

Roger Zakheim ([00:10](#)):

Let's give one more round of applause for honorees. That was amazing. Well, ladies and gentlemen, we are drawing to a close, but let me assure you this next and final panel is a grand finale. But before we go there, a few thank yous are in order. So please indulge me as I go through and acknowledge the people who were critical to making sure this event was a success we've all enjoyed today. First, I want to acknowledge our trustees. Mr. Joe Lonsdale, as well as governor Pete Wilson and his wife, Gail. Thank you so much for all your support and for being here today. Thank you.

Roger Zakheim ([01:08](#)):

I want to thank all of our partners who make possible this convening and the vital conversations that have been taking place across three stages throughout the day. And our deepest gratitude goes to our panelists and moderators, all of them luminaries in their own right, as well as to Secretary Austin for keynoting today's forum. To Joanne Drake, Melissa Giller, and the entire staff here in Simi Valley and the team in Washington, DC, which I have the honor of leading the foundation team here at the Ronald Reagan Presidential Foundation Institute is just first class and makes President Reagan proud, I am sure, every day. They have coordinated in a masterful way this wonderful and highly complex event. So thank you. That deserves its own round of applause.

Roger Zakheim ([02:13](#)):

To the Ronald Reagan National Defense Forum executive committee, Bob Cochran, Rachel Hoff and Maris Deza, thank you so much for making me absolutely irrelevant. Thank you. And of course, thanks to each and every one of you. As y'all know, we missed last year. So we hope that the RNDF tradition can now continue uninterrupted year after year, so I look forward to welcome you all back next year. Now, one last thank you is in order, and this one is bittersweet. As many of you know, this will be John Highbush's last RNDF serving as executive director of the Ronald Reagan Presidential Foundation and Institute. What is perhaps less well known is that without John Highbush, we would not have RNDF.

Roger Zakheim ([03:14](#)):

About a decade ago, Bob Cochran and I proposed doing this forum to John. We were out here with then Chairman Buck McKeenan who was giving a speech and we were brainstorming and this idea came up. And we thought success might look like 100, 200 folks in the room, maybe a couple members of Congress, perhaps a trustee or two, maybe a Department of Defense official, and someone with a couple of stars on their shoulder.

Roger Zakheim ([03:47](#)):

John demanded more immediately. And he was right. He knew before any of us what RNDF could become. A visionary and a builder. That really sums up John Heubusch. We're going to miss him. To close out, our forum has become our convention here. We were fortunate to hear from two former Secs of Defense in conversation. I refer to this as the Panetta Panel. Each served with distinction across various branches of government and policy entities, bucking political pressures when necessary, for the good of the nation. Both began their careers wearing the uniform of the United States Army. There we go. Thank you. One served in elective office before joining the executive branch. The other built a career on Capitol Hill and in the private sector.

Roger Zakheim ([05:13](#)):

Neither were grateful as a stranger to the Reagan National Defense Forum. And so, we're really pleased they have joined us once again. But most importantly, we're grateful for their service to this nation. Now, we've asked them here, not to relive the past, though we all know we like a good story or two. Hopefully we get one or two today. But we want them here to guide us into the future, sharing experiences and perspectives that so few possess. And with that, we now give them the final word of this year's topic, Enduring Challenges and Strategic Choices. Ladies and gentlemen, joined on stage by Bill Hemmer of Fox News, please welcome the 23rd and 27th United States Secretaries of Defense, Leon Panetta and Mark Esper.

Bill Hemmer ([06:04](#)):

Nice to see you.

Roger Zakheim ([06:08](#)):

They're going to put some chairs up there and all that. Secretary, the Panetta panel. Like that?

Leon Panetta ([06:13](#)):

Yeah.

Roger Zakheim ([06:14](#)):

They're going to bring some chairs out here. Thanks so much for being back. Great. It's good. Okay. They're going to give you a chair here.

Bill Hemmer ([06:19](#)):

How's everybody doing? They all made it the last panel. Good evening and welcome to California. While we get the stage set up, did anyone see the sunset tonight? Anyone? Stunner. What I remember the year that Ronald Reagan passed, I was working at CNN. And we came out to the library on that Sunday, Monday, Tuesday, and all that Marine layer fall you've seen every day, library was socked in with it. Then we went to Washington DC for the ceremonies there, and then the president's body was flown back here. And it was just Nancy and the kids and they were out here by the place of burial, and all that June swoon fog lifted that afternoon. And the TV cameras caught the sunset in the west.

