

**Robert D. Kaplan**  
**Presentation**  
**IFPA-Fletcher Conference**

**MR. ROBERT KAPLAN:** Well, it's my pleasure to be here, Bob, and it's great to see you again after two years. And it's a pleasure to be here at this conference.

Let me start here saying that each war tends to be very different from the last. The almost quaint Franco-Prussian War gave no indication of what World War I would be like. The first Gulf War has given us no indication of what the Second Gulf, the Iraq War, would be like. Vietnam was much different from Korea and World War II. And in fact, related more back to the Philippine War of 100 years ago. So it may be that we will master dirty land counterinsurgency just as it recedes over the horizon, or just as it takes its place among many things that we have to do. Because the Pentagon does not have the luxury of planning for one future. It has to plan for several, at least.

And if you think back in the 1990s, the Army and the Air Force were very active in the no-fly zones in northern and southern Iraq. The '90s was really a decade of the Navy and the Air Force, also off the coast of Kosovo, off the coast of Bosnia, about 30 percent of the missiles fired into Kosovo were from submarines and other ships. So it may be that the future will be we'll see a lot of activity by the Navy and the Air Force and we may be in store for conflicts that are vastly different than the one we're all embroiled with and talking about now.

And I say this because while everyone has to plan constructively for worst case scenarios, it's particularly the military's responsibility to do that. You know, I like to say that Secretary Rumsfeld planned for all the worst case scenarios in the initial invasion of Iraq and got the best possible result on the short-term, but he planned for the best case scenario in the occupation and got the worst possible result. So therefore, it's really incumbent upon us to think the unthinkable and to think about the kinds of conflicts the

Navy and the Air Force, the two technical, real technical services of the armed forces, may be in store for.

And as I look at this, of course we'll be active globally all around the world. But if there are two places that really, I think, hit home in terms of where we may be active, it's in the Pacific and the greater Indian Ocean area. China and India are producing massive new middle classes that will number in the hundreds of millions. They will be avid energy consumers. Over 90 percent of India's energy needs will come from oil. China is consuming more energy than any country in the world aside from the United States. A lot of their energy needs are going to come from the Middle East, from the Persian Gulf.

Indian Ocean sea lines of communication are about to get very clogged with tanker fleets and with Chinese and Indian warships in the years to come protecting those tankers. A previous speaker said to look for the future of conflict, look at the commercial space, and he used the example of an airplane. Well, you could use the example of an oil tanker at sea, or a cargo tanker and see how piracy could provide a perfect Petri dish for the next generation of terrorists. So again, for the last few decades, the United States has essentially owned the Pacific Ocean as its private lake in the sense it could go anywhere and everywhere it wanted without really telling anyone in safety. But what I'm saying— And this is also true in the Indian Ocean now. But what I'm saying is the future may be a much more multi-polar environment. While we're occupied in Iraq and while European defense budgets are fairly static on the overall, the militaries of China, India, Korea, Japan, are not so much enlarging, but they're modernizing because large militaries don't necessarily mean a good military.

In the 1990s, the Asian militaries comprised seven of the ten largest in the world in terms of numbers of troops and land armies. But it didn't necessarily make them any good. It was with downsizing, satellite communication, cell phones, that real military and post-industrial civilian complexes came into being in countries like South Korea, Japan, India and China. And this is a natural development. There's nothing nefarious about it. You know, these are countries that have been devastated by World War II, that are just finally

their militaries and particularly their navies are coming online and it's going to be a much more multi-polar environment that the U.S. Navy is going to encounter. And it's mainly going to be centered on the Pacific and greater Indian Oceans.

Japan, which devotes I think less than 2 percent of its budget on the military, necessarily that's enough to field almost 120 major warships, which is almost three times the size of the British Royal Navy and about to be four or five times the size, given the downsizing in the future of the British Royal Navy. The Indian Navy is about the fifth largest in the world, it's about to become the third. Navies can really pop—When the Berlin Wall closed, who was focusing on the Chinese or Indian navies? Or Chinese acquisition of submarines, which in terms of building an acquisition of submarines is several times larger than our own. And it's not just diesel electric, but it's nuclear submarines that the Chinese are acquiring and/or developing which means they have blue water imperial ambitions. Because the benefit of a nuclear sub is it doesn't have to be refueled and you're only limited by the amount of food you can carry on board, which is generally three to four months.

