

**U.S. Global Leadership Coalition
Tribute Dinner
July 17, 2012**

**Former Secretary of State Madeline Albright;
Former Secretary of State Colin Powell;
Frank Sesno, Director,
School of Media and Public Affairs at The George Washington University;**

ED RAPP: Good evening. You know, it is indeed a pleasure for me to join you tonight and to welcome our distinguished guests, the former secretaries Albright as well as Powell. (Applause.)

I cannot think of two people that are better positioned to start a conversation on America's role in the world. One of the reasons that Caterpillar is really proud of our membership of the U.S. Global Leadership Coalition is the nontraditional makeup of this group.

Just look around the room. You've got businesses, NGOs, faith-based organizations all coming together with a common agenda and truly making progress. I'm also proud of Caterpillar's own Bill Lane. You know, Bill – (applause) – Bill along with George Rupp serves as one of the co-presidents of the USGCL and I think it demonstrates our commitment to this organization.

You know, at Caterpillar, I lived and worked in Africa in my career and one of the things I saw firsthand is what we believe, that the road to progress begins with a road, period. And I can think of no organization that has a greater impact on that than USGCL. As we've heard tonight, America's leadership in the world is more critical today than perhaps ever. At Caterpillar, we have a front row seat as we manage the global business to see how this is unfolding. You have the growth in the emerging markets, the challenges in the developed parts of the world that are transforming the business landscape.

Now, a question you may ask is do you see these as threats or opportunities. And for us, it's clear. It is an opportunity if we engage on the global stage, as it is good for U.S. business and it is good for economic growth. It's simple. Investing in global development and diplomacy is just good business.

That's why we're especially honored tonight to welcome Secretary Albright and General Powell. These two dedicated public servants have served and they have committed their lives to America's engagement on the global stage, spending decades of leadership, they have been in the forefront of those on the world stage who embrace the importance of diplomacy, democracy and economic development.

They also exemplify the bipartisan spirit of collaboration that so many of us seek in our national leaders today. In this heightened political season, let us remind ourselves that we will not grow, we will not prosper unless we work together. That's what our speakers stand for. Through their extraordinary careers, they have truly helped build a better, a safer, a more prosperous world.

I know when I speak tonight, it's on behalf of all of you in expressing our deep appreciation to both of them not only for the public roles they have played in serving our great nation, but also for the steadfast support they have lent on behalf of the U.S. Global Leadership Coalition.

So ladies and gentlemen, please join me in a warm welcome for Secretaries of State Madeleine Albright, Colin Powell and our esteemed moderator tonight, Frank Sesno, the director of George Washington University's School of Media and Public Affairs. (Applause, music plays.)

FRANK SESNO: Well, what a pleasure it is to share this small, intimate, friendly gathering with two such amazing national servants who have done so much. I've had the opportunity to talk to both in many settings through my years at CNN and since. And so I'm very much looking forward to how we and you connect the dots this evening in terms of America's role in the world, making the case for diplomacy and development and where you see this all going.

Secretary Albright, though, I want to start – it's hot in Washington now. It's a strange season. You are famous for so many things, especially those pins you wear. Tell us about the pin you're wearing.

MADELEINE ALBRIGHT: Well, I'm wearing a frog tonight – either because we have to leap over the problems that plague this particular budget or to make sure that foreign assistance doesn't croak. (Laughter, applause.)

MR. SESNO: Where's your pin?

GENERAL COLIN POWELL: She has all the pins.

MR. SESNO: Secretary Albright, let's start with you –

MS. ALBRIGHT: And I have to say one of the reasons – when Colin and I were both on the Principles Committee and he would walk in there with all his medals and I was a mere mortal female civilian, I figured I needed some help. (Laughter, applause.)

MR. SESNO: A lot of medals and pins richly deserved and hard-earned. Secretary Albright, let's talk about what – and dig into this thing a little bit. You know, when you were secretary, there were serious efforts in Congress to cut back on the foreign affairs budget and agencies. There were some members of Congress who boasted about not having passports. That

seems to be very different now. There seems to be a different tone. There seems to be a different appreciation. A, do you share that perception; and B, if so, why? Why do you think that's happened?

