

U.S. GLOBAL LEADERSHIP: IMPACT ON NORTH CAROLINA WITH STAVRIDIS

Jim: I'm former governor Jim Hunt. It has been my pleasure to work with many of you through the years in North Carolina. We are just delighted to have all of you here, and I am so proud to be here with my friend, our former governor Jim Martin. We serve as the co-chairs of the North Carolina advisory committee to the US Global Leadership Coalition. And on behalf of that coalition, by the way you're all a part of the advisory committee, okay?

We're 500 strong governor. But we are really delighted to have all of you here. The coalition of course has been in touch with you, and assembled this distinguish group of prominent leaders. We're here as Americans. We are Democrats, and Republicans, and Independents. But all of us know that America must be a global leader. If we're going to be successful economically and I see so many companies and organizations that are involved in our economy here.

We have to be a global leader, and it's not just the right thing to do. It is the smart thing to do in this world folks. We understand that what happens throughout the world impacts our security, Americans really know that, and our economy. Our economic prosperity right here in North Carolina, you're seeing up on these screens, one out of five jobs is a job involved in things that we export.

I live down in Eastern North Carolina, near a lot of farms, on a farm. About one third of many of our products are exported, we understand that for America to be an effective leader we must invest in a range of things that we can do to assure our future. That includes our international tools of diplomacy, and global development and trade and aid, the kind of things we do to help countries do well, and make progress and give us credit for helping them.

Things that help advance America's interest throughout the world. I saw a lot about these things, early in my life after I graduated from law school. My wife and I went overseas to the little country of Nepal in South East Asia, and I was involved in economic development work. Helping them grow that economy. And I saw how much our foreign aid work did and how much people appreciated it, and what it did to help that country.

Of course governor Martin and I have led so many trade missions around the world helping bring jobs here, all of these things are important to all of our state. Today we in North Carolina have a unique opportunity to hear from some of the most important leaders of our nation, to talk about what we call smart power. You'll hear that term and I hope we all start using it. Admiral Stavridis, a great leader of America, you will hear from him today, Senator Kay Hagan.

They'll give us insights into how our investments in development and diplomatic programs helps build a strong economy, and help this nation be secure. We are very proud of this work, I believe in it to the bottom of my soul that this is good for America and we are proud to have all of you here, and I am proud to present to you a very effective governor, a great citizen of this state and a wonderful human being, Governor Jim Martin.

Jim M.:

I'll tell Dorothy you said that, thank you very much governor Hunt. Ladies and gentlemen, I always like it when the podium is on the side of the hall because I can practice speaking out both sides of my mouth with you all were out there. Particularly proud to be here with my good friend governor Hunt. He and I have been asked to co-chair the United States Global Leadership Coalition North Carolina Advisory committee.

It's a real testament to the bipartisan nature of this organization, and of the issues that are before that we are, a Republican, a Democrat, Republicans, Independents non-affiliated every possible part of the spectrum who are standing together for a very important cause. You'll see that also in the roster of members all over the country and especially in the United States Congress. Where members of the senate, and the House of Representatives.

Republicans, and Democrats in a good bipartisan passion, see the merits of this organization. This is the time when people have been thorned as to the level of involvement that the United States should have in foreign activities and things that are going on overseas. There are some historically in both parties who have felt that we should be isolationist, stay out of things. That we shouldn't contribute.

A rep enterprise might have comment earlier that some people still think about a third of our budget goes to foreign aid. No, it's medicaid, other than that and growing but people realize that we have to be engaged. America has a great responsibility to lead in the resolution of problems and to take part in building economies all over the world so that our economy can thrive by selling to those, by helping the investment to succeed there so that there will be markets for our goods.

We're going to welcome senator Hagan to the podium in a little bit as a speaker this morning and look forward to that. Also very pleased that we have Representative David Price, we'll ask David to stand. He's been here with us, and representative Renee Elmers for the second district, Senator Burr's schedule would not allow him to be here with us. He did write to me a short letter.

He said, "Sorry I couldn't join you at the US Global Leadership Coalition Luncheon today. I believe maintaining America's leadership role in the world is critical to

our future. We must utilize all three aspects of our national power and international influence. Development, Diplomacy, and Defense to tackle the challenges that confront us around the world today." He said "I look forward to working with you, and the USGLC to continue to advance America's interest in the world through the smart power approach to foreign policy."

He wishes us all a Happy Thanksgiving, and with that I'll conclude my remarks. You all enjoy your luncheon, I will now introduce to you, bring to the podium the senior Pastor of Providence Baptist Church, pastor David Horner.

David: He said he almost forgot me, feel secure in that. I am David Horner, pastor of Providence Baptist Church here in Riley, and it is a joy for me to be able to be here. As an evangelical people, we are a congregation who's committed to biblical faith. That's a part of our hallmark of who we are. Throughout the scriptures we find that God demonstrates a passionate heart for people, from every tribe, tongue, people group and from all nations.

It's our joy to be able to represent that. Because caring for the physical and spiritual conditions of this disease, this franchise. It's always been an integral part of the mission of the church in the world, to be the hands and feet and heart of Jesus Christ as we do. Toward that end, the people who best reflect the heart of God always engage the nations and acts of compassion. They do it with humble spirits, and serving hearts not for self-aggrandizement, but for the sake of others.

Our church like many others has a long history of meeting needs, sharing the love of Christ wherever and however we can. Our nation also continues a tradition in the same vein, reaching out without prejudice across international borders. Beyond ethnic distinctions, looking for ways to offer healing, education, freedom and above all offering hope for those who need to know that someone, somewhere in the world cares about them.

The United States, often stands as a city on a hill to offer light into the darkness of a poverty stricken, a disease ridden, and a dangerous, dangerous world. We gather today, with a great joy, with all of you leaders here to reaffirm our commitment. To serve rather than to be served, we look for ways to invest ourselves, in a world made more stable, and more secure by the compassionate acts of a people who give themselves not for personal gain, but for the good of others.

As we're beginning our time now, it's my joy to be able to ask the pleasure of God upon this gathering as we invoke his presence here. Would you join me as we pray? Our lovingly heavenly father we thank you today, what a great opportunity on this thanksgiving week together. Thank you that you are a God of

Grace, every good and perfect gift we have, and everything that we have come to enjoy is from your generous and gracious hand.

As these leaders from across the state gather here today, we pray that you would stir up our hearts anew to have the same heart for the nations that we see in you. Even as you promised blessing to Abraham, thousands of years ago you did so with the expectation that he would not just be blessed, but that he would be a blessing to all people. Lord give us courage compassion insight, and above all wisdom as we offer help to those who need.

We ask for bonus to go, even when the way is tough, even when we might find hostility, instead of hospitality and even when the cost is great. As we look around this room, we thank you for leaders who care, may we be a reflection of your loving grace in all we do, and these things we asked in the name of your son Christ. Amen. It's my pleasure to introduce to you Liz Schroyer, Executive Director of US Global Leadership Coalition. Thank you.

Liz: Good afternoon, thank you Pastor Horner for your inspiring words, and welcome to everybody. I grew up in Chicago so thank you for bringing the weather to really welcome me here. It is a tremendous honor to be here with you today, and a privilege to have such special individuals, Senator Hagan we are thrilled to have you, Representative Price and Ellmers, what an a pleasure it is to be in your hometown. There is much, as Pastor Horner just spoke, about to be thankful as we enter this week of Thanksgiving holiday, and I for one am very, very grateful to have these two individuals serve as our co-chairs. Two individuals who spend their time and their talent and their energy like Governor Jim Hunt and Jim Martin have done for so many incredible causes. We are thrilled to have not only the fabulous Advisory Council members that are here, but our partners ITI, the Research Triangle Park and North Carolina Farm Bureau as partnering with us today.