And when the Chinese military talks, they always hearken back to the 15<sup>th</sup> century Ming Dynasty. Ming Dynasty treasure fleet explorer, the eunuch Admiral Zheng He, which I probably pronounced his name wrong, I apologize. And so why do they keep bringing up this name of this 15<sup>th</sup> century Ming Dynasty admiral? Because this admiral took his treasure fleet, you know, seeking tribute from east Asia across the Indian Ocean, up to the Persian Gulf, into the Horn of Africa. The exact sea lines of communication that the Chinese are going to be using more and more with their oil tankers and their escort warships.

So this gives you an idea of where the Chinese are headed. And as I said, there's nothing nefarious or evil about this. China is a responsible, rational power in the way that Iran may not be. But it just means that we're going to be facing more crowded seas, where we're not going to be quite as dominant in relative terms as we are today.

The Chinese are building deep water ports, they're helping to finance them in Pakistan, off the coast of Burma. They'll probably finance a canal across the Isthmus of Kra in Thailand. They're a future peer competitor that's rising. And so our navy is going to be very much involved with all this commercial traffic coming online in the Indian Ocean.

And so how do we approach this? How do we deal with this? Well, we shouldn't try to lock China out or see China as a future adversary. We should try to draw it in with our alliances. Of course, we should leverage India and Japan, but very subtly doing so. In terms of Admiral Mullen's thousand ship navy concept, what that really is, and I don't mean this in a derogatory sense, just calling it what it is, it's a more or less thousand ship Coast Guard. Sort of the sea element of—You know, the sea element of counterinsurgency. You know, it's protecting coast lines, which is a good thing to do. And it will help us a lot in terms of access, in terms of identifying terrorists with onesies (sic) and twosies (sic), sending in from offshore to hit certain targets as we did off the coast of Somalia recently. But, it still is separate from the Navy's other responsibilities, which is being able to target in a great decisive manner from the sea, being able to hit land targets from the sea.

We could lose the war in Iraq, we could lose the counterinsurgency battle in Iraq and it wouldn't necessarily be a disaster because our navy controls the choke points in and out of the Middle East and still can direct heavy fire anywhere onto shore from the sea. So it's our Navy that is more than ever, I think, going to give us the classic power projection that we need. Remember, we may be living in a world of globalization, but in a world of globalization, as jet age as it is, 70 percent or more of all goods travel by sea. And again, come back to what that earlier speaker said about the commercial space and how important it is and how we have to focus on the security of the sea lines of communication. Thank you very much. [applause]

## Q&A for Session 1 Panel

**DR. PFALTZGRAFF:** I realize that we're running just a few minutes behind schedule, but we have some flexibility built into the agenda. And therefore, I would like to invite questions to the panel, but I would like you to pose your question and then to give the panel at the end of the next few minutes an opportunity, each member of the panel, to make a very quick response to any and all of the questions that are asked. So who would like to begin with a question? Yes, right over here. And please, before you ask the question, wait for the microphone to arrive. It's going to be there very shortly. And please identify yourself.

**AUDIENCE:** Thank you. Philip Wilcox, Chief of State capability, fleet headquarters in the United Kingdom. It could be argued that the 18<sup>th</sup> and 19<sup>th</sup> centuries, and indeed into the 20<sup>th</sup> century, was a scramble for resources on and under the land. It could be argued that the scramble for resources in the 21<sup>st</sup> century will be for the resources within and under the sea. Discuss, please.

**DR. PFALTZGRAFF:** Okay, we'll note that question. Sounds like a good exam question as well. I'll have to remember my final, discuss this. Next question? Right back here?

**AUDIENCE:** Commander Pat Burns. This is directed at Dr. Flynn and a follow on to Admiral Mullen talking about Milton Friedman's supply chain security. Do you see the maritime strategy as a subset of supply chain security? And if so, who is responsible for coordinating the 18 federal agencies and the hundreds of other agencies and countries and industry into one collaborative supply chain security strategy?

**DR. PFALTZGRAFF:** That's a very interesting question. Next question? We have two in the back here, so why don't we take both of them, in sequence, of course.

