



# REAGAN NATIONAL DEFENSE FORUM

## RESTORING DETERRENCE WITH PEACE THROUGH STRENGTH

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### Achieving Peace Through Strength with Deterrence: Insights from National Security Leaders

#### **Moderator:**

- Mr. Bill Hemmer, Fox News

#### **Panelists:**

- General Jack Keane (Ret.), Former Vice Chief of Staff, U.S. Army
- The Honorable Leon Panetta, 23rd U.S. Secretary of Defense
- The Honorable Alex Wong, Former U.S. Principal Deputy National Security Advisor

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#### **Announcer:**

Ladies and gentlemen, please welcome the Director of the Ronald Reagan Institute in Washington, D.C., Mr. Roger Zakheim.

#### **Roger Zakheim:**

Well, good afternoon, everybody. As you heard, my name is Roger Zakheim, I'm Director of the Reagan Institute, which is the D.C. arm of the Ronald Reagan Presidential Foundation and Institute. It's been a long day, but I think a fruitful one and we're on the cusp of our final panel—they're about to take the stage—but as become the tradition here, I just want to take a moment or two to thank everyone in this room for participating in the Reagan National Defense Forum in 2025, which we think is a resounding success—thank you all for participating. I especially want to thank all our corporate partners and thought leaders for their support and engagement today.

I want to give a special thank you to our trustees in attendance. Our chairman of the Board of Trustees, Mr. Fred Ryan; thank you, Fred. Mr. Ben Sutton—we're not an alphabetical order, but he is our treasurer, so he goes next. Mr. Michael Castine; really

Note: The following is the output of transcribing from an audio recording. Although the transcription is largely accurate; in some cases, it is incomplete or inaccurate due to inaudible passages or transcription errors. It is posted as an aid to understanding the proceedings at the 2025 Reagan National Defense Forum but should not be treated as an authoritative record.

fantastic to have you here, Michael. And then I believe we have, yes, Governor Pete and his wife Gayle Wilson—wonderful to have you back at the Defense Forum—thank you, Governor.

It takes a tremendous team to get this event done, and I'm really grateful to everyone in California. I'll note a few people, but so grateful for the entire team: Ms. Joanne Drake, Melissa Giller. And, then, of course, the team from Washington, D.C. which has been here for about a week nested so well with the California crew. Thank you so much for everything you do to make the Forum a success.

I want to thank my good friend and battle buddy, Dave Trulio, the president and CEO of the Ronald Reagan Presidential Foundation Institute for his leadership and participation on our executive committee along with Bob Cochran, Rachel Hoff, Kim Lipina, and Alice Burns. Thanks to everybody on the executive committee.

We're grateful this year to really have strong participation from the Pentagon leadership. We're pleased to have Secretary Hegseth and the Chairman of the Joint Chiefs of Staff. We're also so excited for the first time ever to have the Director of the Office of Management and Budget Director Russ Vought—it was really an honor to have two members of the cabinet.

Now, the theme this year was Peace through Strength Restoring Deterrence, and there's been a bit of discussion today. Perhaps you noticed concerning what peace through strength means. I thought we might go to the source for just a minute.

On February 26th, 1986, President Reagan addressed the nation from the Oval Office. It was his last primetime address describing his defense program. He decided at that time to talk about the progress of his military buildup, which amounted to \$2.4 trillion that was built upon bipartisan support from the Congress, unprecedented engagement with our allies, a united Republican Party, and I would also add a united people in the United States of America. Reagan shared his vision that inspired the buildup to declaring “that American strength is once again a sheltering arm for freedom in a dangerous world.” Reagan understood that building strength served a higher purpose. It went beyond building weapons of war to achieve deterrence. President Reagan's piece was realistic about who the enemy was. He was clear-eyed when he called the Soviet Union an evil empire. Reagan's peace exercised moral clarity. It is not a coincidence that the man who advanced morality in foreign policy rolled back the Soviet empire, which delivered unprecedented peace and prosperity for the American people. President Reagan's commitment to deliver peace through strength was rooted in a commitment to deliver freedom. That was the Reagan doctrine, and that is what we

seek to advance here at the Reagan National Defense Forum. So I want to thank you all for making the Reagan National Defense Forum a success, and now we're pleased to welcome our final panel—commonly referred to as the Panetta Panel—General Jack Keane, Secretary of Defense Leon Panetta, the Honorable Alex Wong, and our moderator, Bill Hemmer of Fox News.

**Bill Hemmer:**

Thank you, Roger, it's great to be back here. We'll just do a little house cleaning here. Thank you, Fred and Roger and David and Rachel and everybody else I'm forgetting here at the library for doing such great work, and I'd also like to thank my employer, the Fox News Channel and our President of News, Jay Wallace. Our relationship's been really good with you guys for a long time and we're glad to see it again, and be very productive. So how about these guys, huh? They're either going to be smart, insightful, or funny, or maybe all three we're going to find out. So in the spirit of Ronald Wilson, we're going to take a trip around the world over the next 45-50 minutes or so, then we're going to end up right here in the United States of America. So gentlemen, thank you for being here today. Great to have you.