As you are enjoying your lunch, I'm going to take just a few moments to tell you who is the USGLC, and what us brings us here as setting the stage for the conversation. George Ingram, my dear friend, and I laughed a few years ago when the Washington Post called us the 'Strange Bedfellow Coalition'. And in Washington, there's not a lot of times where different groups of people get together and sit in a room. So we're proud that we actually do bring different people together. Today we are a coalition of over 400 business and NGOs, humanitarian organizations, faith based groups, diverse as Karen Caterpillar, Wal-Mart and World Vision. We have an Advisory Council. It's the who's who of foreign policy and national security experts chaired by General Colin Powell. It includes every former living secretary of state from Henry Kissinger to Hillary Clinton and all those in between. And we have a leadership group of military voices. You're going to hear from one of greatest today, Admiral Stavridis, of

over 150 retired three and four star generals and flag officers, as well as 30,000 veterans who make up what we call Veterans for Smart Power.

So what does this group all come together around? We believe, as governors Martin and Hunt just spoke about, is this idea that America needs to be engaged in the world and be a global leader. To be that, though, we need to have a range of tools to advance our national interest. Like you, you were probably watching TV a lot this week, as we saw the JFK documentaries, and I kept thinking about the era of the Cold War, where our foreign policy experts used to debate over whether we should use more hard power or whether we should use more soft power. That is an outdated debate and what we rally around is the term that the Governor just spoke about, Smart Power. The idea to use development and diplomacy alongside defense. We think the small, but strategic investment in about 1% of the federal budget not only will keep us safe, will advance our economic interest, but demonstrate our values. Earlier this year, I had the privilege of going to Africa for the first time and I went to Tanzania. I met a lot of incredible people. But I met a Woman named Veronica, a small shareholder farmer in very, very rural Tanzania, that took me quite a bit of time to get there. When I arrived there, she told me how she could not make ends meet prior to a program that the US government sponsored, a USAID program called Feed The Future.

She told me that her husband did not believe that this program would make a difference, giving her the tools to learn to bring better seeds to crop, how to bring products to market and how to grow her seeds. So her husband and her divided their land, a little small plot, and on the one side after a year, the husband's side was still struggling, and her side was booming. And she told me, today, because of that program, all 11 of her grandchildren are going to school, she now owns and she is training the women in her village to do the same thing. And not only does that matter because it's fighting extreme poverty all the way across the end of the world, but it matters, and I know Miss Jenny's Pickles understands that from Winston-Salem, North Carolina, but I also know that Matt Fisher from Pike Electric right here in North Carolina understands that. Because Pike Electric partnered with the US government to bring energy and power to Tanzania that not only is making a difference over there, but bringing jobs right back here to North Carolina.

So the question for our conversation today is what does it matter for us to be engaged in the world and how does it impact us right here in North Carolina. I believe, and I think you're going to hear it from our speakers today, that the stakes are just too high to diminish our role in the world. We believe when you see something like the tragedy in the Philippines overseas that it's the right thing to do for us to be engaged. But we also think it's the smart thing to do for our security and our economic interests. So I thank you. I thank you for not just

joining us today, but I thank all of you for being part of our journey. And our journey, just as the tag line up on this stage says, "To building a better, a safer and a more prosperous world." To introduce our first keynote speaker, what I'd like to do is invite two of our guests here, Captain Rye Barcott and Bob Geolas, up to the podium. And thank you and enjoy what will be a fascinating program. Rye and Bob.

Rye: Thanks Liz, how's everybody doing today? I am, my name's Rye Barcott, I am one of the 30,000 members of Veterans for Smart Power, and not too long ago my hair was a little bit shorter, my posture was a little bit tighter. I'm dressed up a little bit, I was probably wearing these miserable things that the veterans in the room will know which are called shirt stays, which are like elastic bands that wrap around your shirt to keep it tight. I was a marine based in Camp Lejeune. And from Camp Lejeune I deployed around, thank you Governor... hold that thought, we're going to come back to it. From Camp Lejeune, I deployed around the world, in Iraq, Bosnia, Horn of Africa. But to give you a sort of sense of how low I was in the totem pole, when I was in the United States on and off over those five years, I saw a flag officer, a general or an admiral on only two occasions. And I didn't even know how many stars they had, but they didn't have three or four stars. So I'm especially pleased to be part of an association that has 150 of our military leaders who served their entire careers in the military, 20, 30 years along with their families, who also served.

When I was serving for five short years, I felt like I somewhat had a dual life at times. And the reason for that was because I had co-founded an NGO, a non-governmental organization, order to prevent violence. That organization was called Carolina for Kibera, based at UNC Chapel Hill, some of you all in the room have helped us grow in over 11 years. And I remember when I first had the idea as an undergraduate to start the program and I was an ROTC student, that I had a big ask to make to my commanding officer, and I waited to make this ask, which was essentially for permission to take three months of unpaid leave and go back to Nairobi, Kenya, where we were starting this organization in a large informal settlement called Kibera, and for him to bless that. This was the summer of 2000. I waited until we had raised some of the money and we'd started the organization to ask him for that permission. His name was Major Boothby, he was a marine Corps sniper.

I reported to major Boothby's office, "Sir Barcott reporting as ordered. Sir." And Major Boothby said, "Barcott, stand easy." And so I stood easy and I told him what we had done. We started an organization, we were using sports, in this case soccer, to bring different ethnic groups together. And I wasn't the one that was leading it. It was being led, importantly, by a team of doers who were on the ground, who were from the community who knew the problems and the solutions to them that they faced. And I asked Major Boothby for that

permission to take a leave. And he looked at me, sort of like some of you are looking at me right now, and he pointed his trigger finger at me, and he said, "Barcott, you are one odd bird." I was like, "Yes, Sir. Odd bird, Sir. Can I have permission to go back to Nairobi before getting my commission?"

Major Boothy gave me permission. He backed me up, he sent that request up the chain of command, the Marine Corps let me take three months of unpaid leave to go back to Kibera and start this organization. I didn't have the rank at the time to ask him follow-up questions, but years later, what he told me was something that rang true to my father, who's a Vietnam vet, and to many of the veterans that I served with and worked for. And that is that the costs of preventing violence are always far lower than the costs of intervening during it. And combat vets know that better than maybe anyone else. So the Marine Corps was supportive of those dual efforts. And that's why I'm so proud to be a part of the USGLC's Veterans for Smart Power. And if I may, I'd just like to take moment to recognize the other veterans in the room, if you would please stand. Can I get an "Ooh, ah?" Love it. Bob? Pleasure to introduce my fellow Advisory Board member, Bob Geolas.

Bob: Thank you. Rye, thank you. Thank you very much. And good afternoon. I am Bob Geolas, I'm the president and CEO of the Research Triangle Park Foundation of North Carolina. And as many of you know in this room, the Research Triangle Park has been building public and private partnerships for over 50 years. In fact our mission statement clearly states we're to do three great things: support our universities and education, create jobs and help lift up all the people of the state of North Carolina. So it is such a pleasure and a honor to be here with so many distinguished North Carolinians. At the Research Triangle Park, we're the home of 170 global companies. And the foundation realizes that our prosperity is directly linked to economic currents and trends occurring beyond our borders.

We don't need to look very far to find evidence of how global engagement impacts us right here in North Carolina. Today, trade supports over 22% of jobs in our state. North Carolina exported nearly 30 billion in goods and services to foreign markets just last year and over 88% of North Carolina companies that export their products are small or medium sized businesses. We in the business world can take some credit for numbers like that, but we must share that credit with our development and diplomacy programs, funded by the US International Affairs Budget. That in the broadest sense provides the foundation that allows business and development to take place. But don't just take my word for it. We've asked a group of top notch experts to lay out the case for us today in more detail. So let's watch the video.

