

Nicholas Burns ([00:00](#)):

Group. Welcome again to everybody here. Our Lunchtime Speaker is someone who is, in my judgment, one of our greatest public servants, and one of the most impressive and protean people that I know. Condoleezza Rice, as you all know, is national security advisor to the president at a very consequential time in our history, before, during after 9/11. She was a tremendously effective Secretary of State. I know that because I serve with her in that state department. She's a protean person because she's a public intellectual. Lifetime at Stanford University's history, a professor as... Excuse me, Professor of International Relations, as provost and now president of the Hoover Institution.

Nicholas Burns ([00:51](#)):

She's protean because she's a pretty good golfer. She's an inveterate football fan and she's a tremendous human being. I would just say, personally, one of my mentors in life has been Secretary Rice. We served together at the... For president George H.W. Bush at the White House, as the Soviet team, Condi leading it, at the end of the Cold War and it was a huge privilege for me to be her Under Secretary of State. She's going to be interviewed today by Margaret Brennan of CBS news. Condi Rice is also with Joe Nye and Joe Nye is seated right here. He's going to raise his hand. They're the co-chairs of our nonpartisan Aspen Strategy Group. So Secretary Rice, Margaret, welcome to the podium.

Margaret Brennan ([01:51](#)):

Thanks to all of you for joining us today and thank you very much for this. We're competing with, I think, ham sandwiches and...

Condoleezza Rice ([01:59](#)):

Yeah. Kind of hard to compete with the ham sandwiches, but...

Margaret Brennan ([02:05](#)):

But it was quite a fitting introduction here and really, you don't get more important than the topic that we are going to dig into, and that is the rising power of China. I want to ask you, if you would, madam Secretary, put on your old hat as National Security Advisor, if you would, and give us a sense of how would you run a situation room meeting these days on this question? What does Taiwan's annexation... What does China's annexation of Taiwan look like? How does this play out?

Condoleezza Rice ([02:40](#)):

Yeah. Well, first let me just note that we are dealing with a very different China. People say rising China. I say risen China because in fact, you're looking at a country that has economic power, technological capability and military capability. Very different from the Soviet Union, which was a military giant and a technological and economic midget. It is also the case that China is integrated by design into the international economy, the ties are very close, and so this is a different kind of challenge. And we, I think, are also seeing in Xi Jinping, a Chinese leader, who is pressing the advantage, so to speak. So that's really where the Taiwan question comes into being. We know that on Hong Kong, the 1997 agreement essentially has been overrun. I tend to think of Hong Kong as... Moving to be another Chinese province at this point. It's really not one country, two systems, it's one country, one system.

Condoleezza Rice ([03:43](#)):

And so that suggests that maybe the unification of China, all of its disparate elements, is high on the agenda of Xi Jinping, who wants to be in the pantheon with Mao. That's why Chinese school children are chanting the sayings of Xi Jinping. They didn't chant the sayings of Hu Jintao and Jiang Zemin. So if you're trying to understand how to deal with this, you have a couple of facts. The one is that we have an obligation to help Taiwan defend itself under the Taiwan Relations Act. We've also helped the Taiwanese Armed Forces over the years to become significant, they couldn't defeat the Chinese, but they could in fact exact a price and so you have that. That leads me to think that when you're looking at what China might do in Taiwan, you're looking rather than at a frontal assault and amphibious landing of this law.

Condoleezza Rice ([04:39](#)):

You're looking at, let me call it, "The Putin Playbook" in Eastern Ukraine, which is to stay just below the threshold at which someone would react. We're seeing right now, for instance, the Russians doing something with their forces around Ukraine. So it's a pressure tactic, it's using cyber to disrupt, it's using social media to set people against one another, it's sewing problems for the country to make it that part of the country to make it ungovernable. So one could imagine. And if I were saying what I thought the most likely is, it would be that kind of stealthy effort to destabilize Taiwan. The goal of which would be to say to the Taiwanese people, we can make this pain stop if you'd like to have a more pro-Beijing government. That strategy has always backfired, by the way, with the Chinese, when they've tried to promote a more pro-Beijing government, they've generally got in the opposite reaction. But I would start looking at what salami tactics could be employed.