**AUDIENCE:** Eric McVadon, the Institute for Foreign Policy Analysis. My question is to Dr. Joseph. I've heard from Chinese and Koreans that China's opposition to PSI has eased. I wonder if you've heard that, and if so what have they done, and why?

**DR. PFALTZGRAFF:** And there's another question over here. Just pass the microphone over there.

**AUDIENCE:** Hello. Stephanie Sia from SSC San Diego. I have a question for Dr. Flynn. You were talking about the need to connect with civil society. I just have a question; how can we plan ahead so that we can, especially when you look at the U.K., what's happening in the U.K. when U.K. citizens are actively going out there and blowing up—Like the U.K. tunnel and things like that, when terrorists tend to use citizens to break this link between citizens and governments. How can we plan for that?

**DR. PFALTZGRAFF:** Now we have time for one or two more. Please, Peter Huessy, right in the front here? And then we'll get three more questions.

**AUDIENCE:** Jacque, this is for you. Your question on the use of nuclear weapons no longer means a taboo, could you to the extent that you can, address the issue of North Korea, Iran and China as opposed to terror groups? And Steve, my question is do you think given what you said about the third lesson we haven't learned, would Goldwater-Nichols apply to the non-defense security part of our government and homeland security, be a useful thing to do, not only for jointness (sic) within the government, but jointness with the private sector?

And Bob, my question on the PSI is if you had proposed in the interagency process to do PSI, my guess it never would have happened. But given the real world events that compelled you to do something like PSI, it appeared that it changed the interagency process for the better.

**DR. PFALTZGRAFF:** Okay. Please? Down here.

**AUDIENCE:** Eric Kulisch, *American Shipper* magazine. Dr. Flynn, could you elaborate a little bit on any ideas you have for private sector and national security cooperation? You know, there's already some in the area of security committees with the Coast Guard to develop port security plans and CT pact on supply chain security and probably at the World Customs Organization, International Maritime Organization, there's some of that going on. What's the next step? How do you go beyond that?

**DR. PFALTZGRAFF:** And there was one question back here.

**AUDIENCE:** I'm still Robbie Harris [laughter]. A question for Dr. Flynn. Sir, you suggested that perhaps maybe over emphasized is force projection and you commented that there's a disproportionate emphasis on San Diego as opposed to Seattle or Long Beach. Question for you sir is how do you see the division of labor between Navy and Coast Guard to address these unanswered questions that you mentioned?

**DR. PFALTZGRAFF:** Any other questions now before we turn back to the panel? Yes, please, one more back here and then we'll stop.

**AUDIENCE:** Vince di Pietro from Australia. I'll just ask the panel generally the context within all this has to function, if we were to come up with a maritime strategy of some success, would still be underpinned by international law. Is international law keeping up with the sort of flexibilities we actually are hoping to achieve in multinational and multi-agency contexts that we wish to establish in a new strategy to combat the threats that we've all been speaking about?

**DR. PFALTZGRAFF:** Okay, I think we have enough questions to keep the panel busy for the rest of the day. But each member of the panel will have only a couple of minutes. Feel free, by the way, to comment on any question that was asked to another member of the panel if you feel the urge to do so. So let's go in reverse order and begin with Bob Kaplan.

**DR. FLYNN:** If possible, Bob, I have to catch a flight.

**DR. PFALTZGRAFF:** Then let's not go in reverse order and begin with Steve Flynn.

**DR. FLYNN:** I have to be in Dulles in 15 minutes, so let me be the—

**DR. PFALTZGRAFF:** Yes, only a couple of minutes and then we'll let you leave. You have to leave, too.

**DR. FLYNN:** In quick order here, the answer to the last question, is international law keeping up? No. Is the overemphasis—I'm sorry, I got that—Going back to the beginning, the question about resources in and under the sea, that's an example of the law not keeping perhaps up, certainly on the U.S. side of it. And of course the biggest place this will play out is now in the arctic area and that is something that is now just barely getting on the radar screen that America is well behind on and we must engage. The northwest passage, this is something that climate change is making real, so we have to work our way through it, try to I guess bucket together some of the supply chain security related issues overall.