Well, I don't know about you, but I think those kids have the right idea. Well now it is my distinct honor to introduce our Senator Kay Hagan. And I just want to say

on a personal note, Senator Hagan gets it. Not long ago I was visiting with her and her staff in Washington, because we're working on the redevelopment of Research Triangle Park, and we were talking about some federal legislation that we needed. And I've been talking to a number of our members of congress, all of whom offered their support. The Senator was right on top. She and her staff wanted to get right in, help the park, help North Carolina and help move us forward.

Now today's conversation about America's global leadership, its impact on North Carolina is one that could not take place without this Senator. As a member of both the Senate Armed Services Committee, and the senate Committee on Small Business and Entrepreneurship, Senator Hagan has a unique perspective on the role that Smart Power plays for our national security and our economic development. Furthermore as the Chair of the Subcommittee on Emerging Threats, Senator Hagan knows that in an increasingly interconnected world, the challenges facing the US are more complex and require all of the foreign policy tools available to us. Senator, we are so honored to have you join us this morning and look forward to hearing your insights. Ladies and gentlemen please welcome our Senator, Kay Hagan.

Kay: Well good afternoon everybody. Thank you so much. What a great crowd. And what a great reason for being here today. Rye, listening to you talk about being at Camp Lejeune, I don't know if many of you here know, my father in law, who passed away about three years ago at the age of 96, was a major general in the reserves in the Marine Corps and he loved our marines. And whenever we would vacation, we would actually take his two star flag and hoist it whenever we went to a beach house. So, Rye, it is such a privilege to hear your story and to thank you for your service. And Bob, thanks for your introduction. You are doing a great job with RTP, and I know there's a lot of big plans going forward. And I do want to be one of those individuals to help with that move.

And I know we're having a great lunch today, and I know everybody's looking forward to Thanksgiving coming on Thursday. I am. It's the one time where I really get to cook and, for my family, the pumpkin pie and pecan pie were made yesterday and they're in refrigerator. So, got a little kick on it. But, Admiral Stavridis, to be here with you, we are so honored here in North Carolina to have you, to thank you for your service, and actually to appreciate what you're going to tell us today about Smart Power. And good luck on your new career, too. And I look forward to talking to you in Washington. And Governor Martin, and Jim Hunt, two of our great governors, all that you've done for North Carolina, everybody here is eternally grateful. And for the work that you're continuing to do, so thank you.

And I do want to thank the US Global Leadership Coalition, Liz you're just amazing and all the great work that this entity is doing. We're so pleased to have you here in North Carolina. And also David Price and Renee Ellmers, what a good team. We're going to work together and be sure that we can help with the benefits that you need. And the North Carolina Advisory Committee, thank you. Thank you for your work and for your addition to this great cause. And we really need to take a lesson in Washington about the cooperation that takes place here and with this group. This committee does bring together, Democrats and Republican, public and private sectors, corporations, non-profits, faith leaders, all with a common goal of moving North Carolina forward, and in an increasingly connected world.

As your US Senator, my top priority is getting North Carolinians back to work. And as you heard on the video today, 95% of the world's customers do live outside of the United States, and that means ensuring that our state is prepared to compete and lead in the 21st Century Global economy. And it is so important to realize these numbers. As you know, we already have a lot going for us here in our great state. Our economy is becoming increasingly dynamic and diverse. Here in the Triangle, one of the most vibrant metropolitan areas in the nation, we are leading across a wide array of industries from IT to biotechnology, to energy. Raleigh consistently ranks at the top of any "best of" list, currently holding the number three spot on the Forbes 2013 Best Places for Businesses and Careers. Our state is home to some of the world's most renowned colleges and universities, one of the areas that Bob highlighted talking about RTP. And these universities are preparing our students to succeed in the 21st Century economy. One just has to look down the road at RTP to see how our commitments to business, research and education have all converged to create a world class innovation center that draws companies from all over the world, from Syngenta to GlaxoSmithKline.

What's more, across North Carolina, our innovative small businesses continue to serve as the economic backbone of our community. And business leaders tell me all the time why they like to bring jobs to North Carolina. And first and foremost is because of the work ethic of the people in North Carolina. Our workforce works hard and they are dedicated to their jobs and their companies. Yes, North Carolina is well positioned to compete and to lead in the 21st Century global economy, but our continued success today more than ever depends on global engagement and America's ability to promote our business interests around the world and increase jobs through increased exports. That's why, since the first time I came to the US Senate, I've been working to expand the export market for North Carolina industries. As we all know, our businesses no longer compete with Virginia, South Carolina and these other southeastern states, but within the entire global marketplace, with Canada, Japan, Germany, China.

This global economy creates enormous opportunities for our businesses here in North Carolina. To reach out to billions of additional customers, hire more workers and provide people across the globe with North Carolina product and services. Already trade supports over 1.2 million jobs in North Carolina, 22% of the total jobs in our state. And last year we exported, I believe Bob said, \$30 billion in goods and services. But we've still got to do more. My four favorite words are 'made in North Carolina' and I want to see that label shipped all over the globe. I have worked to reauthorize the Export-Import Bank, which has supported \$2 billion, that's billion with a 'B' and export sales of 177 companies here in our state. Example: I believe Liz mentioned Jenny Fulton, and Jenny and her partner Ashley Furr from Miss Jenny's Pickles in Kernersville. Jenny's over here. They're using financing from the Export-Import Bank to ship their delicious pickles all the way to China. Jenny, by the way, is a member of the North Carolina Advisory Committee, of this group.

And then Siemens Energy has used a \$134 million loan guarantee from the Export-Import Bank to manufacture and to export gas and steam turbine generators to Korea, which has created 1,000 jobs here at their North Carolina facility. The company also since then has secured a \$638 million loan to manufacture and to export turbines for an energy market in Saudi Arabia, And I want to see more stores like Miss Jenny's Pickles and Siemens Energy throughout our state, which is why I've held two exporter forums with the president, Fred Hochberg, of our Export-Import Bank, to really provide a venue and a forum so that North Carolina businesses can hear firsthand what it takes to become part of the group, and how to get financing from the Export-Import Bank. And I'm also working to ensure that our trading partners in other countries are playing by the same rules that we are.

As you may know, the US is now negotiating a free trade agreement with about a dozen Pacific Rim countries, including Australia, Singapore and Peru, and I'm keenly aware of the potential impact of this trade agreement, it's the TPP, the Trans-Pacific Partnership, may have on jobs and the economy in North Carolina. That's why I personally met with the US ambassador for trade, Michael Froman. I met with him recently and told him that we need strong protections for our textile manufacturers, and we need equal treatment for our tobacco growers. I also advocated for intellectual property rights, which is 12 years data exclusivity for our bio-science companies so that these companies can recover their billion dollar investments in new therapies that have the potential to treat and cure disease around the world. These aspects are very important to businesses here in North Carolina, and these are top priorities for me in this TPP trade agreement, and I've made that clear to Ambassador Froman and President Obama.

And beyond its economic benefits, the US engagement in the world is so critical to our national security and to our global security. And as chair of the Senate Armed Services Committee on Emerging Threats, terrorism and Weapons non-proliferation is the focus of this group. What about the terrorist activities around the world and also from non-nuclear weapons and nuclear weapons proliferation. I'm keenly aware of the importance of balancing both military power and diplomacy. You and I both know that diplomatic tools are critical in stabilizing fragile states, and in resolving and preventing conflicts around the world, just as Ray was talking about. General James Mattis, head of US central Command, said it best this year in a testimony before congress, and he said, let me quote, "If you don't fund the State Department fully, then I need to buy more ammunition." I think that says it all for what we're talking about here today. Obviously the state Department is what handles the US foreign aid, so if we don't fund the State Department fully, the military needs more ammunition.