Venezuela, the prophetic Jack Keane said the other day, "intention is one thing, outcome is another." Secretary Panetta, what is the intention for the US with Caracas and what is the likely outcome with Venezuela and Madeira?

**Leon Panetta:**

I have no idea. I have no idea. We've just deployed a large armada to the area off of Venezuela. I think it represents, if I'm not mistaken, about 25 to 30% of our deployed ships that are there plus 15,000 men and women in uniform plus a lot of Marines. And the question that I think concerns me, but I think it concerns a lot of Americans, is what exactly is the objective? What's the objective here? Is it regime change? I think the Secretary mentioned that the administration's not interested in regime change, but I can't imagine why else we're there except to deal with Maduro. Is it drug trafficking? Is it oil? Is it the influence of Russia and China? Just exactly what is the objective here in terms of having that force there? I would assume that it has to deal with Maduro and with drug trafficking. In which event, I think it's clear to say, I think the Wall Street Journal said this—if Maduro is still there after this deployment of this armada, then it's clearly a failed mission. So I'm assuming that the goal is to replace Maduro, but I have not heard the President say that.

**Bill Hemmer:**

Well, the other day I heard General Jack Keane say that regime change is on the table. To what extent, General?

**Jack Keane:**

Well, first I think they're taking a comprehensive look at the hemisphere. We saw what an open border did to us. You settle on a number—10, 15, 20 million people in four years. Pretty outrageous in terms of who some of those people were and what they've done to us since. But when you look at it, where are they all coming from? And they're coming from this area. So I think that's part of the comprehensive strategy to look at these countries and to come to grips with the fact of the harm that they're doing to us.

And there's a number of them, but Maduro sticks out because he and the cartels are one, the government and the cartels are one, so that's different than the other countries. It's certainly different what's happening in Mexico with the fentanyl coming out of there and we're getting cooperation from their president. The President has already said he's interested in regime change because he asked Maduro to leave, and he's given him a free ride out wherever he wants to go, but he's not about to give him amnesty.

I don't think his mindset is too different than what George H.W. Bush did in 1989. Noriega was the head of Panama and in 1988, in our court system he was indicted for narco trafficking and human trafficking. The decision was made to remove him. He was also putting pressure on the 35,000 Americans and troops we had there. And we conducted a physical regime change.

As you know, 1994, President Clinton is dealing with Haiti as a result of another fraudulent election in which the junta that came in and deposed [Jean-Bertrand] Aristide who was elected in a democratic country, not a fraudulent election. The mission was to put him back in power. And also, if you remember, because of the human abuses that the military dictator was doing, tens of thousands of Haitians were coming to our country. Remember, we were putting them up in military bases. That was the secondary reason.

So this is the third president in a reasonable amount of time that wants to deal with something that's really harmful that's going on in the region, I think regime change is really it. The President has a lot of options here, show of force is what we're looking at right now. He has other limited military options he can take to put more pressure on him, and then of course he has an ultimate option, with all the risk involved in it as well. And I'm confident that the leaders that are here have taken the President through all of these options and what the risks are associated with them. And I have no idea what the decision is, but likely more to follow for sure.

**Bill Hemmer:**

Okay. I'm going to come back to two things you said there in a second. Mr. Wong, your specialty is East Asian affairs and North Korea specifically.

**Alex Wong:**

That's right.

**Bill Hemmer:**

And you heard Secretary Panetta mentioned 25% of the American warships are in the Caribbean now, which really is a 180 [degree] change from what we've been thinking about in the pivot toward China. Does that concern you with that positioning militarily?

**Alex Wong:**

Look, I think you've got to look at the National Security Strategy and what it says about the Western hemisphere. Essentially, it says if we are strong in the Western hemisphere, we can be strong abroad. And that's not a crazy idea.

The Secretary mentioned the Monroe Doctrine, but I like to actually flip this. A lot of people in this room have talked about or know about and have read the theories of Mackinder and they look and he said, you look at the Eurasian landmass and what we try to prevent there is one power having consolidated control over that continental landmass to prevent them from consolidating the resources that could enable them to project power out that landmass.

If you flip that and you look at what China's looking at here in the United States, our geographic advantage. If we have a peaceful Western hemisphere, if we have secure borders, if we have strong allies that we and trading partners where we can have a broad trading relationship with, where we have resources: this is what enables us to project power abroad. This has been the story in the strategic and geographic advantage of the United States for the past 150 years and going back to manifest destiny, we need to strengthen that.