MS. ALBRIGHT: Well, first of all, I think an awful lot does have to do with the people that we honored tonight, Senator Leahy and Senator Graham. I think that it makes a tremendous difference when you have leaders of the committee that can push everything forward and Congressman Kay Granger and I talked to Nita Lowey today. So I do think that the leadership is a very, very important part.

I have been fighting the battles of making sure that the foreign assistance budget or the international organization budget even gets through. I worked for Senator Muskie when he was chairman of the budget committee, and then I did congressional relations for the National Security Council during the Carter administration where I decided that the words "foreign" and "assistance" should never go together, that in fact it was an issue as to why would we give taxpayers, as Senator Graham said.

I do think that there is an agreement about the importance of American leadership. I think that that is a very important part. I think there is some disagreement about how American leadership is deployed and under what circumstances and what programs we really work on. But I think, thanks to the coalition – and Liz Schroyer who has been remarkable in this – I think that we have been pushing it. I'm not sure I fully agree that there is complete bipartisan agreement on how American leadership should be deployed. And therefore, we have to keep working in order to make sure that we see democracy, development and defense going together.

MR. SESNO: Secretary Powell, you certainly led both the State Department and the Defense Department. You made the case from both – from both places. And what's really interesting to think about is how so many military leaders have spoken out in this regard – whether it's Secretary Panetta recently, Secretary Gates before that, General Petraeus. Why do you think the military feels and expresses its feeling so strongly, so eloquently for this kind of expenditure?

GEN. POWELL: I think we've always felt that way. I think we've become more vocal in recent years.

MR. SESNO: Why?

GEN. POWELL: As we see the kinds of situations we've found ourselves in. I'd go back to the invasion of Panama in 1989 and work my way forward when we realized just having a military battle that you won is not the end of the game. Perhaps we should have done more at the beginning to avoid that battle in the first place – or, having won the battle, how do we then create the peace and preserve the peace.

And I think we have to be careful when we talk about these terms such as smart power or hard power or soft power. I'm reminded of a conversation I had with a former archbishop of

Canterbury in 2003. You might have been there, Frank. I don't remember now. But it was on the eve of the Gulf War – the Second Gulf War. And the archbishop stood up and said, well, General Powell, why don't we just use soft power? Why do we have to use hard power? And it was a critique of what we were getting ready to do. And the answer I gave him was that it was not soft power that rescued Britain from Hitler. It was hard power. And you have to have all of it. But when we won with hard power World War II, we then applied soft power – soft power in both Asia and in Germany and created democracies. And so the importance of this coalition – and what makes what we're doing here tonight so very, very important – is that we understand that we need it all. But we have been shortchanging the soft power which really translates into smart power portion of this, much too long.

Years I've been hearing this same thing. Only less than 1 percent goes to this. But it doesn't change. And until we have more people as informed as Lindsey Graham and Pat Leahy who understand that in the world we're living in and international environment where we're competing at so many different levels, and they're not so much military levels as they are levels of economics, levels of development, what we're doing to help people in parts of the world who are wondering: Is America there for us?

Until we start to invest in that part of the power equation, America is not meeting its values and its own standards to the rest of the world. (Applause.)

MR. SESNO: You said something very, very important just now, and it actually would be a great challenge to Senator Leahy and Senator Graham when they're doing their job. And that is we need it all. And America would say to you we can't afford it all. And that's the case that you then need to make, that this is an investment, that this is taking place in a changed world where borders mean different things and national security means different things. How hard is that to do?

MS. ALBRIGHT: Well, I think that when one puts the facts out there in terms of first of all that it is in our national security interest that countries are able to develop, that they are able – people are able to live a decent life, that our values are translated and that when something happens terribly in some country, it does come home to America. So I see it in many ways as a national security issue and sometimes it has to be argued on that basis – national security support.

Then, there are also a lot of constituencies in this country who see it differently. We've talked about the religious community. I think they have been – the faith-based community has been very supportive because they don't want to see people suffer and we have always talked about assistance to the poorest of the poor.

And I think you have to present it to the different constituencies in language that makes sense to them. It is not that much money. It really is not. I know Senator Graham was talking about how long it takes a taxpayer to be able to generate it. But the returns to America of people that can buy American goods or that have a sense of security and are able to be developed

democracies I think is something that we can afford. We are a rich country. We are richer than anybody else and I think we have to make that argument very clearly.