Condoleezza Rice ([05:50](#)):

And then you have to start thinking-

Margaret Brennan ([05:51](#)):

Salami tactics?

Condoleezza Rice ([05:52](#)):

Salami tactics, right. A little slice here, a little slice there, maybe cut an underwater cable, maybe season an island, etc. And the real question then is, what do you do about it? How do you deter that kind of behavior?

Margaret Brennan ([06:05](#)):

Exactly.

Condoleezza Rice ([06:06](#)):

Just in case I'm wrong, and you're talking about a more frontal assault, we have to be pretty clear that our military forces are capable of deterrence and that we take seriously the obligation to defend Taiwan. But I think it's more likely to be something that's a little harder to actually react to.

Margaret Brennan ([06:27](#)):

So there was a lot of attention to this question when President Biden was asked at a town hall, is it up to the US to come to Taiwan's defense if attacked? And he said, "Yes, we have a commitment to do that".

The official talking point is, which you mentioned with the Taiwan relation act, which is to help build their self defense.

Condoleezza Rice ([06:45](#)):

To help Taliban defend itself, build their self defense.

Margaret Brennan ([06:48](#)):

Is the heart of that calculation also the issue that if it were a frontal assault, a military assault, that the tabletop exercises don't actually fare that well for the United States.

Condoleezza Rice ([06:58](#)):

Well, there is some of that, and it's also, what's been called strategic ambiguity to leave open the question of what the United States would do and exactly how because frankly, Margaret, we don't have to be convinced that the United States will come to Taiwan's defense. The Chinese have to be convinced and so presidents have left themselves a little room. Now in thinking about what President Biden said, a little part of me said, "I really hope that this was in fact sort of staged," right? On the one hand, the President says the words that people don't say, "We will defend Taiwan," and then the White House goes around and says, "Well, what the President meant to say, because we didn't really change our policies," but you've entered just enough uncertainty in the minds of the Chinese is that maybe... Because President Biden knows foreign policy, this is not a neophyte in foreign policy and I would suspect that he knows the mantra, that one repeats. So whether it was intentional or not, I don't think it was a bad thing, actually.

Margaret Brennan ([08:02](#)):

So just to widen the aperture a little bit, in the question of how much of a threat China poses beyond Taiwan? It's an economic behemoth. It has an increased, at least, technological advantage on the military front, we're seeing that. We've experienced, time and time again, just how intertwined the two biggest economies are and thus, they have a tremendous amount of leverage over the United States. But at the same time, if you're playing devil's advocate, they have an electricity shortage right now.

Condoleezza Rice ([08:37](#)):

Yeah.

Margaret Brennan ([08:38](#)):

They have real questions about their financial health with potentially, real Lehman Brothers moment, with one of their property developers and their financial sector.

Condoleezza Rice ([08:49](#)):

Yes.

Margaret Brennan ([08:50](#)):

So how real is the threat that... How strong are they? How do you assess who they are?

Condoleezza Rice ([08:57](#)):

Well, they are strong. I think we would be fool hearty, not to take into account their significant military capability, their increasing military capability, their willingness to be assertive and the South China Sea. I mean, they flat out told President Obama, they weren't militarizing. They are. When you look at... Who goes to the Indian border and stirs up trouble on a border that has been silent for 40 years? I mean, there is a kind of behavior that is aggressive and not to mention that the Wolf Warrior Diplomacy is kind of interesting. Let's just tick off everybody we can possibly do. So I would-

Margaret Brennan ([09:39](#)):

Isn't that what the last US administration also did a little bit of?

Condoleezza Rice ([09:43](#)):

Yeah, but we only did it on a Twitter. I think, Margaret, I would say that there are a couple of things that would argue in favor of your, "Don't overestimate the Chinese threat", because it's a bad thing to underestimate your adversaries.

Condoleezza Rice ([10:00](#)):

It's also a bad thing to overestimate them because it makes you react more quickly than perhaps you have to. So what are the things that suggest that. The first is, as you said, they have a number of economic problems, not to mention a demographic challenge. Whenever people come with authoritarian envy, they're so smart, they build great airports, they can do these things. I say, the problem with authoritarians is when they make big mistakes, they make doozies. So the one child policy, brilliantly executed and now 34 million Chinese men don't have mates. So now it's, "Oh no, have two children. Oh, no three children, no as many children as you want," and turns out now, women don't want to have more than one child. So you've got a problem of authoritarians making mistakes. Xi Jinping, of course, has made himself the center of attention.