Secretary Panetta, you mentioned a number of the things that Venezuela has been doing to weaken us, whether that's taking advantage of a porous border, whether that's drug trafficking, whether that's being a vector for China and Russia to have influence and reach into the Western hemisphere. These are problems that I think President Trump has seen since he left office in the first term. He's seen them get worse. And if you remember, there's a sense in 2019, Maduro stole an election then as well, and the president supported the opposition candidate and I think he's got a sense of unfinished business here and this time around he's building up leverage, he's building up options. He has a strong opposition figure in Machado. The conditions are there to finish this

business, strengthen the U.S. partnership across the Western hemisphere and put us in a better position to project power into the Indo-Pacific.

**Bill Hemmer:**

Do you think Maduro is going to go easily? Is he going to concede or stay there and fight?

**Alex Wong:**

Well, I think it's important. What the president is doing is developing options. If it can be done through diplomacy, if it can be done through a deal, great, but he's got options and I don't think it's going to be easy. General Keane mentioned Panama. I think this is a more difficult situation than Panama was, but I think the rubric is the same.

**Bill Hemmer:**

Largest oil reserves in the world, by the way.

**Leon Panetta:**

Let me add this because the two examples that the General mentioned involved direct military action with Noriega as well as when Bill Clinton. I was chief of staff to Bill Clinton and was in the room and we were about to land forces in Haiti at the time and we were fully prepared to do that.

I think the concern I have, and I think you've laid out some of the logic that's involved here, but if the President is ultimately going to use military force, I really think he owes it to the American people to kind of tell the American people why we're doing that because we're going to be putting our young men and women in harm's way. And I think the American people need to know what is the strategy, what is the objective, and why is it important to do this? I think the President needs to speak to the American people about this issue with that many people there, with the kind of war that could happen and with frankly the cost in lives that could also happen if we go to war.

**Bill Hemmer:**

General, I want you to answer that, too. I would just point out that Haiti and Panama are much different from even the landmass of Venezuela and the amount of power that Maduro has captured. And as I mentioned, possibly the largest untapped oral reserves in the world. Go ahead, General.

**Jack Keane:**

Yeah. Prior to the Panama operation, H.W. Bush's administration had very little coordination with the Congress—certainly wasn't seeking authorization, trying to

achieve a level of surprise. The Clinton administration did a lot of collaboration with the Congress beforehand. There were a number of people opposed to it as you know, Mr. Secretary, but no authorization saw it. The President's team, hasn't been talking to the Congress, hasn't been talking publicly too much about it other than the threats against Maduro. But I think it depends on what the operation is that they're doing and how much secrecy that they really want to have. If you're going to do a physical thing and remove him, then some degree of surprise is in our interest, and if we don't have that surprise, then our troops will be considerably more vulnerable.

**Bill Hemmer:**

Okay. I'll put this under the category of to be continued. I want to move to Ukraine. Putin is dead set on all of the Donbas, even parts of that region that Ukraine has fought and died for and still controls to this day. Steve Witkoff just held six meetings over two days in Florida with Ukraine. Zelenskyy appears to have moved, Putin has not. Can anyone here make a case now as to how this war ends?

**Jack Keane:**

Well, to educate, what is this all about? The rest of the Donbas region, Ukrainians operate and are controlling something we refer to as a fortress belt. It's very key terrain and they've been sitting on it ever since 2014. So, for 11 years Russia has been trying to take this piece of ground. Why is that important? Because right beyond that is a pathway to Kharkiv and a pathway to Kyiv, and that is why they're so intense about trying to take it. And what they've been up against here is this steadfast defense of the Ukrainians.

The Russians have a false narrative out there and it makes its way through American society, through the halls of the Congress, and it makes its way into the White House. And the false narratives are that Russia is winning this war and it's inevitable that Ukraine is going to lose it. It's on the front page of the New York Times today. Russia is a master at cognitive warfare and how he gets inside of our heads in permeating this.

Here's some facts: since 2022 when the invasion took place and they took ground, Ukraine has taken back 50% of the ground that Russia had for the last two years. They've been operating in the Donbas region and they've gained 1% additional territory in two years. In this last year in 2025, it's less than a percent. Last year, they were losing as high as 48,000 a month. It depleted towards the end of the year to about 38,000. Now it's down about 26,000. Horrific numbers. If we give the Ukrainians what they need to do and continue to support them with the Europeans, they [Russia] can't take Ukraine, period. That's a fact. So what is at issue here is Russia wants that ground, they want to pocket that concession. They'll wait out Trump probably and re-attack and

take this country. That is what Zelenskyy is up against in terms of his decision. Is he going to give them that and get other concessions? I think it's his decision and his teammate's decision, and I would hope that whatever comes at this, that we don't leave Ukraine in a more vulnerable position for a future attack at some point.

