



**Session on “The Elections and American Foreign Policy”
28 March 2008, New Delhi**

Keynote Address:

Mr. Richard C. Holbrooke, Chairman, The Asia Society and Vice Chairman, Perseus LLC

Thank you Tarun,

Thank you Brooks,

Thank you for coming this morning. I am thrilled to be back in New Delhi as the guest of the Aspen and CII and also as Chairman of Asia Society.

I love coming to India but I did not really realize that I was going to speak until I got here because my Chief Mentor, Mr. Das, tricked me as always and said, you have to come to make a speech today and so here I am.

I asked him, what do you want me to talk about and he said, just explain what the foreign policy of the next President will be and then I knew, I was really in trouble because historically, that is a very hard thing to do.

But I do want to pay tributes to the two Organizations, which co-sponsored this and to the one I am Chairman of and especially first Brooks for his wonderful introduction and for his own leadership and summing U.S. – India relations through his activities at Goldman Sachs. As you all know, Goldman Sachs is the most respected investment bank in United States and to Tarun Das and my friend now for many, many years who has given me such good advice but more importantly, who has been a unique figure in strengthening ties between the United States and India.

All of you in this room know that U.S. – India relations have changed dramatically since 1998 – 1999 starting with President Clinton’s trip here and continuing under the Bush administration. But not everyone realizes how tirelessly CII and Tarun Das and his colleagues, Kiran who is here and others have worked to strengthen that relationship. What they have done is indispensable. If you believe, as I do in people-to-people contact, interactive diplomacy, in private exchanges, which effect policy and create a solid base, CII has been an indispensable organization and I congratulate Aspen Institute for asking Tarun Das to undertake leadership in that too.

As Chairman of Asia Society, we also have done what we can to strengthen our presence in India and U.S. – India ties. Asia society is the oldest and most important Institution in the United States linking Asia and the United States founded by John D Rockefeller in 1956, originally just in New York city.

Today we have centers all over the world, I will be going to Seoul, Korea in three days to open a new one in Korea and two years ago, we opened a centre in Mumbai, our new President Vishaka Desai, Bunty Chand is here today. She is our Director in India.

We have had about 90 programmes already, mostly in Bombay, New Delhi and a few in Kolkata. We will do culture but we will also do policy programmes, we will work very closely with CII and Aspen and we will do everything we can to strengthen U.S. understanding of India and the Indian understanding of the United States.

Tarun asked me to talk about the elections and American Foreign Policy. So I think the easiest thing to do is to turn directly to the positions of the three candidates.

I must tell you that Tarun Das wants to embarrass me today; he wants to destroy my career because he wants me to say exactly what each of the candidates would do as President and whatever I say on that subject will not be necessarily accurate because Presidents confront situations but they do not anticipate.

So in campaigns, it is hard always to judge what a President will do and I am going to disappoint Tarun a little by trying to avoid making any news today.

Before I talk about the three candidates and the American Foreign Policy, I want to put it in perspective. Eight years ago, George W. Bush campaigned by criticizing President Clinton for getting involved in Bosnia. He said, he would not have done anything in Rwanda had he been President. I am sorry, Mr. Ambassador to tell you that because the administration I work for, the Clinton administration did not do enough in Rwanda and here you had the Governor saying, he would do nothing. He said United States should not do nation building. He said that United States should be a humbler nation internationally. Those are all direct quotes. He said, we should not be in Bosnia and yet today, President Bush is conducting two wars simultaneously, no other President in the history has done this. He is deeply engaged in nation building whether he wants to use the phrase or not, particularly in Afghanistan where I just spent a week and got here a day ago from Afghanistan and I would like to talk about Afghanistan in a moment in the context of the election.

So my point is - nothing Bush said during the campaign has any remote resemblance to what he has done as President. His answer and explanation is perfectly reasonable. September 11, 2001 changed everything. It is a valid position. It doesn't justify the invasion of Iraq, which was a historic mistake. I stress that because you cannot judge precisely what Presidents will do based on what candidates say.

In 1980, Ronald Reagan said, he would upgrade American relations with Taiwan to official status. The Chinese told him, he would not do that or he would destroy the relationship. Reagan had to back down.