Bill Hemmer ([07:21](#)):

As you remember, when he wrote his goodbye letter, when he was telling the world about Alzheimer's, he was now entering the sunset of his life. And I thought it was most appropriate. So tonight, I thought, hell, welcome home. So how are you doing? You're all right? Roger told me if I don't get two damns and a hell out of Panetta, I haven't done my job. So I don't know what's going to happen over the next 45 minutes, but we're going to find out together. So good evening everybody. Secretary Panetta, nice to see you again.

Leon Panetta ([07:50](#)):

Good to see you.

Bill Hemmer ([07:50](#)):

Secretary Esper, nice to see you as well. Two of these people on stage are not suing their former employer. Any guesses? Secretary Esper, current litigation notwithstanding, what do they want to keep from the public record?

Mark Esper ([08:19](#)):

Well, I think first of all, as I've said publicly, I think the American people deserve a full and unvarnished accounting of an important moment in their history, in our history. And in my mind, that's the second half of the Trump administration. And so, any attempt to kind of redact information that is clearly not classified, should be allowed to be read, to be known. And my view, I will always respect our national security and not publish classified information. But look, when you're asked to not publish things that may make people uncomfortable or may include discussions that were had that may be sensitive in the sense that they talk about government and whatnot, to me, it's not in keeping with a fundamental principle of democracy and that is transparency.

Bill Hemmer ([09:08](#)):

Well, you clearly felt a reason to submit what you did.

Mark Esper ([09:12](#)):

Well, for those reasons.

Bill Hemmer ([09:14](#)):

So what do you want us to learn about?

Mark Esper ([09:18](#)):

So what you will learn is in May, my book, A Sacred Oath will be published. I'm sorry, I should say A Sacred Oath Again. It's on Amazon right now. So you'll have a chance to read it at that point in time.

Leon Panetta ([09:33](#)):

Look, as far as I'm concerned, anybody who wants to write another book on Trump ought to have the opportunity to do that.

Bill Hemmer ([09:40](#)):

I am shocked. How is this administration doing, do you think?

Mark Esper ([09:47](#)):

The Biden administration? Well, it depends on what part you look at. I think when it comes to foreign policy and defense, I thought they had a strong start. I think the president's outreach to neighbor, to allies and partners was strong. I think the bringing together of the quad in the first several weeks was very important. A lot of good talk, tough talk on China. But I have not seen the follow through on many things. And clearly the withdrawal from Afghanistan was a debacle.

Bill Hemmer ([10:18](#)):

We're going to get into a lot of that over the next 40, 45 minutes or so. And that's all I'm going to get on the book, right?

Mark Esper ([10:24](#)):

That's all you're going to get for today. But if you go on Amazon, right now.

Bill Hemmer ([10:29](#)):

So, I hear they're doing a good job. Secretary Panetta, great to see you in person. This guy was tremendous to us during the COVID years and always generous with his time. So nice to see you again in person.

Leon Panetta ([10:41](#)):

Good to see you, Bill.

Bill Hemmer ([10:42](#)):

Let's just talk about Ukraine. You saw the report earlier today. U.S. intel suggests under 75,000 troops within a month or two. Maybe that happens. Present numbers around 75,000. They invaded a year after you left, so that's February of 2014. Short of reading Putin's mind, what do you think we should be doing?

Leon Panetta ([11:07](#)):

Well, look, Putin is not a mystery. He shouldn't be a mystery. He's a bully. When he senses weakness on the part of the United States, he's going to take advantage of it. That's why he went into the Crimea, that's why he went into the Ukraine. That's why he went into Syria. That's why he went to Libya. And that's why he did a cyber attack on the United States to try to destabilize this country when it comes to our elections. So, Putin is going to take advantage if he sees that there's weakness. And I think what he's doing now is he's testing Biden. Biden has been much more forthright in dealing with Putin, calling him for what he is and saying, don't interfere with our infrastructure, et cetera. And they clearly are sending signals to Putin right now, as they should, about the consequences of an invasion.