Condoleezza Rice ([10:53](#)):

It used to look more collective. There were term limits, we'll see what happens in seven, eight months around the term limits issues. So there's some weaknesses in the system. They also have managed to unite countries against them. In political science, people say, when there's a really strong country, countries will either bandwagon. In other words, they'll try to get on your side or they will balance, they will decide you're too powerful. We are seeing classic balancing. The Quad, Japan, Australia, the United States and India. We are seeing balancing. Australia, the United States, the UK, we are seeing freedom of navigation exercises by the French and by the British. We are seeing countries that were subject to Belt and Road, which by the way, was some thought loan to own. Well, actually it doesn't work so well in the 21st century, countries tend to push back.

Condoleezza Rice ([11:53](#)):

So they are making a lot of mistakes, diplomatically. I know you also had a COVID panel earlier, this pledge of zero COVID and staking the regimes legitimacy on zero COVID. That also seems like a mistake. So yes, the mistakes are there, but we can't take for granted that it's going to arrest China's power or that it's going to avoid conflict and so I say, keep your military very strong. I also think that the Endless Frontier Bill, the Bipartisan Bill to build up American capabilities in quantum computing, AI, the frontier technologies that China is sort of laid down the gauntlet. Let's get our own house in order and I'm pretty confident that we'll be able to meet the challenge.

Margaret Brennan ([12:43](#)):

So on getting our own house in order, the US seems to be losing some of its military edge over China, at least on the technology front. Chairman of Joint Chiefs of Staff was here earlier, essentially saying that he said, quote, "We are witnessing one of the largest shifts in global strategic power that the world has witnessed. It only happens once in a while. What we're seeing today is a fundamental change". He said, the last great shift was around airplanes and radios back in World War II. Do you agree with his assessment?

Condoleezza Rice ([13:13](#)):

Well, I won't be the one to disagree with the Chairman of the Joint Chiefs about the state of military power. I will say this, if we've let that happen under a 700 billion plus defense budget, who's to blame for that? Did we not-

Margaret Brennan ([13:29](#)):

Who is to blame for that?

Condoleezza Rice ([13:29](#)):

Yeah. Well, we didn't see it coming. No, we didn't see that in 2007, the Chinese launched an anti-satellite weapon that everybody was stunned at the capability. I was Secretary of State at the time, I remember how stunned we were at the complexity of it, at the strength of the technology. So we'd better get reoriented, if that's the case because one of the problems with the Pentagon and the way that we plan is that I think, we never actually kill things that maybe we shouldn't be continuing to do and move on to other kinds of capabilities.

Condoleezza Rice ([14:08](#)):

I doubt that the Chinese intend to challenge us in a direct way. You know, big 600-ship Navy or whatever it used to be. Are we looking at asymmetric capabilities? Are we thinking about the combination of our capabilities with those of our allies? I want to repeat the Chinese have clients. How would you like your allies to be North Korean and Pakistan? And so ours are quite capable. One of the things that was really great about bringing the UK into the Indo-Pacific equation through office is that the UK brings real capability, intelligence capability, military capability. So there's a lot that we can do. I, by the way, think you leave open with China, the possibility of cooperation, where you can find it on climate change, for instance. You probably want to leave open the possibility of cooperation because we can't solve that problem or even attack that problem without China. But on balance, if our military capabilities are lacking, then we are spending a lot of money, perhaps we ought to be redirecting it to think about that kind of threat.

Margaret Brennan ([15:18](#)):

On the Diplomatic Front though, when I hear you referring to the alliances that seem to be building, you approve of what the Biden administration's trying to do?

Condoleezza Rice ([15:26](#)):

I absolutely approve. In fact, when the Bush administration, we sort of started the idea of the Quad and they have taken it and as president Biden said, they've run with that idea. I think in particular, being able to bring India into the fold. You don't say the word ally, you say friend. But India brings a lot of

capability. I'm looking at Nick Burns, who negotiated on our behalf, on the Civil Nuclear deal with India. Everybody looked at it as a civil nuclear deal, but what we really were interested in, was that from 1974 on, there had been layers, upon layers, upon layers of sanctions and restrictions on India because of their nuclear program.