MR. SESNO: But you put this in terms of investment, don't you?

GEN. POWELL: It is very – it is very affordable. One of the problems I had when I was chairman, it was always set up as a competition between defense spending and foreign assistance, and other State Department spending.

MR. SESNO: But when you say set up as a competition, you mean on the Hill or in the budget process?

GEN. POWELL: Yes, people always wanted to say you're taking money from defense and just wasting it at the State Department. It was only when I became secretary of State that I realized that that was idiotic. (Laughter.)

MS. ALBRIGHT: We used to have this discussion.

GEN. POWELL: I really –

MR. SESNO: I would have liked to have been there.

GEN. POWELL: I really knew it as chairman of the Joint Chiefs of Staff as well. Because I've often been called the reluctant general because I'm trying to see if we can find peaceful ways to avoid conflict. And I think we all should do that. And there are peaceful ways. But it takes investment. It takes working with nations that aren't on a democratic path. It takes investing in clean water – simple things, clean water, economic development and helping people come out of poverty so they see a better life. And we are the inspiration for that better life. This is how you avoid conflicts. I want to avoid conflicts. And if one comes, I want to make sure we know how to do it right. But I'd rather avoid it.

MR. SESNO: If we look at this audience and think about the conversation tonight, the U.S. Global Leadership Coalition and the work that's being done here, the message is clear. But there's a tremendous disconnect it seems with the public.

I was looking earlier in the recent poll – a Pew poll that says – and this is shocking – 83 percent of the American public say we should pay less attention to problems overseas and concentrate on problems here at home. Maybe the way that question was phrased puts that as a binary choice which it is not. But how do you – how do we address that?

MS. ALBRIGHT: Well, I think we have to be smarter in terms of explaining the problem and your previous profession doesn't really help. (Laughter.)

MR. SESNO: Whatever are you talking about?

MS. ALBRIGHT: I think that this is not such a simple subject that you can in a – breaking news, breaking news – explain why in fact it is so important. And I do think that we have a stake in having people understand that our security depends on security abroad, and that there isn't such a thing as far away; that it's all very close.

GEN. POWELL: That poll result has been used for years to suggest that the American people think, you know, 10, 20 percent of our budget is going to foreign assistance. And it's not. It's less than 1 (percent). But the world has also changed in the last 20 years. What are the Chinese doing? They're going around the world using their smart power, their soft power to secure their mineral resources, to secure farmland for food for the Chinese people. They're using their wealth. They're using their influence around the world to really challenge us. We still are the inspiration for the rest of the world. And if we're going to be the inspiration to the rest of the world, if this is what democracy is about, this is what human rights are all about, we've got to put our money behind it. And I think the case can be made to the American people that we are a wealthy country. We can afford this.

And one of the major changes with respect to the Pentagon and the State Department accounts – I think there is more realization now on the part of military commanders that we need to perhaps even give up part of our somewhat good budget at the Defense Department, even if it means sending it to the State Department for foreign assistance and supporting the State Department.

When we had these difficulties in Iran and Afghanistan recently, and they said, we need the State Department, we need AID, well, guess what. There isn't that much State Department. There isn't that much AID to send to these places. We ought to be doubling the size of the Foreign Service. We ought to be doubling –

MR. SESNO: Doubling the size of it?

GEN. POWELL: Doubling the size of the Foreign Service. (Applause.) Doubling the size of USAID.

MR. SESNO: Doubling the size of USAID?

GEN. POWELL: Yeah.

MR. SESNO: This is not incremental. This is exponential.

GEN. POWELL: There is – no, there is so much – exponential. There is so much work to be done and not just for Afghanistan and Iraq. There is so many things we could be doing around the world right now to bring people out of disease, out of poverty. As we've been giving credit this evening, Madeleine's work with President Clinton and my work with President Bush – a lot has been done. But a lot more can be done to make this a better, safer world that will serve our interests.

MR. SESNO: When Senator Leahy was up here speaking, he spoke about accountability. And I actually should say for a moment I think we should recognize once again Senator Leahy and Senator Graham –

MS. ALBRIGHT: Yeah. (Applause.)

MR. SESNO: – for your accomplishment and your work.