Leon Panetta ([12:12](#)):

But, I don't think there's any question that this is a dangerous moment and nobody ought to underestimate it. It's a dangerous moment because the CIA has basically said there's 175, the likelihood of 175,000 troops there on the border, and that there's a good likelihood that they're planning an attack in the early part of this next year. I think the Biden administration has to make very clear to Mr. Putin what the price will be if he does that. The only key right now is strong deterrence. And the way you establish strong deterrence is to say to Mr. Putin, if you do this, this is what we're going to do to you, and lay it out, particularly with regards to cyber and the capability of cyber. I think we've got to lay out that he's going to have to pay a price. And hopefully, when the president speaks to Putin on Tuesday, that's the message he'll get across. The only way you deal with a bully is to make clear that there is a price to be paid if he tries to take advantage of the moment.

Bill Hemmer ([13:30](#)):

So back in 2014, Joe Biden's vice president. Do you think that, and you suggested that Putin is testing Biden again. He was largely successful, took Crimea, that war went on for some time. Does he think he can be successful again under this new administration that he had tested once before?

Leon Panetta ([13:49](#)):

Yeah, no, no. Well, there's no question this is a test, and Putin is trying to figure out whether he can get away with it. The danger here is that, if we do not take a strong stand and try to deter Putin, and Putin does invade the Ukraine, I think that'll send a terrible message to the world with regards to both strength of the United States but also the fact that Putin, again, is engaging in aggression with regards to the Ukraine and other countries. And I think it's going to, it has to make NATO and it to make the United States a hell of a lot more nervous about what can happen next.

Bill Hemmer ([14:40](#)):

Yeah. What I recall from 2014, Mr. Secretary, is Republicans were hitting the administration, the Obama administration, for sending blankets. That was the line. And I just posed the question, what should we be doing if our intelligence is seeing what it's seeing on the Eastern flank?

Mark Esper ([15:02](#)):

Well, first of all, I agree that, look, Putin's an autocrat and you have to show resolve and you have to be tough and firm with him. And I think there are a few things that we could do immediately. I do think you need to look at the diplomatic, economic, financial and military. On the military side, we should be looking at sending additional arms. So, a few years ago we began sending, for example, Javelin anti tank missiles. We could do that. We could obviously provide logistic support if they need it. But we should look at what they need and look to fulfill that. I think the important thing too is we have to multilateralize this. It just can't be the United States helping Ukraine.

Mark Esper ([15:39](#)):

We should lead, but we should look at all of our other NATO allies and get their participation as well and make sure we send all the proper signals. But we cannot, to the points that Leon made so well, is we have to stand up to Putin. We cannot allow him to pull this off. If he does, it will not sate his appetite. He will look for other areas to do this. I mean, the simple fact that he's asking for some type of commitment from the United States not to ever admit, not only Ukraine, but Georgia as well, into NATO is utterly ridiculous. The only people that get to make that decision is NATO as to who joins the Alliance.

Bill Hemmer ([16:16](#)):

Do either of you think that Nord Stream Two pipeline is now viewed as a mistake, to go ahead and grant the continued construction of the pipeline? Did Putin see that as a suggestion that I can do what I want?

Leon Panetta ([16:36](#)):

Well, I'm not so sure as to how Putin read that situation, although, look. Let's put this in context. We had a number of years where it appeared the United States was withdrawing from a leadership role in the world. And as a result of that, we were undermining alliances, we were pulling back from agreements. We were basically sending a message that this is about America first and that we were not going to be playing the role of world leader. So clearly, and Putin read that and said, okay, the United States is withdrawing from the world, I'm going to take advantage of it.

Leon Panetta ([17:28](#)):

I think Biden, because of his experience, tried to send a clear signal to Putin. He also believes, I think, in the importance of the United States being a world leader. I happen to believe the United States needs to be a world leader. We need to have a strong defense, we need to have a strong diplomacy. And most

importantly, we need to make clear that we're going to build strong alliances in order to confront our adversaries, whether it's China, whether it's Russia or whether it's Iran or North Korea. So those are the important messages to send.