In 1976, Jimmy Carter said, he would withdraw American troops from Korea. Of course, after two very painful years of trying to do that, he backed down. I was his Assistant Secretary, State for East Asia. We knew, it was a mistake and we had to change the policy, very slowly, very carefully.

So the first thing is of course, Presidents confront events they cannot control. It is much easier for President to say, this is what I will do in healthcare or social security or taxes because that is the mistake and it does not involve exogenous factors like crises in Dagestan or Lebanon or somewhere else in the world.

The last passage of the book that I wrote, which Brooks so kindly read, covers my whole view of this that the United States, whether it likes it or not will always be called on to participate in dealing with the great crises of the world because that is part of our responsibility in the world.

And so I did write, there will be other Bosnia in our lives and there have been and maybe the next Bosnia will not be crises like Darfour it may be climate change or some other issue of that sort.

Infact, President Bush's own best single foreign policy achievement, the biggest thing he will do that is positive and the positive side of the ledger is his programme against HIV Aids which has considerably involved your country of course and that was a response to a crises. He never talked about it in the 2000 campaign but when he became President and he saw, he changed policy and asked for a massive amount of money and that was granted.

So what about Senator McCain, Senator Clinton, Senator Barack Obama and the Presidential election?

Let me start with the good news, the positive news and then let me move on to the issues of which are less so. Senator McCain made a speech two days ago in Los Angles, which was his first major foreign policy vision speech. He pulled together many elements of his policies and since he is the certain Republican nominee and the Democratic nomination is still very much in the bay, I think, I should start with Senator McCain now. I do not want to mislead you. I will vote for the Democrat, whoever it is and I public support it, Hillary Clinton, who was a friend of mine and whom I think would make an excellent President and if Senator Obama is the nominee, I will support him. But John McCain is a friend of mine, I have known him for over twenty years and I will try to talk about him objectively within the framework of my own personal position.

What Senator McCain said, two days ago in Los Angles amounted to a very substantial repudiation of the Bush administration. He never mentioned George W. Bush by name and of course, his Spokesman will say, was not repudiation but in all but one major issue, Senator McCain had defined deliberately designed to send different signals to America's friends allies around the world.

He spoke about ending torture. No other Republican candidate in the primaries and there were nine of them, talked about ending torture. He talked about closing Guantanamo, some of his opponents in the Republican like Governor Romaney, he is leading upon it had talked about doubling Guantanamo. So there was a very substantial difference between McCain and the other Republicans on these issues.

He talked about listening to our allies. He talked about American leadership requiring followers. He talked about the fact that while the United States led the world's trajectory in the cold war against the Soviet Union, it couldn't have been done without the allies.

Now everything he said that I just quoted is obvious. Everything is standard. CII, Aspen Institute, Asia Society, other Institutions, there never has been a disagreement on any of these issues. So to have to say it at all is clearly a way of subtly distancing from administration, which has acquired the reputation for doing things without enough allied support.

After establishing the difference in themes and emphasis between himself and the administration, John McCain then set up the one key position that he shares with President Bush and the one that will differentiate him the most from the Democrats. Of course, that is Iraq. If you take out Iraq from MaCain speech, there was very little in that speech that most of us would disagree with on the Democratic side. Some items here and there, for example, he suggested, creating a league of democracies. He ignored the fact that such a correlation was infact created under President Clinton in 1999 and he had it that it should, may be take the place of the United Nations, which is not possible. It can stop the U.N. but it cannot replace the U.N. but the real difference between McCain and the Democrats is Iraq.

So what McCain has done is, he is trying to put himself in a non-Bush position on many many issues for that ever criticizing President Bush directly and at the same time, sticking with Bush, infact being Bush plus on Iraq. This is of great, great importance to all of us, Americans and Indians and other distinguished diplomats here today, this really matters.

This means that whoever the Democratic nominee is, the elections this November will be in large part, a referendum on Iraq.

There are many other issues. The economy is in trouble, the dollar is weak, Oil hit a 107 dollars a barrel. America is having crises of confidence which our new leader is going to have to restore but the election will be a referendum on Iraq and this will affect everything else including U.S. relations in South Asia.

If the Democrat wins, either Clinton or Obama, they have both pledged, they will start to withdraw combat forces, I stress the world 'combat forces' from Iraq within a few weeks after becoming President.