MS. ALBRIGHT: Frank –

MR. SESNO: And I will throw in that when I was a young radio reporter in Vermont, in 1977, Senator Leahy was then making the case that his dairy farmers – I remember in the conversation that his dairy farmers in Vermont were selling products and the machine tool industry in Vermont was selling overseas.

MS. ALBRIGHT: But I think we were introduced by Caterpillar. They certainly in fact make money and do well by exporting products. And somebody on the other side has to buy them. And it's not an accident that a large number of people in this audience are businesspeople. They are doing what Benjamin Franklin said: Doing well by doing good. And the bottom line is, is that in fact that is the best part of the coalition that can sell this. (Applause.)

MR. SESNO: What Senator – what Senator Leahy spoke about was a degree of accountability to make this case. And I'd like to ask you both then how you feel and what you feel needs to be done to make this diplomacy, this investment that you want to double more effective going forward.

GEN. POWELL: Well, we should demand accountability. It's the taxpayers' money. Let's never forget that.

MR. SESNO: What does that mean, accountability? We talk about it.

GEN. POWELL: It means that the average citizen is paying taxes to send overseas to help these people. And therefore, we should expect from them non-corrupt governments, the rule of law, the rule of commercial law, and to act in ways that are sensible and appropriate for what they are receiving from us. And so there's no problem in my mind anyway of demanding the highest levels of accountability and sticking with the rule of law.

You know, the Millennium Challenge Corporation, which I think was a major initiative of President George W. Bush's administration, said we will invest in those countries that have demonstrated that they are committed to the rule of law; they're going to end corruption and they have a sensible program to use this money. If people are wasting the money, to heck with it; we don't deserve to – we don't need to give them the money and the American people shouldn't expect us to give them the money.

MR. SESNO: Let me do what I enjoy doing so much, which is to put you on the spot a little bit.

You're secretary of state today. We have this fiscal cliff that we keep hearing about that we're facing. We may have sequestration of our military. We may have another downgrade of our debt. Who knows where this is going to go? But you have to go up on the Hill and make the case for doubling this – is what you argue – or for spending more. How would you do that today?

MS. ALBRIGHT: I think that I would make very clear that the security of the United States depends on the fact of us having friends around the world and countries that – where people are able to live a decent life and where, in fact, there is not an environment that terrorists can take advantage of. There is no direct line between poverty and terrorism. But it does not take a lot of imagination to think that people who are completely alienated from their societies are more recruitable.

And I think you have to make a very hard case. I think the suggestion that Colin makes is very good, that we need to have accountability in governments – harder said than done. You know, I mean, easier said than done in many ways because sometimes we have to give to countries that are on the verge of changing.

And I do think the corruption is the cancer of the whole operation. And the question is how in fact you get the institutional structures that make these things viable in countries. But I think we have to put it flat on the line that Americans are better off when other countries do not have people that are susceptible to being corrupted or taken over by terrorist organizations.

GEN. POWELL: I would also make the argument – (applause). The Cold War is over. There is no peer competitor out there with any intent or capability to threaten the continued existence of the United States of America. We're in a different kind of competition with others in the world right now. But we still are that nation that gives inspiration to the rest of the world, to people who are still striving for freedom and democracy.

And when I see what the Chinese are doing, for example – and they're not going to be our enemy. They've got too many of their own problems. But when I see what they're doing with their power, with their influence, with their soft power – not so much their hard power, their soft power – I would say to my friends in Congress we have got to be out there on that playing field.

People are looking to us. What are we doing to help them with poverty, with clean water? What are we doing to help them educate their children, getting access to the electronic revolution that is taking place? This is in our interest. It is an economic matter.

The most powerful political force at work today is economics, not the size of the army but who is creating the most wealth for their people. And we have to participate in the world and that world requires more investment in smart – the soft power part of smart power.

MS. ALBRIGHT: I also think we have to make an even larger argument. We are sitting in a building named for Ronald Reagan. And inside this building is the Wilson Institute – Woodrow Wilson. Is there anything more bipartisan than that combination? (Laughter.) So the bottom line is –

MR. SESNO: And one of the largest buildings in Washington, we should point out.