The real biggest challenge with this is this intermodal quality has also made it multi-jurisdictional and there are so many agencies that have their hand in this pie that coordination has probably been the biggest challenge. Largely, what we could say about our current strategy as relates to this is it's an umbrella, a collection of mostly pre-9/11 programs and then a few new variations on that with agency ownership, not all that well coordinated, though there's an effort to try to do so.

The stakes are enormous, and getting it right. And I guess what I want to encourage is that as we develop the maritime domain awareness particularly that recognized that you can get industry cooperation, because if you go about doing that clumsily, that makes their lives miserable. They're willing and often able to be very cooperative in sharing

information and being a part of this. The challenge is how do you get the structures in place to carry out as an ongoing dialogue, how do to vetting, whole bunch of other things. But that must be a part of it. They're very incentivized to want to engage with this community as this has developed because a clumsy execution of maritime domain awareness, basically hold everything up and check things out, is something that will make their lives miserable. So cooperation is there, the potential for it, and the need to move forward.

On the issue of, and I guess speaking to the question about where do we go from here, just to highlight, Secretary Chertoff rolled out a cargo security—International, international, cargo security strategy in June of 2007 and has a response and recovery chapter to it. And if you actually do a search for the word international, foreign, or any country's name or anything, you won't find it in the entire chapter. It basically is how the feds will deal with the port in dealing with a recovery. Now, how can you have an international cargo security strategy that doesn't acknowledge that there's Canada or Mexico, oversea port authorities, oversea shipping companies and terminal operators who run the system? It's probably not a very effective recovery strategy.

So the real challenge here is to mature the cooperation that's happened between industry and local players starting to wrestle with these issues and take it out into the broader system. The fact is there is no other critical infrastructure that America is dependent upon that has as much of a foreign ownership component as the international maritime commercial infrastructure. Ninety-eight percent of the container ships are foreign flag, virtually all the terminal operators who work the world's commerce are foreign owned. You try to figure out how to engage them if you're going to have a true private/public partnership. And it's a huge task.

On the division of labor, I'm just asking, that's a classic federalism issue. Ports have historically been run in this country by locals and states. Port authorities lease land to commercial players. The basic view is they should take care of themselves. I would suggest, though, strategically, that doesn't make sense when you've got this asymmetric,

huge investment in force protection for naval forces to project power beyond our shores. What in a perverse way you're doing is the Department of Defense, by hardening its domestic targets is making our civilian targets more attractive. Our adversary's here, which one you want to hit?

Now, nobody consciously set out to do that, because that division of labor conversation simply hasn't happened. Actually, our Navy is socking away Coast Guard resources to do force protection, which it doesn't have to provide the protection on the civil side because you have cash. That's where things go, the cash isn't at the state level levels. Does this make sense from a national security perspective? I guess I tried to suggest that it probably doesn't. If the economic commercial space is where warfare plays itself out, then we have to have an adult-like conversation about the old divisions of labor that worked so well for us in the Cold War in the new context. And with that, I'll run. Thank you very much.

**DR. PFALTZGRAFF:** Thank you, Steve. Bob Kaplan is next.

**MR. KAPLAN:** Yes, in terms of undersea resources, it isn't just the arctic, it's also the Gulf of Guinea. The United States is going to be getting 25 percent of its oil from West Africa, from the Gulf of Guinea within the next ten years, up from 15 percent. You're going to see enormous oil revenues flowing into these unstable countries in west central Africa, and that is going to lead to political turmoil. And thinking geographically according to a map, in addition to the greater Indian Ocean and the Pacific, I see the Gulf of Guinea as a major center of operation.

And two points let me make that I didn't make in the speech is the future is fluidity. You know, we make too big of a distinction between combat operations like Iraq and humanitarian relief operations like the Indonesian tsunami and between domestic operations like Katrina and foreign operations like Afghanistan. Increasingly, it's going to be one deployment after another that flows into each other. And one thing I've learned, being embedded on surface and subsurface warships over the last five years, is

the essence of the U.S. Navy, particularly and other western navies, is not—It's not so much tradition as it is operations. Sailors are happiest when they're doing something. You know, they'd much rather be involved in the tsunami than training back at home and they'd much rather be off the coast of Iran than being involved in a humanitarian relief operation somewhere. But, you know, sailors, what I've seen, are in love with operations and I think they're not going to be disappointed in the future. Thank you.