Leon Panetta ([18:06](#)):

And so, Putin, I think, hearing what Biden is saying, and look, this is always the test as we know. Presidents can say what they're going to do, but an adversary is going to test whether or not you're going to back up your words with actions. That's what's going on right now. And that's what Putin's doing. Putin is testing whether the United States is in fact going to draw a line here with regards to the Ukraine. And how that plays out is going to tell us a lot about what ultimately happens.

Bill Hemmer ([18:46](#)):

Let's talk about Afghanistan. You mentioned a few moments ago, Mr. Secretary. Let's say you're back in your old job. Would you do it? Commander in Chief comes to you in March or April and says we're getting out and comes back in August again and says, we're leaving. What would you have done in terms of advice or execution?

Mark Esper ([19:14](#)):

Well, President Trump did want to withdraw our troops precipitously in the fall of 2020. And I pushed back in a classified memo saying I do not support it for these reasons, whether it was our presence, what it would do to our Afghan partners, the impact it would have on the NATO allies that were there in country as well. So I think the duty of a cabinet officer is to give the Commander in Chief their best advice and recommendation on the way ahead. I was a big believer, first of all, I thought it was time to leave Afghanistan. But there's a way to leave and there was a way not to leave. And what you saw this past summer was the way not to leave. My view was we should give the peace deal a chance. It wasn't perfect.

Mark Esper ([20:00](#)):

It wasn't great, but it was good enough. And I thought we could have pushed on that further, used the presence of the U.S. military, because the two levers we had left at that point was the presence of the United States military and our allies, and the ability to inflict violence upon the Taliban to get our way. And I thought we should have started toggling those levers more to get the Taliban to the table, well, they were at the table, to negotiate seriously with the Afghan government. I would've tried to run that peace deal through as far as it went. And if it didn't succeed, then you consider the next step.

Mark Esper ([20:34](#)):

Do you go a little bit lower? Do you keep a permanent presence in Afghanistan? Because at the end of the day, you need to go back to the reason why we went in the first place. And the reason why we went in was to make sure that Afghanistan was never again a safe haven for terrorism. We can't say that today with confidence. In fact, you've heard our military say, we could see Al-Qaeda for example, return within a matter of months. So I think you got to go back to first principles. I think you have to look at how it plays out. And then, of course, you always owe the president your honest, frank advice.

Bill Hemmer ([21:10](#)):

I think what a lot of us have thought about, I think in the foreign policy realm especially, since that mid-August date and everything that happened over the two weeks since, on a scale of one to 10, the chaos in Kabul, how much of that hangover has affected this administration? Do you draw a line between Kabul and the Ukrainian border? Do you draw a line between the images that we saw on television and how Putin has decided to act now?

Leon Panetta ([21:42](#)):

Well, look, regardless of how you felt about the decision to withdraw, and I think Mark thinks that it was time and there are others that that were hoping we would be able to remain. But regardless of how you feel, the fact is, when a president makes a decision, the test of that decision is whether it is executed properly. As a former Chief of Staff, president makes a decision, then dammit, it has to be executed effectively. And I think what happened here was that, for whatever reason, the planning process did not take into consideration the contingencies as to what could happen. And it strikes me that anybody who was looking at that situation and saw what the Taliban was doing, saw the collapse of the Afghan government in rapid order, should have said to themselves, my God, this thing could happen a hell of a lot faster than anybody imagined.

Leon Panetta ([22:55](#)):

What do we do about that? What's our contingency? As Secretaries of Defense, that's what the hell we're paid to do, is to look at every possible danger point and figure out a plan how to deal with it, and look at every contingency and figure out a plan as to what you do. That's what we're paid to do. So the fact that those contingencies were not planned for, and it resulted in the chaos that we saw happen, was a failure. And we paid a price for that in terms of the message it sent. But bigger than that, we have paid a price in terms of the Taliban now being back in charge of Afghanistan and providing a safe haven. For who? For terrorists.

Leon Panetta ([23:52](#)):

Intelligence tells us that Al-Qaeda could very well within the next six to eight months reorganize itself and have the potential to attack our country again. So it becomes a national security threat again, to have Taliban in charge of Afghanistan. I mean, the reason we went to war after 9/11, two things, to go after bin Laden and to go after those who conducted the attack, but number two, to make sure that Afghanistan would never again become a safe haven for terrorists. We completed the first mission. We lost the second mission.