MS. ALBRIGHT: Right. But I think one of the issues here – you're talking about the cliff. It's more than foreign aid. We are completely bound up by the arguments that are going on in this city that are embarrassing to the position of the United States in the world. I am chairman of the board of the National Democratic Institute. We go and we talk about what democracy is about. And we say one of the major aspects of democracy is compromise. And they say, yeah, like you guys? So the bottom line is we haven't –

MR. SESNO: And you say what?

MS. ALBRIGHT: Well, we've got a problem. (Laughter.) And the bottom line is, is that we have a huge issue in terms – and I agree with – our issue is what is our economic security, what does it depend on? And it depends on us straightening out the budget situation, and people have to pay taxes. (Applause.)

GEN. POWELL: Let me second that, because it's one of my consistent themes these days. Washington cannot keep operating the way it has been.

And the simple message I give is if our Founding Fathers could come together in Philadelphia, 1787, and deal with some of the most remarkable issues, the most difficult issues imaginable. Yet in a couple of months, in a hot room, they could settle those differences through compromise – compromise which creates a consensus and create a nation and write a constitution – you're telling me that the United States Congress can't even figure out how to get out of the sequestration monstrosity? (Applause.)

MS. ALBRIGHT: It's crazy.

MR. SESNO: It's really remarkable. And I think most everybody in this room and most everybody who has traveled the world has had an experience like that someplace. I remember – and I will never forget this as long as I live – in the middle of near martial law Poland, as Poland was throwing off its communist yoke, I was in this restaurant with practically no food, and I was speaking English with another colleague. And kind of – a man heard me speaking English.

Clearly, you know, I was an American. From across the room, he reaches into his breast pocket of his kind of ratty shirt, pulls out an old American dollar bill, kisses this dollar bill and says, America is good, in this broken accented English. This is a country that does stand for something. This is about how it's projected and how we follow through on that investment.

I want to ask you about something you both talked about and has been discussed a lot here, which is the role of the private sector. We've heard from several people from corporate America. Corporate America is making money overseas. Corporate America is growing overseas. It's also partnering with government overseas. How should that work? How should that look? How important is that?

MS. ALBRIGHT: I think the private sector is essential because public-private partnerships are one of the best ways to move a process forward in terms of helping the country where – which we are trying to help in terms of investment. And also, if I might say so, American private sector companies in terms of their health policies, their labor policies, their approach to environmental issues – I discovered, when I was secretary of state, are really among our best ambassadors.

And so private-public partnerships are very important. And I am now heading something called the Partners for a New Beginning, that Secretary Clinton asked me to head – Muhtar Kent of Coca-Cola is a vice chair – as the sector of the private sector that really is able to do a lot of good in partnership with the government, both our government and the governments overseas. And there is a profit motive to doing it. I think corporate social responsibility works along with having good business. So I think it's vital.

GEN. POWELL: I couldn't agree more with Madeleine. The great wealth of our nation is in the private sector, not in the government. And it's the private sector that is spread throughout the world now, creating products in other countries, moving production facilities to other countries – not to get away from America outsourcing itself but to go to other markets.

MR. SESNO: But that's what a lot of people might say. That's part of the pushback, right?

GEN. POWELL: Yeah, but it's not accurate.

MR. SESNO: I see all this – I see this globalized world. I don't have a job. I may lose my job. This scares me, people will say.

GEN. POWELL: Of course it scares you. We're going through a period of transformation. But the reality is it is a global economic system we are in. There's no longer an American company that isn't also a global company. And we have to understand what this dynamic is all about.

And the real challenge we have is educating our population for what is a new economic system that we are living in. And if we don't do that – and we haven't talked about it – but we talk about what we're going to do in other countries. I'm telling you something, if we don't fix our education system here in the United States, we're going to get left behind. (Applause.)

MR. SESNO: So I mentioned at the outset that we're in the middle of this campaign season. I might ask you both if you miss it, if you'd like to be on the road campaigning.

MS. ALBRIGHT: I actually am. (Laughter.) I am trying to help everybody that believes in what this country is about, believes that our government can be functional and is willing to be in Congress and try to figure out how to get us out of this particular situation.

I think Colin – you know, by the way, it's very clear. We're very good friends and that we've done a lot of things together. And I think we both agree on the fact that we are wrapped around the axle at the moment and we need people that want to come to Washington to solve the problem, not create the problem.

MR. SESNO: And if you're campaigning today and you're speaking on behalf of this priority that we're discussing here tonight – American leadership, development and diplomacy – what does that campaign speech sound like?