Beyond being cost effective, diplomacy saves lives. Something that particularly hits home in North Carolina where we have seen hundreds of thousands of our moms and dad, husbands and wives, daughters and sons, deployed overseas these last 12 years. And as our country continues to face new and diverse threats, we know too that terrorist groups and others that seek to do our nation harm thrive in areas of poverty and stunted development. In order to avoid another Afghanistan or Iraq, we must support initiatives that attack the roots of global instability at its core and to make the world a safer place. Global health is one such investment. The US played a leading role in the creation of the global alliance for vaccines and immunizations. This is a program that has saved millions of children's lives and protected people's health in the world's poorest countries by increasing access to immunizations. And in 2011, we urged USAID to increase our support of this program in order to fight against the two leading causes of children under five years of age, pneumonia, and diarrhea. And I am pleased that the agency followed my request and helped provide an additional 143 million vaccines to children around the world.

America must also continue to support global economic development. Earlier this year, I met in my office Dr. Muhammad Yunus, a Bangladesh banker and economist who won the Nobel Peace Prize; through his Grameen Bank, by creating a micro-finance concept that has helped so many destitute individuals, primarily women just like Liz was talking about in her opening remarks, helping these women become entrepreneurs. The bank provides loans as small as \$100 on average that allow women to buy items such as sewing machines or even a cellphone so that they can start a business and ultimately lift themselves and their families out of poverty. But right now the bank is in jeopardy. In 2011, Dr. Yunus was forced to resign as managing director by the Bangladeshi Government. Since then the government has blocked efforts by the Board of Directors, nine of whom are women borrowers, from finding a successor to Dr. Yunus. Earlier this

month, Bangladesh's parliament placed the bank under government control. By taking over control of the bank from the independent board of directors, the government is threatening the bank's successful model, and the strong gains made in women's empowerment and economic development in that country. This is the type of program that we must fight for. Last year I joined the women in the Senate in sending a letter to the Prime Minister of Bangladesh urging him to move aside and allow the bank to continue conducting business in an autonomous manner.

For me, success has served as an example to countless other organizations seeking to address extreme poverty through independent motivation. Protecting programs such as this one that promote economic stability and continuing to come to the aid of the populations in need is part of who we are as a nation. America answers the call, and we have done so many times, and in many places. Our country is responding without hesitation right now to the recent disaster in the Philippines. In addition to the funds and humanitarian aid that has already been sent, I am proud that our marines who are this very moment on the ground in the Philippines, helping to clear roads and distribute badly needed water, food and medical supplies, to help the people of the Philippines begin rebuilding their lives and their communities.

I think we all know that America has a long history of global leadership, and today more than ever, we must step up to the plate for our economy, for our security, and for a safer and more prosperous world. Please know that I am your partner in this effort, and I know you're going to look forward to hearing Admiral Stavridis and the rest of the program. Liz, thank you for having me. I know you're going to have a wonderful Q and A forum and a speech from Admiral Stavridis. Liz, thank you.

Liz: Senator Hagan, you are a power house and we are so glad that you're on our team for smart power, so thank you. We have a very brief, just another story to share with you, and then we are very excited for our keynote address. I wanted to tell you that over the last year, we've launched at the USTLC something that we're very excited about, called Innovations in Smart Power. Where we are bringing the stories of these fabulous public-private partnerships, that you've been doing for a long time here in North Carolina, all around the country to show spotlights about how public-private partnerships are making a difference around the country and around the world. So, I want to introduce to you somebody that you probably already know, but I just got to meet. Dr. Bob Malkin, who is the professor of Biomedical Engineer, a director Duke Engineering World Health. And he is the inventor of this picture right over here, called the Pratt Pouch.

So, when I looked at it and I first saw this, Bob, it looked to me like a McDonald's ketchup packet. But, instead of the little golden arches, there is the university crest. So, share with me, what is innovative about this little pouch called the Pratt Pouch?

Dr. Malkin: Yeah. Absolutely. Thanks, Liz. So, the Pratt Pouch deals with a problem that many people are familiar with. There is like three or four hundred thousand children a year, who are born HIV positive because their mothers are HIV positive. And if they end up delivering at home, at the moment, there is no way for them to get access to a medicine, which could prevent the transmission. The Pratt Pouch is small, foiled polyethylene pouch, as you said, it's very similar to a ketchup pouch, allows the mother to simply open the pouch when she gives birth and drip the medicine into the child's mouth, preventing the child from becoming HIV positive.

Liz: I'm a mother of two. As I talked about on the phone when we first connected, I couldn't think of anything that would be more upsetting, more concerning and painful, than not being able to stop your child from a life-threatening disease. One of the questions I asked you is, how did you come up with this idea?

Dr. Malkin: Right. Normally, as a mother, you're probably aware you medicate your child with a spoon or a cup, a syringe perhaps. It's the standard method to deliver medication to a young child. Unfortunately, those methods destroy the medication in this case. So, I asked my undergraduates to look into the problem. Why is it that standard delivery methods don't work? And within about a year, the undergraduates at Duke were able to figure out not only why it wasn't working, but also a possible solution, the Pratt Pouch. We became very lucky and we partnered with an organization in Utah, called Flexpak. That company helped us perfect the design and we ended up with this five layer polyethylene foiled pouch.

Liz: So, somehow undergraduates, McDonald's ketchup, a small pouch. I get it. But, one of the questions I had is how do you get the pouch all the way to these women and children on the other side of the ocean?

Dr. Malkin: Right. It's a great question. First of all, you know it's a small package. This small pile of Pratt Pouches is enough to feed thirty children. So, it's a very small package. But, the key thing to understand is that the package is sent into country, the pharmacist locally fills the pouch, delivers it through the traditionally birthing assistance, or community health workers, to the mothers in need. We've been very fortunate to partner with a local training organization called IntraHealth International, that's

delivering training actually right now in Zambia, for example, from pharmacists to community health workers. They also go out and train the mothers.

So, when the mother takes the pouch from the pharmacist home, again she can just open it up and medicate the child.

Liz: Last question. One of the things that people ask me all the time when I'm traveling around the country is why do we need government? Why does the U.S. Government play a role? Shouldn't the private sector take care of this? You have been in a partnership with the U.S. Government, does it matter?

Dr. Malkin: Absolutely. The way to think about us is, basically, we're technology start up. We're a small company trying to get a product off the ground. And our product is targeted for HIV positive mothers, who deliver at home. It's very hard to raise funding for a company like that. Fortunately, we've been lucky that the USCID has been willing to fund us through the Saving Lives At Birth project. We just received a second round of funding from them. We're hoping to receive a third round. It's been critical for us to develop this idea into a product where we have clinical trials now in Ecuador. And we hope success throughout the world.

Liz: Well, we hope success throughout the world.

Dr. Malkin: Thank you very much.

Liz: Please congratulate Dr. Bob Malkin.

Dr. Malkin: Thank you. Thank you very much.

Liz: And welcome too, Ambassador David Litt to introduce our very fabulous keynote speaker today.

David Litt: Good afternoon. My name is David Litt. I am a retired Foreign Service officer. My wife and I, is here with me, have spent the better part of our thirty-four year career in the middle east in southwest Asia. If you'd like to hear more about that, we can talk later. But, I'm also a very proud Tarheel, having graduated from the University of North Carolina in 1971. Sorry to hear about your loss.

Now, I am the executive director of the Center for Stabilization and Economic Reconstruction. This is a part of the Institute for Defense and Business, located in Chapel Hill, a professional education organization.

And you've already heard from two of the Institute's board members, Governor Martin, thank you very much.

I am here today to introduce our keynote speaker, Admiral James Stavridis, a distinguished thirty-seven year veteran of the United States Navy. He's a decorated military leader, in both traditional combat roles as well as twenty-first century global challenges, piracy, trafficking and tensions in the very fragile Arctic North.