Condoleezza Rice ([16:08](#)):

By signing the civil nuclear deal, we were able to remove restrictions on technological cooperation and on defense cooperation and I think we're seeing the benefit of that now. So we ought to keep pressing that relationship. The Australians always punch above their weight. In some ways, the Australians were my favorite ally because everybody else phoned up and said, "Can you fix this?" and the Aussies would call up and say, "We've got this. There's a problem in the Marshall Islands, we'll call you if we need you". So they always punch above their weight. Even though it was not handled particularly well, the Australia nuclear submarine deal is important message and maybe the French have forgiven us.

Margaret Brennan ([16:52](#)):

A little bit messy, but I mean, that's at least a 10 year horizon, if not more for them to get those submarines.

Condoleezza Rice ([16:58](#)):

Yes.

Margaret Brennan ([16:59](#)):

So is it really about a message rather than a real counter?

Condoleezza Rice ([17:02](#)):

Oh, well, it's a message though. Look, there's some near-term capabilities that you get from the fact that you have these strong democratic allies who have economic power and military capability. You get immediate impact in China on that. In fact, some of my friends who study China, tell me that if you read between the lines, there are those who do question the degree to which their own diplomacy has caused this backlash and so you get some immediate impact, but you also have to play for the long game.

Margaret Brennan ([17:36](#)):

When I spoke just a few weeks ago to the prime minister of Australia, Scott Morrison, he acknowledged that it had been over 18 months since he had spoken to Xi Jinping.

Condoleezza Rice ([17:46](#)):

Yeah.

Margaret Brennan ([17:47](#)):

Phones not getting answered.

Condoleezza Rice ([17:48](#)):

Yeah.

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Margaret Brennan ([17:48](#)):

He spoke here last year to the Aspen Group as well. Talking about the tension.

Condoleezza Rice ([17:54](#)):

Yeah.

Margaret Brennan ([17:54](#)):

They are incredibly reliant on China. That's something that an alliance can't do away with it, economically.

Condoleezza Rice ([17:59](#)):

Well, they are and they aren't. They also were the first country to absolutely make sure that Huawei was not in their network. The Chinese have a lot of reasons why they're not very happy with the Australians.

Margaret Brennan ([18:11](#)):

Yes.

Condoleezza Rice ([18:11](#)):

So we need to find ways to make sure that the Australians do not suffer as a result of what they are doing. We could start with making sure that we take full advantage of our own free trade arrangements with Australia. I will say one other thing about China, domestically, odd things are going on. I don't really believe Jack Ma just wanted to spend more time with his family and that's why he stepped down from Alibaba. If they're not careful and they're not being very careful, they seem to be slowly destroying the private entrepreneurial innovative class that has been one of the secrets to their growth.

Condoleezza Rice ([18:55](#)):

One can understand why because if you are one of those failing, state-owned enterprises, the Alibabas and the Tencents of the world are really a challenge to you. So it looks a little bit like the revenge of the central planners in China, and that will slow their economic growth as well and economic growth is slowing in China. So there are a lot of things going on there that would suggest we have some time to deal with this challenge. You have to watch for the flash points, you were asking if you're in the situation room, watch for the flash points like a Taiwan, but essentially build out the capabilities, build out the alliances for the long game.

Margaret Brennan ([19:38](#)):

So just to sort of button up the idea of how much of a confrontation you could face with China, through conventional means, there are two kind of competing ideas. I remember former secretary Jim Mattis, retired general, saying that he met with his Chinese counterpart and gently reminded him, it had been about 40 years since anyone in his army had faced any kind of combat and said, "We know how to do this. You haven't fought in combat in 40 years". Then you have General Milley, talking about a Sputnik moment with the development of this hypersonic... And successful testing, which the US did not have a successful test with this kind of missile. So, which is it, do we need to feel threatened or do we have a little bit more runway here?