**Bill Hemmer:**

Yeah. Secretary Panetta, when you look at this story, Mr. Wong will get you on it too. Do either of you see, are we closer to the end? Are we somewhere stuck in this mid range for this war, even though you're coming up on four years in February?

**Leon Panetta:**

Yeah, look, this is the Reagan Forum. We're talking about peace through strength. I served in the Congress with Ronald Reagan and had the opportunity to work with him on a number of issues. Ronald Reagan understood that the United States has to be a world leader. Ronald Reagan understood that the United States has to work with our allies. He said that in Normandy. And Ronald Reagan understood that you have to stand up to bullies, to tyrants. I think the legacy of this administration in terms of history is on the line with what happens in Ukraine. Putin cannot be trusted. Those of us dealt in intelligence, dealt in the defense area, understand Putin cannot be trusted. And so if there is to be a solution here, then President Trump has to stand up to Putin. He's got to say, if you're not willing to sit and negotiate or support a cease fire, then we're not only going to continue to increase sanctions, but we're going to provide the weapons Ukraine needs in order to defend itself. That's the message that has to be sent to Putin because that's the only thing he understands. It isn't talk, it isn't pretty please. It's force. And that's what the President has to do if we are ever to have any hope of bringing this war to an end.

**Bill Hemmer:**

Mr. Wong, what was your take on that point when you were in the West Wing?

**Alex Wong:**

Well, I have to say I agree with you Mr. Secretary. I think President Trump understands leverage, he understands strength and he understands it against Putin. We have to remember it was President Trump who placed at the time the heaviest sanctions on Russia in the first term and the heaviest sanctions up to now here in the second term. It was President Trump who gave Ukraine Javelins and armed them in the first term that helped them stave off the invasion. It was President Trump who was the first U.S. President to authorize the killing of Russians in the battlefield since Woodrow Wilson that happened reportedly in Syria. He understands how to exercise strength and leverage with Putin. Now in this negotiation, we do need leverage with Putin. We do

need strength. We need to bring him to the table. He's at the table. He's not agreeing yet. We need some more time. But I think with more coordination with our European allies, particularly as they increase their defense spending, their unified stance, the strengthening and widening of NATO, this is putting pressure on Putin. But I do want to say something: any negotiated deal that occurs, we have to be prepared that it'll be morally unsatisfying because anything short of Ukraine gaining all of its land back will be morally unsatisfying. But that's the nature of the deal.

But that said, what the deal needs to be is that Putin, or at least those close to him or those who may come after Putin, have to realize that an invasion of Ukraine and wider Europe will result in a major strategic loss—because it already has for Russia. They've had over a million casualties, they've disfigured their economy, they've lost their influence in Africa, they've lost their influence in the Middle East. They have enlarged NATO, strengthened it, not weakened it. They are now more dependent on China, and of all places North Korea. That needs to be set in stone as a strategic loss in a negotiated settlement. So that sets up true deterrence towards future aggression on the part of Moscow.

**Jack Keane:**

I know if there is some kind of an agreement, Zelenskyy won't make a deal unless he gets security guarantees and they've got to be robust here. And I suspect if the security guarantees are what I'm about to tell you are what they should be, Putin is going to do what with that? He's going to say no. And at that point we can't go back to what we've done every time he's rejected a deal. Every time we go back to what I call the status quo, we're receptive to more negotiations, we're going to continue what we're doing. If he says no this time after all of these expectations, after all of these months, then we got to have a plan to deal with that. And that plan has got to be robustly reform and rebuild the Ukrainian military. Yes, we give them all the weapons they need.

Yes, we give them the Tomahawks that can take down the Shah-head manufacturing factory that Iran built. All these hundreds of drones that are hitting the city, those are Shah-head drones built by the Iranians. It's in the sanctuary area where Ukraine's long range weapons cannot reach. We can go after the bomber bases that are coming in every single night and dropping those glide bombs. And all of this is to kill who? Ukrainian civilians to put pressure on Zelenskyy to make a deal. So we need long range weapons to do that.

What does security guarantees look like that make some sense? United States command-and-control, number one. There's not a European country that can do what we can do, and most of them don't have anywhere near the capability to run command-and-control for that. It has to have an air and a ground and a maritime component to it.

Air: U.S. air power for sure—European air power is formidable also, and they mean they're patrolling. If any moves whatsoever, they have authority to take direct action. Persistent surveillance during all of this period on the ground that the line of contact that there be a separation, probably European brigades should take that on.