Senator McCain has said that if he is President, he will keep the fighting going and is prepared to send additional forces, if necessary.

The outcome of the election could well be decided by this fact, if the situation in Iraq is going well, that will help McCain because he will be able to go to the electoral and say, I attacked Bush at the beginning because he did not send enough troops. I supported General Petraeus the American Commander in Iraq when he asked for extra troops, the so-called 'Surge troops' and the Surge worked.

From the other hand, the war is not going well. The democratic candidate will be able to say, 'McCain betrayed us and Bush are wrong and you can already hear this in the remarks of Senator Clinton particularly and to a certain extent, Professor Obama who are now referring the Bush Maccain Iraq policy.

The Last three or four days in Iraq have been terrible days for the coalition forces in the United States. Prior to the last few days, had we been meeting here a week of two ago, people would have been saying, well things are going well in Iraq. Looks like McCain is being proved right but what has happened in Basra and Baghdad in the last few days and hours is extremely serious and if it cannot be controlled, it will undo all the temporary gains achieved by the surge and by General Petraeus .

So that is my main message to you today, the defining difference between McCain and either democrat is Iraq and the voters understand that. A vote for McCain is a vote for continuation of the conflict, a vote for Obama or Clinton is a vote for getting out of Iraq, carefully it will take a year or two or more, they may leave residual troops behind but the disengagement will begin.

Therefore, who we have as President will affect all our other relations in the world because Iraq shadows every other relationship.

I said a moment ago, I just came from Afghanistan. I spent a week there, I saw every major leader, I saw the Diplomatic core, the United Nations and traveled down to both sides of the border with Pakistan. I went to Islamabad, Peshawar, and the Khyber Pass. I went into the troubled areas, talked to the ISI, talked to the leaders of the Frontier core. Then I went to Afghanistan and saw the situation just over the border in the province of khost.

In regard to the Presidential election, Clinton, Obama and McCain, all support the effort in Afghanistan. Afghanistan will not be an issue in this campaign but there is a very substantial difference and that is the resource crunch.

If Senator McCain is elected President, resources for Afghanistan will be necessarily limited because Iraq will continue to the substantial increases. Obama said, two brigades, Hillary Clinton has said, whatever it takes.

I want to pause on Afghanistan a minute because we are only an hour and a half by plane from Kabul. An hour and a half and two centuries, I would say. For hundreds of years, what happens in Afghanistan has had a direct effect on what happens here in India. It may seem hard to imagine Afghanistan, one of the poorest countries on earth, the fifth poorest country in the world; all of the other four poorest countries are in Sub-Saharan Africa. It is hard to imagine distant, remote, traditional, conservative Afghanistan affecting great countries like India but of course it will and it will affect the United States.

Afghanistan will be the great cauldron that will bubble and affect U.S. relations with South Asia and South Asia's relations with each other for the foreseeable future.

Let me underscore something about Afghanistan from an American standpoint, its importance to India. I will tell you something now, which I am sure, none of you have heard before and I am absolutely certain that this will be the case. Before that war is over in Afghanistan, it will become the longest war in American history. It is already in its seventh year. The longest war in our history upto now was Vietnam, which depending on how you measured it, it lasted 14 years or 10 years or perhaps it is very hard to define but I would date it as 1961, Kennedy begins the build-up, 1975, we withdraw, so I am giving it 14 years.

But any way you measure, Vietnam was the longest war in American history.

I am certain that Afghanistan will surpass that in duration and last much longer than Iraq and longer than Vietnam.

Why do I say that? Because the Taliban cannot win, they do not have the strength, the capability, or the ideology to win. The people of Afghanistan mostly hate the Taliban's because they know exactly what Taliban rule means. This is especially true of women who live in a condition that is free futile and because the Taliban use suicide, bombers and you cannot build a revolutionary movement around suicide bombers. You can kill people, you can destruct things, you can destroy roads and bridges, you can intimidate people but you will not attract people, you cannot build a revolution through fear. There needs to be a positive element.

So the Taliban cannot win. However, the Government in Kabul cannot succeed either. It is too weak; it is filled with corruption, normal kind of corruption of 'baksheesh' that we are used to in so many countries, but a kind of a corruption, which is destroying the country.