Condoleezza Rice ([20:26](#)):

I don't think those are inconsistent, Margaret. I think on the one hand, military capabilities that are technologically sophisticated is one thing and you do have to be concerned about the rise of those capabilities. We ought to be countering them in any way that we can. But I remember in the old days about the Soviet Armed Forces, technologically, they had a lot of capability, but the capabilities of their soldiers were not very high. In fact, they had huge morale problems. They had problems... they take these peasant kids and they really couldn't... Weren't able to even use the technology that they were given. They had high desertion rates, which we didn't know until after Gorbachev came to power. So it's possible that you've got a Chinese military, the actual soldiers that are not that good and so I think what General Mattis was saying about being... I'll put the US volunteer army up against any military in the human capital side. We do have to pay attention to the technological side of it, to the military technology side of it.

Margaret Brennan ([21:35](#)):

You referred earlier to this Russian buildup on the Ukraine border. This is your specialty area.

Condoleezza Rice ([21:42](#)):

Well, it used to be.

Margaret Brennan ([21:45](#)):

Well Vladimir Putin, in terms of getting inside his mind and what he is doing. When you look at the alliance he's trying to build with China, at least doing these joint exercises, how real of an alliance is it?

Condoleezza Rice ([21:57](#)):

Well, I'm probably... But most of my colleagues think that I am wrong to be underwhelmed by the possibilities of the re-birth of the Sino-Russian alliance. I have three reasons that I'm underwhelmed. The first is that there isn't that much that the Russians can do for China, except maybe psychically. Maybe if you remember that big Gazprom deal, that was going to be a 30 year deal and it's actually never been executed because it turns out Gazprom thought that they were getting world market prices and the Chinese thought they were getting concessionary prices. They rushed to do the deal because Putin and Xi were meeting, and they still not been able to really come to terms. So there's the problem of what does China really get from Russia? Psychically, yes, it's nice to stand with them and stand against the West and so forth.

Condoleezza Rice ([22:56](#)):

Secondly, I don't know about Vladimir Putin playing second fiddle to Xi Jinping. I know Vladimir Putin, he's not a second fiddle kind of guy, so the Russians as a kind of junior partner to the Chinese, I think will not work very well. Then finally, the Russians still have a strong overlay of xenophobia about Asians and Asia. I remember Sergey, even off once, the Russian Defense Minister, telling me, "There are 80 million Chinese living illegally on the Russian side of the border!" I said, "Really, Sergey, 80 million? That's a lot of people. He said, "Oh no, they're living there." So there's some limits is my point on their alliance. Now, do they have a kind of cohabitation of convenience? Do they share the view that the West needs to be countered? Western values? Bit of a sense of declinism about the West. All of that is true, but I think when you come to the hard facts of what that Alliance would actually bear, I wouldn't overstate the case. I would watch it, but I'd rather have our alliance than theirs when it comes right down to it.

Margaret Brennan ([24:19](#)):

The CIA director, Bill Burns has been- (silence)

Condoleezza Rice ([24:36](#)):

That isn't as public and isn't really about the diplomacy and you can explore. Bill Burns is probably the best person to explore. Bill Burns speaks fluent Russian. He was ambassador to Russia. They know him, in that regard and so I think it is actually a good thing. It doesn't always have to be the Secretary of State, who does these missions sometimes. Maybe Tony doesn't really want to spend that much time with Sergey Lavrov at this point. So not a bad thing, I think to... Actually I'd say a good thing to have Bill go and sort of explore what's possible. I'm sure if we get into any kind of formal negotiations, state will be the central player in that.

Margaret Brennan ([25:23](#)):

I want to talk about us at home. You know, one of the things I hear quite often is looking at the fragmentation in our own society as a national security threat, that the Chinese are keenly aware. The Russians are key keenly aware. How useful it is to have Americans fighting with each other. January 6th, as we know, got attention worldwide for what had happened and what it might indicate about the future of the United States. You recently were on the View and you said, "We need to move on." What did you mean by that?