For example, he commanded the USS Enterprise Carrier Strike Group. No, not that USS Enterprise. In the Gulf, the Arabian Gulf during Operation Enduring Freedom and Operation Iraqi Freedom. And then he also commanded two of the United States preeminent combatant commands. He was the Commander of U.S. Southern Command, with responsibility for Central and South America. And he was the Commander of U.S. to European command, the Supreme Allied Commander Europe.

Today he is the dean of the Fletcher School of Law and Diplomacy, at Tufts University, from where he received his Master of Arts in Law and Diplomacy and a Ph. D in the mid-1980s. He is also an alumnus of the Naval and National War Colleges. There are few people as qualified and as experienced to discuss the intertwined roles that defense, diplomacy and development share in building a stable, resilient and prosperous planet.

Following his remarks, we will then welcome Governors Hunt and Martin back to the stage, and they will be joined by our distinguished moderator. Emmy Award winning, WRAL TV anchorman, David Crabtree. And they will engage in a discussion of American Global Engagement and its impact on the great state of North Carolina.

Ladies and gentlemen please join me in welcoming a true leader and advocate for U.S. Smart Power, Admiral James Stavridis, U.S. Navy retired.

Stavridis:

Thank you. Thanks so much Mr. Ambassador. Thank you. Thank you very much, Ambassador. Pleasure to see you here in North Carolina. It's been an honor for me to be here. I grew up in the Marine Corp. My dad was the career officer, he retired as a Colonel of Marines, and Camp Lejeune was part of my upbringing. It's very nice to be back, even if I didn't get barbecue for lunch.

What I'd like to do today is just take ten minutes to kind of set up the conversation that I'm very honored to have with two distinguished governors to the state of North Carolina, with their moderator David. And I'm going to start by talking a little about the challenges in the world that we need to address. And then I'll talk very quickly about some innovations and some ways we can alleviate some of the security challenges and how that fits together. Diplomacy, defense and development.

Let me begin by looking back, if I can. Because it's important to understand twenty-first century security by looking at twentieth century security. So, I'll begin by taking you a hundred years in the past, and introducing you to the graduating class of French Military Academy, the West Point of France. It's the spring of 1914 in this photograph. These are very highly spirited young men. They know war is coming in Europe. They vowed they would go into battle, wearing their white gloves. And they do. This is 1914. By 1918 everybody in this photograph is dead. Everybody.

This is twentieth century security. We didn't learn much in the course of World War I, and World War II. Global conflagrations that consumed perhaps a hundred million lives around the world. What are we trying to do to create further security in the twentieth century? We built walls. We built them everywhere. We built on the idea of the Maginot Line and the Schlieffen Plan of World War I and World War II, and we created the iron curtain. The bamboo curtain. This photograph, the Berlin Wall, the Demilitarized zone. Twentieth century security was about building walls. And in essence, it failed.

When did this all occur to me? It occurred to me on 9/11, when I was in the Pentagon, and that little red circle is my office in the Pentagon. And I saw the airplane hit the Pentagon. So, here I was, a newly selected one star admiral at the time, in the safest building in the world. In the greatest city, the capital of the strongest nation in the world. Was I safe? Obviously not. I realized that building walls will not create security in this twenty-first century. You have to build bridges. And that's my thesis for us today. And I think it's really, essentially the theme of this wonderful organization. How we can build bridges to create security.

So, I'll just take three minutes and walk you around the world, because the world is still a pretty dangerous place. As you see in the horizon. And I'll start with violent extremism. We call it terrorism. Terrorism is really a tactic. The motivation for the violence vary. This is a Taliban court in Afghanistan. Upon conclusion of the court, you can watch this online in a

video. You see the voice saying, "She is guilty of adultery. You must execute her. You are her husband." And the husband picks up a rifle and shoots his wife in the back of the head eight times. This is violent extremism. It's not confined, of course, to Afghanistan.

Next door, in Pakistan, this heroic young girl, Malala. You must have heard of her. She was pulled off a school bus because she advocated for girls' education. And the Pakistani Taliban shot her in the head and neck. Miraculously, she survived. You see her on the left side of the screen, as she is today. She was the runner up for the Nobel Peace Prize. I fearlessly predict she will win it one day. Malala said, "They tried to silence me by killing me, and out of the silence, thousands of voices emerged." This is violent extremism.

Before we tend to pigeonhole it as a phenomenon of Afghanistan and Pakistan and Central Asia, where we have been focused for this last decade, this is Europe. This very handsome young man, upper right, is a Norwegian named Anders Breivik. Two summers ago he set off a bomb and blew up the government house in Oslo, killing 7 people. Then he took two high-powered rifles, put them on his back, and went to a small gathering of young men and women, between the ages of eighteen and twenty-two. Kind of like girls state, boys state here in the United States, and he killed seventy-seven of them. Now that's a horrific act in any dimension. But, it's worth knowing the population of Norway is five million. On a population adjusted basis, this act of violent extremism would be as though in the United States, we had four thousand, five hundred young people killed in a single day. This is violent extremism.

Walls will not stop this. We ought to also worry about countries that live outside of international norms. Like Iran. Now, we're at a mildly hopeful moment with Iran. I'm skeptical, but willing to listen as we try to negotiate them away from weapons of mass destruction. But, nations like Iran who exist outside the norms of international behavior are part of the challenges of this twenty-first century.

North Korea, equally so. They already have weapons of mass destruction, of course. And Syria. Where we see a terrible Civil War raging, which has thus far killed a hundred and twenty thousand people. Weapons of mass destruction here are being destroyed by the United Nations. That's a good thing, but these nations like Iran, Syria, North Korea, who exist outside of international norms will not be deterred by walls.

We also ought to worry about the movement of narcotics, weapons, cash, individuals who are smuggled, violent extremists. This is a

photograph of a semi-submersible built in the Columbian jungle, which had, when we captured it, ten tons of cocaine in it. Poppy, which creates heroin, flows from Afghanistan through the caucuses, through Western Europe and here to the United States. So, these trafficking routes are also part of international security. And again, our walls, our attempt to stop them, in that sense, are not working.

We have to worry about pirates. This is more than just an occasional incident. Maybe some of you saw the marvelous movie, Captain Phillips. Somali pirates, this is a ten billion dollar discontinuity in the global transportation grid. And part of it is the movement of humans, many of whom are smuggled in human trafficking schemes. And in these slip streams of narcotics, piracy, and the movement of both legal and illegal migrants can move these violent extremists. Making it, again, more difficult to stop things.

We ought to also be concerned about the environment, which is causing new shipping routes to open in the north. And environmental disasters, like the one that struck the Gulf coast several years ago.

Finally, we ought to think about cyber. And walls will not stop cyber-attack in the end. So, at this point, you ought to say, "Well, Jim, that's quite a list. You know? That's pretty worrisome." So, what do you think? What should we be doing about it? And that's what I'd like to talk about in principle today.

Now, this is a whimsical photograph. If you look closely, you see it's someone listening. This is actually a Belgian air defense system of about a hundred years ago. But, I put it there as a metaphor. The first thing we ought to do is listen more. We ought to spend a little less time transmitting, and a little more time listening to others, and learning about their culture, their history. Why does a Somali man decide to get in a little skiff, rattle around at sea, risking his life to conduct piracy. What is behind that?

We also ought to take time to think. In addition to listening, we ought to try and find time in our very busy lives to build intellectual capital. This is a photograph of the naval war college. Every year the Navy sends a group of officers, Navy, Marine Corp, we have Air Force and Army. They come to a war college, and they spend time disconnecting to learn, to listen, to build intellectual capital. I think that's part of twenty-first century security. As is reading. And we should be reading biography and history and autobiography and political science. And as the dean of the Fletcher School, I'm making sure my students are doing that.