Half the GDP of the country is in drugs and the American backed programme for drug eradication, which cost us almost one billion dollars last year, just the U.S. contribution, the U.N., the British, the Germans put up that more. The U.S. contribution, one billion dollars, which is larger than the revenue of the Afghan Government, for that one billion dollars that we put into the drug programme last year, the Opium crop went up 40%. It is not a good rate of return on investment. Imagine that. Each year, we put in a billion dollars, each year the crops doubled. 93% of all the Opium in the world comes from Afghanistan. I am not here to talk about drugs. Drugs is a big issue. I am here to talk about the fact that the drug culture undermines any chance of success.

There are at least three major reasons that the Government in Kabul cannot succeed; general corruption and incompetence; drug culture, which by the way, the national police are very much part of and the third reason is Pakistan. The Pakistanis have for decades, as you all know, been involved in what happens in Afghanistan. You might say centuries, going back to the period of the British Empire. When I traveled up to the Khyber Pass to visit the frontier core, the British built their headquarters and the photographs of the Commanders went from the current Pakistani military commanders back to General Lytton, Colonel so and so from Queen Victoria's time, continuous pictures on the wall.

But there is no possibility of stability in Afghanistan unless the issue between Afghanistan and Pakistan are settled and so by definition, India has an involvement here. India spends at least half a billion dollars on Afghanistan according to what I was told by the Indian officials. India is building roads in Afghanistan, India is supporting the Karzai Government, India is playing a very positive role but Pakistani officials in both Islamabad and Kabul come to me and say, Oh the Indians have this huge secret base in Kandahar, so I checked it out, there were about two or three people in Kandahar. We do not want to see Afghanistan become a cocktail of Indian, Pakistan competition because India and Pakistan and the United States, all have a common interest in Afghanistan and that is stability. We do not want the Taliban to succeed, we do not want to leave a sanctuary for Al Qaeda and other international terrorists, and yet the future of Afghanistan lies outside its borders in what happens in the tribal areas.

The political situation in Islamabad has given us cause for hope. I was there the day the Parliament was sworn in and it was an incredibly exciting day to be in Islamabad. I met with many members of the National Assembly and I met with Mr. Zardari, Benazir Bhutto's widower and Mr. Sharif, I met with President Mushraf and I met with other members of the Government and I saw the end of the Military era and the beginning of a democratic era in Pakistan. We all know the history of Pakistan, every ten years or so, the military comes back in but General Kayani, the new Commander and Chief of the Armed Forces has said to his own troops to keep out of politics. I hope that will happen.

Every Pakistani, I talk to, without exception, talked about major improvements in U.S relations and your Prime Minister's initial call to the new Prime Minister, Mr. Gilani immediately after he was sworn in was a very smart thing to do. And the Pakistani's felt that tensions were lower over Kashmir. By the way, there is a consequence to that. It is good, tensions are down. It has allowed the Pakistanis to move more troops into the tribal areas on the Afghan border, which is something that is happening now.

So what happens in Afghanistan will pull us all in. The U.S. will be there for another five to ten years or more. Pakistan will always be playing its role in what happens in Afghanistan and India will be necessarily involved. What this means is that, this area of the world, Afghanistan, Pakistan and India is going to become increasingly one of the centers of the world's stage in addition to the rise of India economically and in addition to the growing importance of India itself.

So two things are going to happen simultaneously:

We in the United States will continue to watch the rise of India with fascination and administration and I should underscore that the Indian and American community in the United States is playing an extra-ordinary important role in that issue.

I am very proud that I chose as President of Asia Society a brilliant representative of both, a native country and the United States, Vishakha Desai.

I am very proud that we have been able to open our little outpost in Mumbai for Asia Society.

Americans are more and more aware of India and your rise on the world stage is a fantastic development but at the same time, there are the strategic issues; India and Pakistani relations, the nuclear Arms Deal, which by the way, I support very clearly and which I believe will be approved by both sides in the end and Afghanistan.

So we are in for a very complicated period. I am sure that U.S. and India relations will continue to improve under the next President, whoever it is as they have under Bill Clinton and George W. Bush. It is one of the few areas of clear continuity that I think, we can assume because all American policy makers understand the importance of India but for the U.S. Afghanistan will continue to slide more and more to the centre of the stage and that will also affect this entire region.

Thank you very much for inviting me to speak here today.