In addition to that, put an American brigade in Ukraine to help reform and train. A training unit, also a combat unit, a task force with a lot of officers and senior NCOs to get Ukraine up to the next level of how to do combat. I don't want to get into the details of this. Ukraine's very good at what they do at tactical operations, but when it gets to brigade, no division, no core, no JTF, they don't have that echelon that we have, and we can help them with that. Then pour in to their defense industrial base, the engineers and the other people that we need to bring that up. We can leave them with their own equivalent to Tomahawks. They got Flamingo right now that goes about the same distance. Its guidance system isn't as good, we got guys that were here today that can help 'em fix that problem. So there's a lot we can do to make certain that the military is right.

The maritime piece of it we need is going to be in the Black Sea. The countries that would likely be involved are Turkiye, Romania, Bulgaria. The Turks want to be in charge—Romania and Bulgaria don't want 'em in charge for all the obvious reasons because the Turks are a huge pain in the ass to deal with and that's just a fact. Alright, but I'm talking about something that is comprehensive here.

**Leon Panetta:**

I recommend to the president that instead of [Steve] Witkoff, he sends this guy [General Keane].

**Bill Hemmer:**

General, what you're saying is that Putin has one last chance here and you have to be prepared for the expectation of a letdown that he's going to not agree to this. And ironically—just one last point in Ukraine that we're going to move on, there's more to get to here and we still have to end up right here in the U.S.—31 years ago this weekend, the Budapest memorandum was agreed to by the U.S., UK, Russia, and Ukraine. At the time, Ukraine had the third largest nuclear weapon supply in the entire world and they gave it up. They gave it up for peace and security. And whenever this war ends, you're going to have a front line—if you were to draw the lines today—625 miles long and it's going to be the hottest border in the world, more so than I would argue the Korean Peninsula. Who keeps that peace and security for the Ukrainians? Who does that?

**Leon Panetta:**

You just heard the General lay it out in terms of what should be put in there. And let me just say this: you cannot be tough on China and weak on Russia. If we get a bad deal in Ukraine, that is a message to China with regards to Taiwan. So there's a lot riding on doing the right thing with Ukraine.

**Bill Hemmer:**

You're saying the Turks are going to keep the peace of what you're saying?

**Jack Keane:**

They want to participate and they want to be in charge of it.

**Bill Hemmer:**

Do you need more than the three countries that you mentioned?

**Jack Keane:**

Well, we could participate if we wanted to. There's enough there, and the air power is really critical.

**Bill Hemmer:**

I'm going to put that under to be continued as well. Alright, let's talk about China. Secretary Hegseth said today here at the forum that U.S. relations with China are better than they've been in years. In 2026, we're going to see at least two planned meetings between President Trump and Xi [Jinping]. There could be more depending on how many international conferences they attend. Mr. Wong, if you could, what are the important things that you're going to watch through the course of their relationship just in the next 12, 13, 14 months?

**Alex Wong:**

Right. Well look, I think if you think about the Trump second term as a baseball game and the competition is between the United States and China and it's nine innings. We have one year into this administration, we're roughly through the second inning. Still early in the game there were a lot of fireworks in the first inning: liberation day tariffs, essentially de facto embargo between the two countries. I think both nations brandished what they can do to squeeze each other economically, and both leaders showed the willingness to use those tools. So what we see in Busan is an agreement to number one, hit pause for a year. But number two, I think it's important to note that President Trump did get concessions from Xi Jinping. He did get concessions on trade, on fentanyl, on defense coordination and discussion as Secretary Hegseth laid out earlier

today, that's a better position than we were in a year ago, or even two years ago or however many years ago since that COVID-19 period.

But I think the next year is going to be important to watch. And the question is which side, which country is able to strengthen the elements of national power enough that when they resume this discussion in a year, who is in a better position to negotiate and get a better deal? And when I talk about national power, I mean military power, defense, industrial base, how can we mitigate and de-risk the dependencies on China? And I'll tell you, China's looking at the same. So who's in a better position here? That's what I'm going to be watching. And I think we've been discussing in this conference ways to improve those elements of national power. Many people in this room are participating in that. And we have to sprint. A year is not a long time, but we'll see.

**Bill Hemmer:**

What do you think, gentlemen?

**Leon Panetta:**

Look, I don't think that we can afford to deal with China from weakness. I think the first thing that has to be done with China is to make clear that there are lines that we will not allow China to cross. I think we ought to be very firm on protecting Taiwan. I think we ought to be very firm in the South China Sea. I think we ought to be very firm with China in terms of what they're doing in space and what they're doing in terms of development of AI and technology. I think if President Trump is to be successful in dealing with Xi, the one thing Xi has to understand is that there are lines he can't cross and that the United States is strong and that we will deploy our Navy and continue to deploy our Navy to the Pacific. We've got to make those points because if the President is hoping he can make some kind of wonderful deal with Xi without showing him that the United States is prepared to confront China if necessary, then Xi is not going to move.