We also ought to be reading novels. We ought to read fiction, in order to understand culture and history. Here are a few books I've been reading lately. Orphan Master's Son, Pulitzer Prize winner. About North Korea and its dystopian culture. Matterhorn, the story of a young Marine's first sixty days in combat in Vietnam. Its counter insurgency turned upside-down. The Circle is a new novel about the cyber world, and about the social networks. And the Afghan Campaign is a novel, not about current NATO Campaign in Afghanistan, not about the Soviet Campaign, not about the British Campaigns in Afghanistan. It's about the first campaign. Alexander the Great, and the lessons you can learn in this novel about Pashtun culture ring true today.

Point being, in order to face these challenges of the twenty-first century we need more time, frankly, in gatherings like this. Where we listen, we learn, we connect, and we build intellectual bridges to understand other cultures vastly better.

We ought to study languages more. This is the young Canadian sergeant who is teaching himself Pashtu in Afghanistan. To know another language is to know another culture, to know another life. In the Department of Defense is an example, an organization that lives in the global world, only eight percent of our men and women speak a second language. We should learn languages to speak, to connect more effectively.

And a different kind of language altogether. Now, you look at this and you probably say, "It's an admiral up there talking. These are probably of communication. Or, "They are underwater cables and grids of our fiber-optics." No. This is Facebook. This is the world according to Facebook. The brighter the white light, the higher the concentration of connection. And we all know the six largest countries in the world, right? It's China, India, Facebook, The United States, Twitter, which is on feed, and Indonesia.

Now, we laugh. I gave a presentation like this in the United Kingdom several years ago when I was the supreme allied commander at NATO. And I got to this point in the presentation, and I said, "I'm on Facebook. Friend me." And got a little bit of a little reaction in the room. But, there was a reporter in the back of the room who wrote an article on the AP Wire and the headline was, "Supreme Allied Commander Needs Friends." Which I undoubtedly do. In the article, because it was an AP Wire story, only ran in two places. It ran, weirdly, in Finland and Indonesia.

The next morning I had hundreds of friend requests from Fins and Indonesians. Most of them said, "Admiral, I heard you need a friend. What is NATO?" And we should laugh at that, but we should also realize the power in the social net, to create bridges, to create understanding. All of those emails gave me and my team a chance to answer, talk about NATO, a global force for good. So, connection is important in this world.

And a very different kind of connection is unfolding in the world I live in now, as the dean of a graduate school of international relations. And we're here in the triangle of one of the great university centers in the world. And Coursera, which is a new kind of online ability to deliver education, is holding courses today with enrollments of thirty thousand, forty thousand, fifty thousand. Including Pakistani teenagers learning Physics from Stanford professors. The ability to use the internet to deliver education, I think will profoundly reshape the global environment. That is another powerful kind of connection. A bridge that creates security.

NATO, I would argue, continues to matter, as do our alliances. So, these kind of geopolitical bridges. NATO, in the end, is a bridge in time. It connects us with a cold war paths. NATO is a cultural bridge of twenty-eight nations, and it's a transatlantic bridge representing the connections of The United States with our European partners. Alliances are bridges. They are part of twenty-first century security.

We've talked a little bit about the tsunami in the Pacific. This is a beautiful Navy ship. This one is The Comfort, which is the east coast hospital ship. On the west coast today, The Mercy, her sister ship, is giving assistance in the Philippines. These ships are not manned just by the Navy. There are plenty of Navy people, but there are lots of private-public connections. These ships sail with Operation Smile, Doctors Without Borders, Project Hope. Dozens and dozens of different NGOs come to sea on these. As well as international partners. These are ships that are bridges international, inter-agency and private-public. And the treatments they do are extraordinary.

I had the privilege of seeing one in Nicaragua, where a mother had walked with her son for three days to come to the eye clinic. He was maybe six years old, and she described his symptoms as, "He can't see. Everything is terribly blurry." Now, the one third of you in this room who are like I am, simply myopic, understand that. The doctor put a pair of glasses on this little boy for the first time in his life. And he looked up and could see every leaf in the tree. And he said, "Mama, veo el mundo." Mom, I see the world. Now, multiply that times four hundred thousand patient treatments, and you create a very different impression of The

United States of America and our partners, in a country like Nicaragua, where we have not always enjoyed high degree of popularity and prestige. All of a sudden, we are compassionate. We're competent. We're professional. This is very much part of creating security, this kind of humanitarian work and disaster relief.

I'll give you a different example in a different part of the world, Afghanistan. These are Afghan soldiers, and they have books. And you should say, "Well, that's odd. I thought Afghan soldiers were largely illiterate." And you'd be correct. Afghans in this demographic didn't receive education. The Taliban withheld it. So, why do the Afghan soldiers have books?

The answer is, they're in Literacy class. We are teaching them to read. We, the United States. We, NATO. We, private-public partners, who are part of this literacy effort. And this is the most profound bridge you can create, is a bridge to knowledge. A bridge to the world. In Afghanistan if you're a literate or woman, you put a pen in your pocket so others can see it and know that you're literate. And in Afghanistan, when they graduate from this course, we give them a pen. And they put it in your pocket. And you should be at one of these ceremonies to see a young Afghan woman or man put that pen in their pocket for the first time. This creates security. We taught four hundred thousand Afghan security forces to read and write in Afghanistan.

And frankly, we ought to harness the power of women in international relations. This is a long conversation. But, in so many places women are undervalued, shut out. I was so taken with the example we showed earlier of the garden where the woman's part is growing so much better. I mean, is that a metaphor for everything. Certainly my wife would say so. We need to find ways to create bridges across genders. And I think that's part of twenty-first century security as well.

I'll close with a couple final thoughts. Here's a very heroic young man. Because we should remember that at the end of the day, the best bridge you can build is a persona one. Personal contact, which trumps everything. This young man was named Michael Murphy. He's a 1989 graduate of Penn State. He became a Navy Seal. And Michael was killed in Afghanistan several years ago, where he won the Medal of Honor. And he won it, and there's a long story associated with this, but essentially, he made a decision that protected Afghan civilians. He chose not to kill a group of Afghan civilians. And eventually it, we believe, caused his team to be attacked later on.

Michael was a very heroic, heroic Navy Seal in every dimension. He's now, as you can see by that ship coming out behind him, the Navy ship is named after Michael Murphy. I put in there to remind us that in the midst of all this wonderful technology and our ability to move messages and teach on the internet and use social networks, young men and women, like Michael Murphy, are the absolute essence of our security. And our compassion as a nation as well.

So, I'll close by a reminder. I've spoken a lot today about what many of you in the audience might think of as soft power, it's really smart power. I'll make that point in a moment. But, without the ability to conduct hard power operations, soft power is not going to be effective. I would not want anyone to walk out of here today with any doubt about the capability of the U.S. Military to conduct combat operations. Here you see a Navy destroyer launching a tomahawk missile. We are very, very good at combat operations, when we're called upon to do so. We're good at launching tomahawks. We need to get better, the big we, all of us, at launching ideas.

So, we've talked about smart power and hard power. And I'd make the point that it's not an on and off switch. The idea's not to go into combat, or just sit in the barracks. Life, in so many ways, there's not an on and off switch. We know this in our lives. Life is a that you dial in. So, where you go on that dial between hard power, which sometimes you need, and soft power, which is very important. That dial, that's smart power. It's that ability to move on the dial.

So, last slide. This is Wikipedia. A wonderful company. One that I certainly jump on every day, looking up facts and figures. I'm sure everybody does here as well. Wikipedia is a perfect example of the fact that no one of us is as smart as all of us together. Wikipedia, as you know, is this online encyclopedia and it's not created by twelve really smart people in a room. It's created by all of us. Every day, tens of thousands of people input information into Wikipedia. And every day millions of people draw it out. Everybody thinking together is so much smarter than any one of us. Any one person, any one nation, any one alliance, any one university. No one of us is as smart as all of us thinking together.

