP over them that we're purposefully ignoring.

And people who have been asleep at the switch and paying attention to the Chinese risk of infiltration of the United States for decades somehow picked this as the lightning rod that they conveniently chose. Why? Because Meta lobbied for it.

They're going to be the Instagram reels or whatever is going to be the beneficiary. They're literally copying and pasting. People don't realize this.

People say it's literally the same content. They're just copying and pasting on a different platform. Mark Zuckerberg gets the last laugh of the day.

And by the way, if you want to know the best diplomatic protectionism of the Chinese Communist Party by a social media company, I'll tell you what it is. It's the idea of social media companies at the direction of a government denying that the COVID pandemic originated in a lab in China. If you said on multiple different social media platforms that COVID started in a lab in China in the year 2020 or the year 2021, you were censored, your accounts were blocked, they were locked and shut down.

And was that the product of a government in the backdrop secretly prodding these social media companies as we worry in the TikTok case? You're talking about the CCP acting behind TikTok. Was it because of a government acting as an invisible hand guiding a social media company to behave that way?

Yes, it was. But those social media companies were YouTube, Facebook, Twitter, and the government guiding them to do it was that of the United States of America, the same government that funded that research in China through bureaucratic actors who are now evading accountability for their own actions. And so is China the single greatest threat the United States faces?

Absolutely it is. And is the Russia-China alliance, does that put the United States at an even greater risk? Absolutely it does.

Confront the actual threat. Anybody who is talking about TikTok who has nothing to say about 60 Chinese transformers in our own electric grid is not serious about actual protection against the real risk. What they're serious is about is virtue signaling to you to make you think they care about a risk that affects Americans when they actually don't give a damn.

That's what I believe. So yes, would I have voted against every element of that package? You're darn right I would.

Curt Mills
(3:40:06 - 3:40:08)

You're here. Thank you.

Vivek Ramaswamy
(3:40:12 - 3:40:14)

All right. Thank you guys. Appreciate it.

Kelley Vlahos
(3:40:23 - 3:41:20)

Okay. Well, that wraps us up for the day. Thank you so much for coming.

On behalf of the Quincy Institute and my bosses, Laura Lumpe and Trita Parsi, who have been in the front row all day, and on the American Conservative, your contingent here and your support, please. We've had a lot of speakers, a lot of issues, a lot of information. And I believe if you go to quincyinstitute.org or quincyinst.org, we have a ton of briefs and papers. And if you don't know much about us, this would be a good time to learn. And you also have American Conservative magazines on each of your tables. So please take them home.

Great writing, great writers. Helen Andrews in the house back there is the editor of the magazine, and she's doing an incredible job. Thank you so much for being with us today.

And I hope you'll follow us, both of our platforms. And Responsible Statecraft!