I mean, he'll be nice. Xi is a smart guy. I've had the opportunity to meet with Xi. I thought when I sat down with Xi, I thought he would use talking points like other leaders do. He didn't. He wanted to engage in a conversation and the first thing he complained about was the fact that we were repositioning our Navy to the Pacific at that time and he didn't like it. And I said, "I'm sorry Mr. President, the United States is a Pacific power. We intend to do what's necessary to protect our security as a Pacific power." And there are areas where we can work together; we can work together on North Korea, we can work together on cyber, we can work together on trade, we can work together on providing disaster assistance. And he said something I never forgot. He said, "you're right, we can work together and that's probably the best way to achieve peace and prosperity." So yes, we can deal with China, I think we can have a dialogue with China, but we have to do it from strength.

**Jack Keane:**

Yeah, I agree. I mean Xi and Putin have mastered talking to us and manipulating us. Xi made a fentanyl deal with the Trump administration the first time and reneged on it. They came up \$211 billion short on the trade balance deal that was made. So we've got similar deals we just made with him. Fentanyl: he's going to stop. Trade and balance: he's going to do it. We've got to wait this out. But while we're doing that, we got to fix the major problem we have here. And the major problem is that the United States military is the world's number one super military power. Why? Because we can project power any place in the world. There's not a single country that can do it. And we have 128 primary bases around the world. We have 750 places where we have military people around the world. Nobody has that.

China's got one base outside the country. However, you get within a thousand or 1,500 miles of the Chinese coast and the military advantage swings to China. Now, we have to fix that. This has been sitting there for a number of years. Xi has told us flat out, he's told us time and time again, my military is going to be ready in [20]27. If Taiwan doesn't capitulate, we're going to take it by force. Should we dismiss that? Because we're making a good deal with him and he's playing nice with us over tariffs over fentanyl which is a serious problem. I think the only way we talk nice to this guy is to make certain that we really have the kind of credible defense that we need to have.

What is credible deterrence? It's four things. It's number one, force posture. We need more forward deployed capability there than we currently have. Its capability. We need significantly more capability than what we have: more air defense, more long range offensive weapons. If we bring our carrier group into China, so the F-35s and the cruise missiles are effective, hypersonic missiles swarm and take that carrier group down. How do we know this? We've been playing war games for 10 years. We got all of these facts. We understand what the military advantage is that they have. We don't talk about it publicly for all the reasons you don't want to do something like that publicly, but it's out there in the public for sure.

Let me finish my point here. Now we got to have some imagination, unmanned vessels. We're going to build a bunch of ships that we know are going to get sunk. Now we need capital Navy ships—as an Army guy, don't shoot me dead up here—what they do around the world and keep our global commons open and navigation rights open is in the United States' vital national interest. That's a fact. But we got to be realistic about the enemy we're up against here and the advantage they have to those capital ships, and let's use some imagination. Put not a few thousand drones in the Taiwan, put hundreds of thousands of drones—I'm not exaggerating here. That begins to cause a

problem for China based on what we know drones can do. Unmanned vessels. Ukraine defeated Russia's Navy in the Black Sea using submersible, unmanned vessels. Ukraine. Can we do that? I think we can do that while we're waiting 5, 10, 15 years for the capitol ships to arrive.

In the meantime, we don't have five years with this man, Mr. Xi. We got to show him right now the capability. The other thing that you need to have, you have to signal him. The Secretary is a hundred percent right here. That's the third thing. You signal your adversary what your intent is. He needs to know. You don't want to surprise him with it. You want to let him know what's important to you. And the last thing is will and resolve.

Those are the four things that make up a credible defense. And we don't have it. And we got to get it. And we got to get it soon. We need industry to help us do it. And we need all of the leaders behind what needs to be done here to include our congressional leaders. There's consensus in this country, major consensus that China is the most significant threat we have had since the Soviet Union. There's consensus. There is consensus in the Congress about that. The administration agrees with that. It's been a priority. Previous administrations have agreed with it. However, we have got to get a restored deterrence. That's part of the theme, right? Roger? Isn't that part of the theme of this thing today? Right? That's what we got to do. We got to do that and do all the other things that are necessary here.

**Bill Hemmer:**

Mr. Wong, I want you to get a chance to respond to that. At the risk of being the contrarian here, and you guys can throw tomatoes at me, however you choose. I don't know if Xi wants war. I know the English channel is 21 miles wide. I know the Taiwan Strait's 110 miles wide. I know Taiwan's an island nation of 24 million people. And I want to know if the threat from the Chinese military is overblown.

**Alex Wong:**

I don't think it's overblown at all. I think Chairman Xi has made his intent clear that he wants the military at least to be ready by 2027 to execute this invasion. Now I think what you're getting at here is why should the American people care? Why should the world care? I think they should care a lot. Number one, if we're just talking about pure economics, you don't want our chief geopolitical adversary, one that has already shown its willingness to use economic and industrial tools to squeeze us and our partners to have a possession of the world's top and overwhelmingly the top producer of exquisite semiconductors. That's number one. Number two, you don't want to give China the strategic position in the first island chain to dominate world trade via shipping. 90% of trade goes through the South China Sea and from the Taiwan landmass, the island.