Bill Hemmer ([24:37](#)):

Who dropped the ball?

Leon Panetta ([24:40](#)):

There's a lot of people to blame when it comes to a 20 year war and what took place and a lot of mistakes were made. I really do think that after we got bin Laden, that that was an opportunity to sit back and look at that larger mission as to what are we doing? What do we need to achieve the mission? Because we knew some of the things weren't working. We knew what the danger points were, but everybody kind of crossed their fingers and hoped for the best. The most important thing about a military mission is that you need a clear mission, you need to know what the hell you're trying to achieve, and you need to have a point when you get the hell out. And unfortunately, those elements were never really looked at. And so, there's a lot of people to blame.

Bill Hemmer ([25:36](#)):

Same question to you, then, that I'll ask Secretary Esper then. Your boss is the Commander in Chief and he says, we're getting out. And maybe the military made contingency plans for A, B, C all the way to Z. And perhaps it wasn't sufficient. But the Commander in Chief is still saying, we got a date circled on the calendar and we're gone. What would you have done in a scenario such as that?

Leon Panetta ([25:59](#)):

Well, I have to tell you that the thing you have to do is to say, president's made a decision, how the hell are we going to execute? What are the problems? What are the contingencies? What are the dangers? Are we prepared to deal with it in a way that will safeguard our troops and that will safeguard U.S. citizens and that will safeguard our Afghan allies. You got to put that plan on the table. And I think there was a sense that we've made the decision to withdraw, look, the military salutes, I know the military said our job is to withdraw now and military will withdraw. But you have to ask the question, what are the contingencies that could go wrong? That's a responsibility of the president, but it's also a responsibility of the staff.

Bill Hemmer ([26:58](#)):

What do you want to add on that, Mark?

Mark Esper ([27:01](#)):

Well, I think it's also just not a defense problem, right? This is a State Department, it's an interagency problem. And I think so much of the focus became on DoD, but you have to go, you have to rewind the clock back to March when this happened, when the president made the decision. I mean, there's no reason why we shouldn't have accelerated the special immigrant visa program at that time. We should have been able to get those folks out. We should have known where every American is in that country and where they were. Instead, we end up withdrawing and leaving Americans behind, which is inexcusable. So I think it's an intragovernmental problem. I think one of the fallouts, it created tension within the cabinet between the departments.

Mark Esper ([27:51](#)):

Clearly, I think, you talked about earlier, Bill, where is this administration now? I think they lost their footing there for a while. And I think there's still some of that out there stirring around as to what happened with Afghanistan. And I think the Russians are looking at all this. But I don't think you're going to find much disagreement between us in terms of what you have to do. If the president gives an order, you have to execute. And that means very thorough planning and it's always you hope for the best, but you plan for the worst. And the worst was that that government was going to collapse. I agree that after the killing of bin Laden, would've been a good time to look, because look, we've known for years. Corruption was endemic in that country, number one, from all the way to the top to the bottom.

Mark Esper ([28:35](#)):

And that's a hard foundation upon which to build a sustainable democracy. And secondly is, you can't want it more than they do. And when you look at the desertion rates and whatnot in the Afghan military, I mean, those should have been, and for me, were red flags about, how long would this be sustainable after our departure? Because if not, you're in there for the long haul, you're in there for

multiple generations. And so it's all those little things that you have to take into account when you look at the broader problem.

Bill Hemmer ([29:05](#)):

China. President Xi may or may not order an invasion of Taiwan. I thought Secretary Austin's comment earlier today was interesting. It said, it looks a lot like rehearsals. What do we do about Taiwan?

Leon Panetta ([29:21](#)):

You know, again, it's the same scenario with regards to any of our adversaries in the world, that you have to deal with them from strength, and you have to make clear to them, what are the areas that should not be crossed? You've got to make clear to China the areas that we think create problems for us, like the South China Sea, like Taiwan, like Hong Kong, like human rights, the other issues that we care about and what needs to be done. And the important thing is to do that from a position of strength, which means that we do need to have a strong military presence in the Pacific, both with our Navy and our Marines and others, our Air Force, so that when you're talking to China, you're not talking about pretty pleased. You are talking to them from a position of strength. And I think it has to be made clear to them that Taiwan is crossing a line.