So, I'll close with the vision statement of Wikipedia, which is very simple. The vision statement is, "A world in which every human being can freely share in the sum of all knowledge." A world in which every human being can freely share in the sum of all knowledge.

My thesis for us today in this turbulent twenty-first century, is that by thinking collectively, by building bridges, we can create the sum of all security.

Thank you very much. Pleasure being with you.

Thank you. Thank you very much. Thank you. Thanks a lot. Thank you. Thank you.

Please. Thank you.

David: We've got a lot to cover here in the next 25 minutes or so. On a point of personal privilege, I had the chance of talking with both governors earlier this morning, but I also want to mention something about Rye. As an example of how someone can bring a set of glasses to someone to give you clarity, he did to me 11 years ago on a television program with his vision for Siberia. It struck a nerve. It has stayed with me, and it's a perfect example how one person within a community can make a phenomenal difference. For that, I am grateful for your leadership, your service to this country, and for your opening my eyes as well. Thank you.

Admiral, I don't know whether to be, to feel like I'm enlightened or frightened.

Admiral: Both.

David: You touched on a lot of points there. We look at our global, our geo-political world. We saw the news just this weekend, as you referenced, regarding Iran. We've already heard pushback. We've heard praise. We've heard caution. We've heard cynicism. Let's talk about the challenges this country now faces in the Middle East, in North Africa. You talk about smart power. How does it help this country deal with what are incredible situations that most of us can't even begin to grasp the complexities?

Admiral: Sure. I think we have to begin with where I ended the presentation, David, which is, it's not a binary set. In other words, we can't solve our problems by leaping to military action, nor can we solve our problems alone with diplomacy and development. You have to do them together. I think a good example of that at the moment is what's happening in Afghanistan.

I know, as we whipsaw day to day with the President Karzai and the possibility of a security agreement and a car bomb goes off here and there, I understand that we get discouraged. But if you really look at 10 years in Afghanistan and you look at what people like the ambassador and the diplomats have wrought by bringing together a coalition of 50 nations

together in Afghanistan, you'd have to go back to the Peloponnesian wars to find a larger international coalition. Eighty nations contributing financially, that's the result of diplomacy.

Then we look at development, what people like the AID Administrator Raj Shah is doing with his team. Over 10 years, we've gone from really a handful of children in school in Afghanistan to today nine million children in school, three and a half million little girls. That's what will change Afghanistan. That's development. At the same time, they built hundreds and hundreds and hundreds of kilometers of roads throughout the country, 16 million cell phones. Afghanistan is one of the most wired countries in the world. This is development.

Alongside all of this, in the defense perspective, we have built up a fairly capable Afghan security force of 350,000, and we have handed off combat operations to them. If you think back just over a year ago, tragically, we lost about a hundred U.S. troops in August a year ago in Afghanistan. We've now handed off these operations to the Afghans, and this past August, we lost eight, and we haven't lost but one or two a week over the last month or two, so great progress in the security vein as well. I think it's a good example, David, of bringing together diplomacy, development, and defense in order to make this an international effort and to turn over defense to the Afghans, and I'm cautiously optimistic we will see a successful outcome there.

David: Let's talk with the governors for a moment. Governor Hunt, I'll begin with you first. You led trade delegations, worked to promote business in this state, Thailand, China, South Africa, to name a few. Outside of the obvious of wanting to create more exports from this state to other places in the world, why are governors such strong supporters of this global economic engagement?

Gov. Hunt: David, I think there are three reasons. First of all is the economy. We want more good jobs, and we want to export. One out of five of our jobs is connected with exports, and I guess with a lot of our farmers, I live down in a farm area, that's probably one out of three with many crops, but we want to have more good jobs, and we've recruited a lot of companies to come here, 120 Japanese companies back when I was governor, 20 or 30,000 jobs. Governor Martin would tell you that same kind of story. It is jobs for our people, building our economy, but it is the safety of our people.

Now, you know there is nothing as important as keeping Americans safe, and having a good relationship with these countries means we're more apt to be able to be safe, to have them join with us, to help them, get them to help us find the bad people, and they work with us and they work with our police forces all over the world, so safety.

But you know there is a third one. We had our minister here today, and he gave us our invocation. I really believe that working with people around the world, feeding the hungry, the sick, helping the sick, healing the sick, helping people have the kind of life that God wants them to have is something that Americans believe in. This really goes to what we're about and what we believe in. That's one of the things we do when we have our foreign aid programs. We do try to help people get some education, have some food, build their economies, and in turn, they're going to be our friends, help protect us, protect the world, and together we will grow economically and have a good future.

David: Governor Martin, your perspective comes not only by being governor of this state but also serving in Washington. Your perspective, by its very nature, is global. I'm sure you're echoing what Governor Hunt had to say as well. But this thing about safety and bridge building, bridges aren't built overnight, unless it's a temporary bridge. To get the permanency, it takes time to do these things.

Gov. Martin: That's absolutely true, David. We're fortunate here in North Carolina to have an organization in Chapel Hill called the Institute for Defense & Business, which I happen to chair. Mark Cramer, our president, is here. David Litt, former Ambassador who introduced Admiral Stavridis, is a member of that organization. It was originally set up and still continues its main function to provide best business practices training for those young officers who are destined for flag rank in all branches of the military, most recently adding the Coast Guard and the Homeland Security Department. But all of our branches of service are in that.

One of the things that we got interested in was the nature of the problems we were experiencing in both Iran and Afghanistan, where there was a great deal of violence directed at our people. Our fighting forces didn't lose any war. Where we got hurt was in the occupation and not being prepared to know what would motivate people to go out and blow themselves up in order to blow up dozens or hundreds of other people. You wonder why they would do this? Is it because they think there is some equivalent of sainthood, a reward for them for doing that? Well, no, that's contrary to the teachings of Islam. What we reasoned was that they were being given monetary rewards for their families if they would do that, and it was a way to leave something of value for their families.

We came up with a different plan, working with United States Chamber of Commerce and the Marine Corps and the U.S. Army, and directing our efforts in the Anwar province in Iraq, which was the most dangerous, the most explosive area, probably because it was right next to Syria, and you had that flow. I mean the reason they didn't have weapons of mass destruction when we got there, they shipped them to Syria. Maybe that's where they come

from when Iraq used them against Iran. But that was a dangerous province, and then in Afghanistan, the Kandahar province, which was the home base of the Taliban.

What we did was to go in with businesses from the United States and other countries, other allies to provide investment and jobs and hometown-type jobs in those provinces to provide hope and confidence in those areas rather than despair and willingness to be a human bomb. We are pleased that as that took hold, that while there is still violence there, it has subsided to much lower levels than it had before then. North Carolinians can be proud of your organization, Mark, and all. David Litt was the head of that particular program. We call it CSR, the Center for Stabilization and Reconstruction. You can see how that spells out with the acronym.

Admiral: Can I give you another example, maybe a little closer to home? That's here in the Americas, and I would point to Colombia, which is a big country, 40 million people, on the Caribbean Coast, on the Pacific, right at the nexus of South America and Central America. Ten to 15 years ago, Colombia was worse than Afghanistan today, by any metric. More murders, more bombings, more torture, more kidnappings, more rape, everything, much worse statistically than Afghanistan today. The United States, with other international partners but principally AID development, State Department diplomacy, and Department of Defense working together, working with Colombians, have brought Colombia back in an enormous way.

Today, Medellin, which, 10 years ago, was a drug cartel city, was named by the *New York Times* "the most innovative city in the world." Bogota is now an international center of commerce in South America, and Cartagena was on the *Washington Post's* Top 10 Vacation Destinations. This shows these techniques, when used together, can bring a region back from real despair.

