

11 April 2023

Ambassador David Satterfield: Ladies and gentlemen, thank you very much for being with us today. I want to thank above all our representatives from Shell whose generous support makes events like this possible if you please stand. I would also like to thank the members in attendance here today, the Baker Institute roundtable. They and their generous support and encouragement allow this institute to do the extraordinary work that it does. This event is one of the series of distinguished presentations by significant policy officials former - present- that served our mission of providing informed discussion for the broadest community possible. We're pleased to be here at Rice University for these events, and it is my distinct pleasure to introduce a man who needs no introduction here in Houston, in Texas, or in the United States. Secretary of State, James Baker.

Secretary James A. Baker: Thank you David, and let me second what David said. I appreciate all of you being here and supporting the institute. Tonight it is my sincere pleasure to welcome our speaker, because he quite simply is one of the finest and most intelligent American diplomats of my lifetime. His combination of experience, skills, and character make him an exemplary public servant. Born in Fort Bragg as the son of an Army Major General, he maintains a wonderful CV. He earned a BA degree in history from La Salle University, and then he got his masters and doctoral degrees in International Issues from St. John's College of Oxford University. Where about he also played on the men's basketball team. He entered into the Department of State in 1982 as a foreign service officer who quickly rose up the ranks. For the next 32 years, he held crucial diplomatic positions under five presidents before retiring in 2014 as our nation's Deputy Secretary of State. To become the president for the Carnegie Endowment for international peace. When I speak finely of our speaker, I speak from personal experience. As Secretary of State, I relied on his judgment during one of the most tumultuous eras in the history of U.S. foreign policy. He was instrumental in forging effective U.S. policies as we worked to end the Cold War peacefully, ensure the reunification of Germany, firmly embedded in NATO and the West, reverse the Iraqi aggression against Kuwait and bring together Israel and all of its neighboring Arab space for their first ever face-to-face meeting during the 1991 Peace Conference. Sometimes, of course, we struggle grappling with these difficult issues, but we ultimately prevail. And Bill Burns was there every step of the way. So it came as no surprise to me when President Biden nominated him to become the director of the Central Intelligence Agency. Only eight days later, eight days, on March 18th, 2021, the senate confirmed him to the position. With unanimous considered. As anyone who watches the contentious hyper partisan battles in our nation's capital today knows, unanimous consent for anything, much less CIA regarded, is a testament to our speaker's reputation and good will. I'd like to read to you some of the remarks I made after he asked me to speak in his confirmation before the Senate Select Committee on Intelligence. He's a leader, I said. He's cool under fire. He tells the truth even when it may be unwell. He's scrupulously non-partisan, has decades of experience working closely to the CIA and other intelligence agencies. Distinguished members of the committee, I continue, let me close by simply saying that in the parlance of God, this confirmation should be a bi-partisan gimme. Ladies and gentlemen, it is a true honor for me to introduce the only career diplomat who has ever served as Director of the CIA, my friend, Bill Burns.

CIA Director William Burns: Well good evening, everyone, and thanks so much, Mr. Secretary. It truly is an honor to be here with you, and with Susan, and with my friend David Satterfield. And all of you in this wonderful lobby inside the Baker Institute and Rice University.

I'm delighted to have a chance to offer a few observations on the role of intelligence on today's enormously complicated international landscape. And on our priorities at CIA more than two years after President Biden asked me to serve as director.

But let me start simply by expressing my deep admiration and respect for Secretary Baker. As a young and impressionable diplomat, I learned from the very best about the hard work of the diplomacy, and about how to use American Power with skill and humility and optimism. It was an unforgettable lesson. And an unforgettable moment of American successes from the end of the cohort to a peaceful breakup of the Soviet Union. The reunification of Germany buried in here, after the fall of the Berlin Wall, the triumph of Desert Storm, and the Madrid of the Middle East Peace Conference. I remember one conversation with Secretary Baker in the spring of 1991, on the eve of a meeting with the Soviet Foreign Minister in the small town of Kislovodsk, which looked about as decrepit that evening as the whole Soviet Union felt. After I delivered yet had another series of papers to Mr. Baker, he stopped me and said, have you ever seen so many things changing so damn fast? I bet you won't see anything like it for as long as you stay in the foreign service. He was right. Over the next quarter of a century, as a career diplomat, I saw a lot of ups and downs in America's experience in the world, but nothing quite like that remarkable time of change just beyond the Cold War when influence and events seem to shift faster every day. Three decades later, now director of the CIA, I'm seeing another of those plastic moments in history, and other of those times of transformation that come along a couple of times of century. Today, the United States still has a better hand to play than any of our rivals, but it is no longer the only big kid on the geopolitical block.