Bill Hemmer ([30:42](#)):

And have you war gamed this in your head, if Beijing were to go into Taipei, and what comes from that? What does a military conflict like that, how does that evolve throughout all of Southeast Asia?

Mark Esper ([31:03](#)):

I think you have to first focus on deterring the fight. You have to avoid the fight in the first, prevent it. And it gets back to having the strength, and the strength means a number of things to me. You have to have a very strong and capable and ready military, something that I try to spend a lot of time on, focusing how do we build a bigger, better Navy for example? How do we reposition forces in the Indo-Pacific? How do you multilateralize the program, the issue as well? Look, I think the AUKUS deal is a great deal in terms of providing Australia capability, but also in terms of strengthening the relationship between our three countries. I think the quad needs to continue to be expanded. We should be looking at bringing Korea in there, South Korea into the fold. But we also need to show our own resolve.

Mark Esper ([31:50](#)):

So during my tenure, we picked up the number of freedom and navigation operations that would run through the South China Sea or through the Taiwan Strait. We pursued more engagement with Taiwan. All those things need to continue. And frankly, I think we need to have a fundamental relook at our policy toward China. I think it's built on some circumstances that are no longer relevant or less relevant today than they were in 1979. And we should reevaluate, where are we going with this relationship? Because it is the greatest strategic challenge for the United States and arguably for the world's democracies in the 21st century.

Bill Hemmer ([32:26](#)):

Let's cover that a little deeper here because what Secretary Austin also said earlier today is that China's not 10 feet tall. But you start to think about the attention they're getting in American media now, and rightfully so, with what President Xi is doing internally and the decisions he's making, et cetera. And the

Reagan survey this year, one of the first, certainly not the last survey that's going to show this, I would contend, to point out the change in how Americans view Beijing. The change since 1918 is the most glaring. There's a clear majority that now thinks that China is the greatest threat. Secretary Panetta, do you believe President Trump should get credit for putting attention on the Chinese communist system and its party when he first came into office?

Leon Panetta ([33:16](#)):

Well, look, there's no question President Trump recognized China as an adversary. I didn't agree with the steps he took with regards to trade and starting a trade war with China, and I didn't agree with other policies with regards to how to deal with China, but I think he did identify China as an adversary better than the way he dealt with Putin, which I thought was a disaster. You don't stand up next to a guy like Putin and then say that you trust Russian intelligence better than you trust U.S. intelligence. I thought that was an outrage. So yeah, we need to identify China as an adversary and as a competitor. And I think you heard from Secretary Austin. That's pretty much the approach that we're taking. But look, China itself also saw weakness on the part of the United States. And China, because the United States, we withdrew from the trade agreement, we withdrew from other approaches, we were undermining our alliances. So they read weakness and China basically took advantage of that the way Putin took advantage of it.

Leon Panetta ([34:49](#)):

So China has, we know what they're doing with regards to investing in the military. We know what they're doing in space, we know what they're doing on technology, we know what they're doing with the belt and road initiative and investing in countries and building ports. So China basically, and they made clear, Xi has made clear, that China is going to replace the United States as a world leader. There's no game here. He's made it clear. And so recognizing that, and that's why the American people are concerned about it, because he's been very clear about their effort to take over as world leader. It is critical for the United States to develop a comprehensive approach to dealing with China. Look, for too long, and this is a personal gripe, I think for too long, in the last few administrations, that the way you approach issues is through crisis management.

Leon Panetta ([35:45](#)):

There is no comprehensive approach to developing national security policy or foreign policy. I think the last time we did that was probably in the Clinton administration, where we basically define where are our national security interests? What are we going to do to protect those security interests? What are the steps that we're going to take to protect this country? There's nothing wrong with developing a comprehensive policy as to what the hell the United States stands for. We need to do that rather than simply responding to crisis.