I'll give you one other example. In Europe, if you remember 10 years ago or so, we spent a lot of time thinking about the Balkans, about wars in the Balkans and Kosovo. There was a massacre in a place called Srebrenica, where 8,000 men and boys were killed in a single day. Today, if you look at the Balkans, Slovenia, Slovakia, Montenegro, Macedonia, all these nations are either in NATO or in the path to do so. They're in the European or on the path to do so. Again, it's been the confluence of these kinds of tools working together, as both the governors have alluded to, that have changed the fabric and changed the way people view the United States, and that creates security for us.

David: Admiral, you brought up social networking, particularly Facebook, during your talk. Around the room, there were several people tweeting, I know, during the talks, people checking their e-mail, people texting. It is constant now. We can talk about a 24/7 news cycle. That's been here for a while. The

demand of information on demand when people want it is there. It's never going away. It's only going to be more intense. I use that as a framework for the next question.

Gov. Martin: David, I was taking notes.

David: Very good, Governor, very good, very good. When we look at ways to build bridges, whether it's internationally ... I was looking at our table here. I was sitting with Congressman Price, Congressman Ellmers. Sorry, I think maybe she had to leave. I would love to have been able to engage in some conversation of that type of bridge-building here locally within our political structure of how we're trying to get things done. The two of you are here as representatives of the two major parties, yet this pressure of instantaneous information, oftentimes wrong information, oftentimes a fire hose of misinformation, makes the bridge-building one heck of a lot tougher. Would you agree, Governor Hunt?

Gov. Hunt: Yes, I would agree with that, but we've got to stay at it. The fact that makes it ...

Gov. Martin The first thing you told me this morning.

Gov. Hunt: The fact that it makes it tougher doesn't mean we don't work at it. I think it's very important for all of us here today to understand what we can personally do to make all these things work for America. I want to be sure that we understand that we know about the military budget. That's clear, and we're for a strong military budget, Admiral. Nobody supports it more strongly than we do in North Carolina. But we also need to know that if we're going to have the export markets, if we're going to have the jobs in North Carolina, if we're going to be successful militarily, we need to have a strong diplomatic presence in the world.

When we talk about those embassies, and we talk about those people who work in foreign aid and things like that, folks, that's important. Those embassies, when I went recruiting industry around the world, you know who my main partners were, the people who helped me get in the door to those companies? The U.S. Embassy and the folks who work in the economic area there. When we're trying to be successful in getting help in wiping out those drug cartels, I have a son in the Foreign Service, Admiral. He used to tell me, I remember him telling me about how dangerous Nicaragua was. Our diplomats and our foreign aid giving those people something else to do so they could make a living, that's important.

I want to make one more point, David. I have a son in the Foreign Service. He is serving in his second tour now in Afghanistan. He's involved in trying to help them have a rule of law that works, but he's also head of our efforts to

make drug eradication work. They grow poppies around Afghanistan, best place to grow them in the world. The poppies are made into heroin. We're over there. My son heads up this program in the U.S. Embassy. We're over there getting them to grow wheat and helping them make that change and also destroying poppies. They regularly have a big burn where they burn the poppies so they don't come here to get our children hooked on them.

There are a lot of things that we do in supporting our foreign affairs efforts. The State Department, the State Department's budget, all of those things, folks, you may have not thought about that, but that is really important in helping us do the kinds of things we've been talking about here. That's the smart power we're talking about.

Gov. Martin: Governor Hunt, thanks for sharing that with us. That's a great story about your son.

You talked, David, earlier about how you have to stay with the program for a while, and it occurred to me an illustration of that. During my second term this happened. We were concerned about the erosion of manufacturing jobs in North Carolina. The Secretary of Commerce at that time was former United States Senator Jim Broyhill, came to me and said, "You know, the problem here is we're not exporting to their countries. We're just sitting here worrying about imports. We need to be exporting. We've got products that can be sold overseas." And so we started an export initiative to train and incentivize and promote North Carolina manufacturing companies to export overseas.

I would say it was successful. Even during that term, we became a net exporting state. There are not many states that could make that claim. It has continued with the succeeding administrations after I left office to where today, it's about triple that. It's 22% of all North Carolina jobs are involved in exporting some product that's produced here in North Carolina. We are very pleased with that.

Even when the North American Free Trade Agreement, NAFTA, was adopted, there were people who opposed that in both parties in the Congress, but they were able to get a majority from both parties to get that passed and to get it enacted. People were worried it'll just be a one-way flow. No. Exports to those countries have increased from North Carolina to Mexico and Canada by over 200%.

David: We have time for one last question.

Gov. Martin: Triple what it was.

David: Admiral, I'm going to give this to you to begin with. We continue to be in difficult economic times, although parts of North Carolina, particularly this part, is in better shape than many other parts of this state, and this state, many other parts of the country. Even so, how can people in Raleigh engage their elected officials to ensure support for strong American leadership in the world?

Admiral: First of all, an event like this is a terrific place to start. To turn out 500 people to have a high-level conversation about the role of U.S. global leadership is terrific. Secondly, leverage the power of this triangle, this extraordinary confluence of business and academe that connects to so many other places around the world. Thirdly, these social networks, I think there's a lot of power in them and looking at ways in which citizens here can be on various sites where they're working for humanitarian, contributing to non-governmental organizations, working with Doctors Without Borders. There's a million ways, using the Internet as a powerful tool, to raise your voice and be engaged in these kinds of things.

Then, as both the governors have said, I think support a strong military, I'm obviously all for that, but it really is about making sure resources get to AID for development and State Department to do diplomacy because they get such a tiny number of resources. You heard General Mattis' comment earlier. You heard both governors talk about it. It's the balance of the three. That's how I think citizens here can be a part of this global conversation.

David: And may we all be better listeners.

Admiral: Yes, sir, indeed. Thank you.

David: Governor Martin, Governor Hunt, Admiral, thank you. Thank all of you for being here today.

Admiral: Thank you.

George: Good afternoon. I'm George Ingram, and as a North Carolinian by education and one of the founders and currently chair emeritus of this organization, I'm particularly proud and pleased at the event that's happened today. My personal thanks to Governor Hunt and Governor Martin for taking on the leadership of the North Carolina Advisory Council. Their credibility, their understanding of the many ways in which North Carolina is connected to the world has made a big difference in the success of this committee. I greatly appreciate that joining together, you all demonstrate that U.S. engagement in the world is a bipartisan issue.

Admiral, I'm probably the only one in the room who, for the past two Mondays, has had the benefit of hearing your understanding of smart

powers. You come at this from a unique position of having practiced it. You've been a leader in the defense area who's actually brought development and diplomacy into the roles that you have performed, and you, yourself, are a wonderful example of how you can implement smart powers.

We were fortunate having Senator Hagan with us today and sharing her support and understanding of smart powers. We appreciate having Congressman Price, Congresswoman Ellmers here together. As we conclude this session, as my colleague, Liz Schroyer, is known to have said probably at the start of any meeting, that the difference between a good meeting and a great meeting is what happens afterwards. So I have a few things to offer for you to help make this a great meeting, and that is join us in what we're trying to achieve in promoting, advancing, and understanding of the importance of the integration of development, diplomacy, and defense.

Shortly after this meeting, you will receive an e-mail from us, and it will invite your reaction to this session. What did you learn today? How did this fit into how you see the world? What are your interests in foreign policy? Secondly, share what you've heard today with your colleagues, with your friends, with your families. Three, if you're a veteran, please join our Veterans for Smart Power. You can do that on our website. Go to our website and follow us there and on Facebook as to what we are doing. Finally, keep alert to the announcement which will come out early next year of a comparable event that we're going to do in Charlotte.

In conclusion, I want to recognize our partners today, RTI, the research part, and the Foreign Bureau. We appreciate your engagement and your getting the word out to your networks of people of the event today. Finally, to my U.S. Global Leadership colleagues who are most responsible for this event, my thanks for Derek Gianino and Terry Campbell. With that, let me thank you for all coming and wish you a Happy Thanksgiving.