That is a key strategic point where they can threaten us and our allies and world trade. But number three, Taiwan is a thriving democracy. The only Chinese democracy in the world. An example for the entire Indo-Pacific. Having it be snuffed out without resistance from the United States, from our partners says something about the future of the world and it says something about us and it's not good.

**Jack Keane:**

Two fingers. Alright, make it quick. I think the invasion scenario for Xi is least likely. Quarantine blockade more likely because that's what they've been doing over the last 13, 15 years. Intimidation and coercion to force capitulation. And that I think is what they will try most likely. So what would that look like? Well, what he's doing, he's creating such a dominant position militarily over us that he really wants to force a decision on the President. So quarantine blockade is in, nothing's going in by air and nothing's going in by sea. Taiwan has a decision to make. Are they going to interfere with that? Xi hasn't fired a shot yet. Are they going to interfere with that? I think they're going to dial 1600 Pennsylvania Avenue first and they're going to ask, "are you going to be there for us?" Now, that is the decision that Xi wants the President to be faced with.

He knows full well if he goes to war over this, there'll be catastrophic losses— personnel and capital assets— we haven't seen since World War II and likely to exceed it. The world economy is going to tank— this is regardless of whether we win or lose. And he knows we would be challenged about the outcome. So think of that decision. That is a weighty decision with all of the ramifications that take place. I'm convinced in my head that Xi would want to force that decision. And if that decision is no, we're not going to help then Japan, the Philippines, Australia have to fall in line when the United States pulls away as a major influence in the region and what does affect us on a global status worldwide. I mean the strategic implications of this are huge.

**Bill Hemmer:**

Thank you. Appreciate all that. In the few minutes we have left here, Jamie Dimon was on the stage earlier today. He said something that was great. He said, "no one has a divine right to success"—including America. And then he said, we have five years to get it together or it's basically second fiddle. So we're coming into America 250 and some branches of the military have already started their recognition. And I've been coming to this Forum for 10 years. Right, Roger, you've been having it for 12 times over 13 years. And I've heard many wax poetic about the great American political divide and I think about this a lot, especially over the last decade plus. And here's the query—and this isn't a pop quiz, maybe I should have given you more time to think about this, but I think all three of you have thought about it in your own way—short of a national crisis or tragedy, what is the forcing mechanism that brings Americans together, or is this our

reality for this phase of our American history? Secretary Panetta, would you like to jump on that one first?

**Leon Panetta:**

I think I've told this audience before, I tell the students at Panetta Institute that in a democracy we govern either by leadership or by crisis. If leadership is there and willing to make the tough decisions associated with leadership, sometimes decisions that may not be politically popular, but the right decisions, we can avoid crisis—certainly contain it. But if leadership is not there, then we will govern by crisis. And very frankly, for the last 20 years, we have been largely governing by crisis.

The best example of that is the budget. We don't pass budgets anymore in the Congress. The process is broken. We do CRs and we have shutdowns to the federal government threatened every few months as a result. And we just went through a shutdown. We're operating by crisis. And so it is incredibly important that if this country is going to maintain its strength and maintain its democracy, that leadership has to step up. It's going to have to step up. It's extremely important for the President of the United States to try to unite this country, not divide it. It's extremely important for the leadership in the Congress not to fight the other party and try to stop them, but to work with the other party to try to govern this country. That's what our forefathers intended when they put the Constitution together. And that's the way we've been able to survive is because both parties have been willing to come together and to govern together. If we don't get back to that if we don't unify the deal with a horrendous budget problem, \$35 trillion debt, talking about what we need for the defense budget, we're paying \$2 trillion in the interest on that debt right now, it's more than the defense budget.

So, Jamie Dimon is right. It's a moment in time when leadership has to step up because a strong economy is not a given. We've got to deal with healthcare. We've got to deal frankly with immigration. We've controlled the border, but we have not developed comprehensive immigration reform in order to deal with all of the aspects of immigration. There's a lot to be done to try to put this country on the right road, but we have to make a fundamental decision. Do we want an America in Renaissance in the 21st century or do we want an America in decline? Because if leadership doesn't step up, if we don't begin to unify, if we don't begin to govern together, mark my words, America will go the way of past empires. That's a fact. If the American people want us to be an America in Renaissance, we are going to have to get our leadership to step up and do the job.

**Bill Hemmer:**

Mr. Wong, how much have you thought about this consideration?