Mark Esper ([36:20](#)):

I'm going to pile on there, but first, I heard him say hell, so that's one. So look, we could talk about showing operational resolve, which I think we need to do, whether it's in the region of South China Sea, you name it. But there's strategic resolve at the political level. And I know this will resonate with this crowd, but it's ridiculous that two days ago, we're sitting on the precipice of a government shutdown, or that we're now dealing with a CR that Lord knows how long it will last. This cuts deep into the ability of the DoD and others to defend this country. Flat budgets just don't cut it when you're competing and

challenging China. And so, we need to do a far better job here in the United States at the political level with our elected leaders showing that resolve.

Mark Esper ([37:05](#)):

I think it's in the Senate now for six, seven months, a bill has been sitting that would pump money into our economy that would firm up some of the industries that are shored and bring them to shores such as semi-conductors. Why that is still sitting and has not been passed, it's just mind boggling. But we have to show that political resolve here in the United States and then export it to our allies and partners in Asia and in Europe, our NATO allies, you name it. And we have to bring everybody together. This is a major strategic challenge for all democracies for the 21st century, because China does want to rule the global order. They want to change international norms, rules, and institutions. And if we're not careful, we could very slip well into that.

Leon Panetta ([37:53](#)):

Let me jump on that, because I think that's a really important point. Look, we talk about China. We talk about Russia. We talk about North Korea. We talk about Iran. Cyber problems. But I have to tell you, I think the biggest threat, security threat we face, is the dysfunction in Washington. Because of what Mark just defined. If Republicans and Democrats cannot work together to govern this country and to make decisions on appropriations, to make decisions on a defense bill, to make decisions on the debt limit, to make decisions that are in the interest of this country, then people are going to look at our democracy and say they can't govern. And if we want to tell other countries how to govern, we've got to learn to govern ourselves. And the biggest concern I have right now is this political division and partisanship between the parties that makes them unable to come together on major issues and be able to find answers to the problems our democracy is facing. This is a fundamental issue, and I only see it getting worse, not better.

Bill Hemmer ([39:21](#)):

How is that broken or who breaks it?

Leon Panetta ([39:24](#)):

I think it's both parties bear the blame for where we're at. I tell the students at the Panetta Institute that, in a democracy, we govern either by leadership or by crisis. If leadership is there and willing to take the risks associated with leadership, and make no mistake about it, if you're going to lead, you're going to have to take risks. If you're not willing to take those risks, you're not going to be able to lead. And so, we'll basically govern by crisis. And that's largely the way our democracy has functioned in the last few years is we wait for crisis. Oh, you wait until we're about to go off the cliff, we're about to shut down the government, we're about to default on the debt, we're about to do this. For God's sakes, responsible governing is about not allowing crisis to happen. It's about finding ways to solve those crises. And so, there's a desperate need for leadership that is willing to take risks in order to do that. Both parties have now, in many ways, placed party above nation. And I think it's important to place nation above party.

Bill Hemmer ([40:47](#)):

You've obviously given this a lot of consideration. One second, Mark. Can you pinpoint a moment or an event where you felt that the fever started rising and it hasn't broken since? When was that? You've obviously given this a lot of consideration. When you look back at even recent history, there had to be a moment where you said.

Leon Panetta ([41:17](#)):

No, I've been in public life for 50 years. I've often said I've seen Washington at its best and I've seen Washington at its worst. I mean, the good news is I saw Washington work. When I went back as a legislative assistant to Tom Kuchel, who was a Senator from California, he was the minority whip under Everett Dirksen who was the minority leader. But there were a lot of moderate Republicans, Jacob Javits, Hugh Scott, George Akin, others. And they worked with people like Jackson and Magnuson and Sam Irvin and others to solve issues. Because yeah, they had their political differences, but on the big issues they worked together. When I got elected to Congress, Tip O'Neill was the speaker. Democrat's Democrat from Massachusetts, but he had a great relationship with Bob Michael, who was the minority leader from Illinois.