Condoleezza Rice ([25:59](#)):

Well, let me be very clear. I didn't mean move on from January 6th, I did mean however that we need to think about moving on to a new generation of leaders. I said then, I'm not going back to Washington and I think maybe it's time to start thinking about the next generation of leadership. Now, rather than trying to respond to what I said on the View. Let me tell you what I think about January 6th. I'll just tell you flat out. First of all, my worst day, since September 11th, I cried watching it. I thought to myself, "I study countries that do this, I don't live in one." An offense to democratic institutions, an offense to democracy, a stain on our democracy, and I said that on that day. That night when after the capital was secured, the senators and Congress people walked back into that Capitol and in the most boring way possible, certified that election, using that kind of archaic language from whenever it was written.

Condoleezza Rice ([27:08](#)):

And Mike Pence did his constitutional duty and declared that he himself had been defeated, along with Donald Trump. I thought the United States of America has incredible institutions. Thank you, Alexander Hamilton, James Madison and Mike Pence. I watched as those institutions did something that political scientists sometimes wonder, do institutions have normative power in and of themselves? I watched courts and I watched local officials and electoral officials refuse to cast doubt on a duly constituted election that had elected Joe Biden. And I thought to myself, "If you get your institutions right, you can survive a lot." And so that day, I was very proud of it. The second point I will make is we do need to know what happened. I would have preferred that the inquiry looked more like the 9/11 inquiry, which I think had a lot of bipartisan trust and support, but we have an inquiry in Congress.

Condoleezza Rice ([28:16](#)):

People are trying to make it work. I admire Liz Cheney and people ought to go testify. I don't think there is an argument for not testifying. I testified before the 9/11 commission, despite the fact that we could have claimed executive privilege, we did not. The third thing that I will say is once we find out people ought to be punished, we ought to know what happened. But we do have to recognize that a lot of

America is suffering at this point under very difficult circumstances, coming out of COVID '19. There are kitchen table issues that are nightmares for Americans, whether it's the price of gas or whether it's not being able to get goods, or whether it's recognizing what's happened to their children during this.

Condoleezza Rice ([29:11](#)):

I work very closely with the boys' and girls' clubs and I started a program called the Center for New Generation. I was out at our summer program a couple months ago and what those teachers will tell you about learning loss for those kids. These are poor kids. They're all already were behind and now they're another year behind. And I'm sorry, but I do not know what we were doing. I understand why we weren't in school in September, but had I been... My mother was a teacher. I have great respect for teachers, declare yourself essential and get back in the classroom because these kids deserved better than they got. So that's what people are talking about outside of the passion play that is Washington DC. In that sense, that's why we do have to go beyond what is rightly happening as we look at what happened and I hope that anybody participated in that should be punished. But leaders have to really worry about what's happening to us as a country.

Condoleezza Rice ([30:10](#)):

You mentioned our divisions. It's getting the place that we can't talk to each other without yelling at one another. I tell my kids all the time, my students, if you are constantly in the company of people who say amen to everything you say, find other company. We've actually gotten to the place that we go to our tribal, our tribal cable channels, or our tribal aggregators or our tribal blogs and websites. We never actually encounter anybody who thinks differently. So when we encounter someone who thinks differently, we think they're either stupid or venal and that gets reflected in our politics. Now a saving grace actually is that we are a federal system. If you look beneath the federal government, state and local, a lot is happening in the states and the localities because they have to solve problems and so I'd sure like to see some of those people in Washington the next time around.

Margaret Brennan ([31:18](#)):

So final question then, Fiona Hill, Russia watcher, Chairman Milley, has said that what happened January 6th reminded them of the great rehearsal in Russia, that it was a precursor to something worse.

Condoleezza Rice ([31:33](#)):

Well, I don't know how anybody knows that, right? What do we have to do? We have to make sure that we reinforce the importance of institutional integrity and that everybody who serves, understands the importance of these institutions, they don't just get to act. You know, it's funny. Madison said that if men were angels, we wouldn't need government. Well, I would paraphrase to say, if men were angels, we wouldn't need institutions, but attacks on our institutions should not, by any means, be glossed over. There are people who are attacking the very institutions that we have and it's not permissible. But I have a lot of faith and confidence in those institutions and I have a lot of faith and confidence in the American people and not just their desire, but their insistence that those institutions are going to hold. So I don't know how anybody knows what's coming next, but I have a lot of faith. I have more faith in us than that.

Margaret Brennan ([32:48](#)):

Madam secretary, thank you for your time today. Thanks to-