**Alex Wong:**

Well, look, I think Jamie Dimon is right, that there's no such thing as divine right to success. But I do disagree in the sense that I think America does have divine blessing. I do think this is a providential nation in many ways. I do think this is an exceptional nation. Now we have to restore that faith. We have to build that faith, particularly in the next generation. I don't disagree, Secretary Panetta, that our leadership, our political leadership plays a role in that. But leadership comes from many levels. And I think it chiefly comes from families. I think it chiefly comes from our communities, our civil society, our churches, our schools. I know there's a lot of students here. I know there's a lot of educators and we're all, many of us are parents and family members. We have to inculcate in the next generation the exceptional nature of our nation, of our democracy, of our Constitution, that we are a providential nation. It's the Reagan Institute. Reagan said the experiment is only about one generation away from extinction. So we have to keep renewing it with every generation. But Reagan was also an optimist and so am I. And that optimism is grounded in that providential nature of the United States.

**Jack Keane:**

Yeah. I go back to the leadership issue and also the strength that we need. I'm not going to deal with the political aspect of it, and I'm as frustrated as anybody is watching this divisiveness in the country. But there's a reason we're here where we are. I mean, the reality is that our adversaries came together—Russia, China, Iran, and North Korea—because they had a perception that the United States leadership was weak and they believed that they could take advantage of it. And they saw vulnerability there and they also saw opportunity. The Afghanistan situation contributed to this, certainly. The video that we saw is one thing, but I think what our adversaries actually saw is much more than a humiliating video of an American retreat. They saw the United States of America who had been working with an ally and a partner for 20 years fighting side by side with them trying to prevent the country that hosted Al-Qaeda and killed 3,000 Americans from coming back into power. And we made a decision to withdraw unconditionally, which invited a collapse in that country very quickly because they knew without U.S. support the Afghan security forces guys knew without U.S. intel—hell, we had three CIA bases there alone. We had seven military bases there. We had significant intelligence and what else did we have? We had air power. They knew what that was like and what would happen to them without it.

So they mentally collapsed. That's why you saw this thing folding so quickly. I'll tell you for a fact. I knew the guys who were in the room talking to the President and one of them said, Mr. President, it's likely based on where the Afghan security forces are, and

if we pull all the support from 'em, it's likely they know they can't win, so therefore they're going to lose the will to fight. And that is what happened.

The lesson our adversary saw is the United States after 20 years is willing to walk away from an ally and partner and turn the country over to the very enemy we were there for to begin with. Now that is a stunning thing to watch. And what happened as a result of that? Putin goes into Ukraine—that's not isolated, he believes he's going to get away with it.

Iran operationalizes its proxies. Prior to October 7th, over 100 attacks on U.S. troops in bases in Iraq and Syria over a hundred after October 7th, another over a hundred after October 7th as well. The CENTCOM Commander, Carrillo, one of the best operational guys we had, makes a recommendation to the administration. I have 120 targets that I want to work. They're all military targets. Not a single one of them is economic. There's certainly no nuclear on it. This is about taking down their capacity to force the Iranians to shut down their proxies who are doing that to us. Completely rejected. Completely rejected. Is it any wonder that eventually October 7th occurs? Why? Because they think we're not going to support the Israelis the way they should be supported. And guess what? That turned out to be true. You should see the list—I never knew what it was—you should see the list of the things we wouldn't give the Israelis because we wanted to curb their behavior on the battlefield. I spent an hour and a half with Netanyahu discussing the war back in September, and it was revealing to me how much we shut down. Even anti-tank weapons. We're all thinking of big bombs, right? The list is formidable. And then he wouldn't let 'em go into Rafah. Don't go into Rafah, don't finish Gaza, don't attack Hezbollah, don't go near Iran. All of those things. This is the United States. This is our number one ally in the region. Existential threat is against them. These guys are trying to get a nuclear weapon and they have threatened the use of it. Is that strong American leadership? By anybody's definition, that is weak leadership. And that's why our adversaries are aggressive. Mr. Xi gets more aggressive in those years because of the weakness he perceives the United States has. He's going to get away with it. So leadership is fundamental and we've got to have the strength to back it up. It's not just words—it's those four things I was talking about. We've got to have the strength and we've got to have strong leadership. And listen, at the end of the day, what is this really about? It's really about not being paralyzed by the fear of adverse consequences.

And I'll tell you, you had to deal with this yourself in dealing with a President and the best advisors that they have. Listen, the fear that a President has is human: the fear of failure, the political failure, the fear of the operation failing, the fear of not knowing what the unknown is going to be. So at the end of the day, you have to take counsel of your

own and you got to have some spine. You've got to have some spine to do this stuff. And that's why leadership is so important.

**Bill Hemmer:**

We're out of time. I know you guys all want to get to the bar. Something tells me Jack Keane knows more than he's saying. I'm just a thought. Alex Wong, Leon Panetta, Jack Keane, thank you for your contributions to our country.

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