Leon Panetta ([42:16](#)):

Did they have their political differences? Of course. But when it came to big issues, they worked together. I mean, under the Reagan administration, under the Reagan administration, we passed social security reform on a bipartisan basis. That's the third rail of politics. We passed social security reform. We passed immigration reform. Bipartisan. We passed tax reform. Bipartisan. We worked on budgets together. We were willing to work together because it was in the interest of the country. And frankly, when you govern, both parties benefit politically. That's what we've got to learn now, because I think what has happened is that both parties in the fight for power have decided that power is more important than governing. And so, when the Republicans are out of office, they're going to fight like hell to get back in power, no matter what the hell it takes. And the Democrats have been doing the same thing. And I understand the power game, but again, the reason they're elected is not just to protect their rear end. The reason they're elected is to govern this country.

Bill Hemmer ([43:38](#)):

Go ahead, Mark.

Mark Esper ([43:42](#)):

Well, he's hitting all my main points and bottom lines, but it deserves repeating, because it does take leadership, and it takes leadership from the center. And Leon's absolutely right. It's about the oath to the Constitution. I mean, this is not a plug, but it's why I named my memoir, A Sacred Oath.

Bill Hemmer ([44:01](#)):

That's pretty good.

Mark Esper ([44:04](#)):

I actually did not mean it as a plug that time. But look, everybody in Washington, if you're an elected office or appointed office, you swear that same oath to the Constitution. And that is when you set aside your party, your president, your philosophy, and you have to govern and do what's best for the country. And I just don't see enough of that these days. It's going to take that leadership if we're going to be able to take on China and Russia and others in the decades ahead.

Bill Hemmer ([44:29](#)):

Just have about two minutes left here. I just wonder about the laundry list of things you just ticked off here. It's great stuff. I would have to go back in my mind and do a quick Google search to find out if divided government was there for all the things that passed that you just-

Mark Esper ([44:40](#)):

Well, we talked about this back in the green room that we both agree. A divided government tends to produce better, more durable solutions in the long run.

Leon Panetta ([44:48](#)):

If you're willing to make a deal. If you're willing to make a deal.

Bill Hemmer ([44:51](#)):

Two minutes left, gentlemen. I talked about the Reagan survey. We found this thing and it seems thematic. I don't know if you agree or disagree with it, but this is what the survey showed. The mood is similar today in America to when President Reagan took office 40 years ago in 1981 with hints of a U.S. decline. Secretary Esper, how much have you thought about that today?

Mark Esper ([45:15](#)):

Well, I was a little bit younger back then, but I still remember those days. It was the era of malaise, right? And Reagan's entry into the Oval Office in 1980 was the reason why I decided to go to West Point and serve my country. But no, I don't think it's like it was then. I mean, there were far different circumstances. If you recall, I think Russia invaded the Soviet Union, invaded Afghanistan. We had deep energy issues. There was a malaise throughout the country. We're not there, but I do think it gets back to our last topic, is we need strong, sturdy leadership from the White House that is focused on from the center of what's best for the country and show a better example where we bring people together, where it's bipartisan governing to get to do what's best for the country.

Bill Hemmer ([46:05](#)):

As we wrap this up, just go ahead and wax poetic for us as you consider what Americans are saying about how they feel about the direction.

Leon Panetta ([46:14](#)):

Well, no, it's understandable. Look, Americans look at Washington now and see a lot of dysfunction, see people saying crazy things. The game playing, the kind of silliness, frankly, that is going on. And what do you think? I mean, the American people are out there. They're trying to earn a living, they're trying to avoid COVID, they're trying to pay for decent housing, they're trying to pay for an education for their kids and be able to make it. And they look at Washington and these guys that are not coming together to deal with the issues that they're worried about. And of course it creates distrust. Of course it creates a sense that our democracy is not in good shape. And that's understandable. But I also believe, I mean, I happen to believe in American leadership.

Leon Panetta ([47:18](#)):

The fact is, this country's been through hell for over 200 years of our history. We've been through civil wars, we've been through world wars, we've been through recessions, we've been through depressions. Leadership has always risen to the occasion. And I think it will again, but I'm afraid this isn't going to

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happen from the top down. I think it's only going to happen when we the people decide that we need stronger leadership to help govern this country.

Bill Hemmer ([47:48](#)):

Thank you for your time. For the record, we did have two hell mentions. No damns. And Amazon six times. Secretary Esper, good luck with the book. Secretary Panetta, terrific seeing you again in person.