GEN. POWELL: The campaign speech says, first and foremost, let's remember it's economic development that is the most powerful political force at work in the world today, not the size of the army. And what we have to do is fix our economy and do whatever that takes with government policies, fiscal policies and corporate policies. And it's really going to be fixed by America's businesses and corporations.

Secondly, we've got to do something with our immigration policy. We can't pretend that we are not a nation of immigrants. We always have been. It's been our greatest strength, and we don't understand the importance of fixing this problem that we have. (Applause.) We don't – we need to internalize that as of earlier this year, the majority of youngsters born in America are born of immigrant and minority families. And in one generation, the majority of all Americans will be of another so-called diverse culture.

And that's the way – but we're the only nation on Earth who can handle something like this. Europe can't do it. Only America has the tradition to handle something like that. So we have to prepare ourselves for that kind of a demography that's heading that way.

And third, we have to understand that education is key to our success. And education is not just pay teachers more, fix the schools. Education has to be driven down to prenatal time. It has to be driven down so that we all understand that education begins in a home – a home of loving people who bring a child into the world in an atmosphere of love and are prepared to give that child what's necessary to be successful in life and don't just blame teachers and schools. It's the entire community that has a responsibility. (Applause.)

MR. SESNO: A few years ago, six weeks before the last election, you gathered – the two of you – with three other former secretaries of State at the George Washington University for a conversation –

GEN. POWELL: I remember that.

MR. SESNO: – we enjoyed together. And I asked you at the time what was your advice to the next president; what was your comment, your message to the next president. And everybody had an answer. But you had the best one, and it was: Remember, you wanted this job. (Laughter.)

What is your message to the next president, to what we will face, what this country will face, thinking about this changing world, this more diverse world, this more globalized world?

MS. ALBRIGHT: Well, I think that – I'm looking at a sign there that says invest in our future. And I think that our next president, who is the same president that we have now – (applause) –

MR. SESNO: (Chuckles.) Or the other one who's running. (Laughter.)

MS. ALBRIGHT: But I basically believe that that is the message, that it is very important. I agree with Colin on education and that there has to be – there have to be explanations of why the policies are an investment in the future and not trying to undo the past, and that the issue here is how to make sure that America as always is looking forward. I do think that is our strength.

And so that would be my message, and that it is policies that really invest in our future across the board and our future depends on the stability and security of people in other countries. That is the hard message. It isn't just us. But we are all together in this and that we have to invest also in the future of other countries to make ourselves more secure.

MR. SESNO: And your message to the next president?

GEN. POWELL: You tried this last time, too, if you recall. (Chuckles.) My message – and what I try to do as I travel around the country and speak is talk about American values, talk about the unique place that America occupies on the world stage. The question I get all the time: Are we still number one? And my answer is not like we used to be. There's now a number two, three and four; and two, three and four used to be 15, 16 and 17.

But China has risen. Other nations are rising. I think that's terrific. It means they're bringing their people up out of poverty. But I tell all my audiences that we still are that – if I can use a Reaganesque expression – that shining city on a hill; that place that people look to for inspiration. And we must never lose that position.

So I would say to the next president, first and foremost, before we can fully occupy that shining place on a hill, we've got to fix our economy. Our people are unhappy. Our people are unhappy because the economy is not doing what we think it should do.

And the other thing I would point out to the president is somehow you've got to find a way to get beyond the political fighting that is taking place in this town where they have been out to whoever you are, go after the president in a very, very personal way, not just policies but for

the purpose of destruction, not for the purpose of debating strong views pro and con, but for destruction.

We have got to get past this politics of destruction and we have got to also – Mr. President, I don't know how you do this, but you've got to figure a way to bring the American media system under control so it is concerned with informing us and not just fighting for market share and the latest story of the day about what Britney Spears is doing. (Applause.)

MR. SESNO: I will join you in that. I think we need to tell this story. We need to tell it imaginatively, creatively, positively and responsibly. We need to engage America in the world, which is where it belongs. I'd like to thank – because we're going to bring this to a close now – General Powell, Secretary Albright, as always, for a thoughtful, candid and really remarkable conversation. Thank you both.

GEN. POWELL: We did it again, darling. (Applause.)

(END)