And our position at the head of the table isn't guaranteed. Xi Jinping's China is not content to only have a seat at the table, he wants to run the table. And as we've seen in Ukraine, in Vladimir Putin's Russia, full of all the grievance and twisted ambition of a fading power, wants to upend the table altogether rather than be relegated to a lesser seat. Lots of middle powers are hedging their bets. Jockeying for their own seats in a complicated dance that will challenge American diplomats and American intelligence officers for years to come. But what really sets this geopolitical table seating apart are two sets of changes which are shaping the ground below.

One is the spectacular range of problems without passports of challenges that sweep well beyond the grass of individual nation states. Problems like climate change, energy security, mass migration of people and global food and health insecurity. The other is the revolution of technology, which is reshaping human society and the profession of intelligence, in ways that I could not have imagined all those years ago working for Secretary Baker. That's the world that the CIA is trying to understand and navigate and support the US policymakers and help keep Americans safe. It's a world in which we have to collect the best intelligence we can on major power rivals like Russia and China. Mastering new technology is faster and better than our adversaries do, balance all those priorities against the continuing demands of counter-terrorism and endless regional securities and recruit and support a workforce that reflects the diversity and the rich talent of American society. Recognizing that taking care

of our mission, depends upon taking care of our people. Let me talk a little bit about each of those challenges.

I'll begin with Putin's brutish aggression in Ukraine. I served twice in Russia as a diplomat, including as the U.S. ambassador fifteen years ago. Likewise when I interacted with Vladimir Putin for a long time which has given me both all this gray hair and a sense of humility about pontificating about Putin and Russia. Nevertheless, I'll offer a few thoughts about Putin's war and the road ahead. I am intensely proud of the work of CIA officers throughout this terrible conflict. Along with our partners across the US intelligence community provide early and accurate warning of the war that was coming.

Good intelligence to help Ukrainian defend themselves. It has helped the president mobilize and stimulate a strong coalition in support of Ukraine. And careful and selective declassification of some of our secrets has proven effective and denying Putin the false narratives that he has so often shaped in the past. Putting him in the uncomfortable and accustomed position of being on his back foot.

Putin was profoundly mistaken in his assumptions about the war. He believed and he conveyed this clearly, when I spoke to him before the war of the president's request, that Ukraine was weak and divided, not a real country. Well, real countries fight back. And that's just what President Zelensky and the Ukrainians have done with such courage and tenacity. But Putin is not someone who readily concedes bad judgments. Instead of backing down, he's doubled down. His bet is that he can grind down Ukrainians and wear down the west. He thinks that, he wants us to think, that we can make time work for him. He remains convinced that Ukraine matters more for him than it does for us. I think that Putin is as wrong in that bet as he was in his assumptions before his invasion.

I returned recently from another visit to Ukraine, and I would not bet against the resourcefulness and the determination of our Ukrainian partners. They continue to defend Bakhmut in the Donbas in East of Ukraine in the face of relentless Russian disarmament and human wave of assault. And Ukrainian military is preparing for an offensive later this spring with strong material intelligence support from the United States and our allies. As a recovering diplomat, I would love to be persuaded that there is an opportunity today for negotiations to bring about just peace. But our assessment is that Putin is not serious about negotiations at this stage. It is Ukrainian progress on the battlefield that has most likely to shape prospects for diplomacy. And so, a great deal is at stake in the coming months. That will come with inevitable escalatory risks and more nuclear saber rattling. We cannot afford to take that lightly, but we also cannot be intimidated by it. Putin faces his own share of dilemmas. His military continues to suffer heavy losses in manpower and material. When he undertook a partial mobilization late last year, far more Russians of military age fled the country, then the Kremlin managed to round up and send to the front to its cannon fire. Disinfection with the war will continue to gnaw away at the Russian leadership, beneath the steady diet of state propaganda and practiced oppression.

As proud as I am of the agency's work on Russia and on our support for Ukraine, I'm equally proud that we haven't let it distract us from our biggest long-term priority, the People's Republic of China. A year and a half ago, we set up a new mission center focused exclusively on China. It is the only single country mission center in the CIA, a reflection of our priorities. I learned long ago the priorities aren't real unless budgets follow them. That's why we worked hard to double the resources we focus on China at CIA over just the last couple of years. We're hiring and training more Mandarin speakers, and we're stepping up efforts across the world to compete with the PRC from Latin America to Africa to the Asia Pacific.

Managing a crucial and increasingly adversarial relationship with China will be the most significant test for American policy makers for decades to come. Good intelligence will be essential to help policymakers compete successfully and deter and avoid conflict. Good intelligence can help identify potential areas for cooperation, however limited they may see right now. And good intelligence can help us better understand China's intentions and capabilities regarding Taiwan, where the risks of conflict are likely to grow in the years ahead. As President Xi's recent trip to Moscow reminds us, ties between China and Russia will be a formidable challenge. Even if Putin's Russia is more and more dependent junior partner. President Biden has made clear that Chinese supply of weapons and emissions to support the Russian war effort in Ukraine would have serious consequences for Beijing and European leaders have reinforced that concern.

The third key priority for CIA is the revolution in technology. The main arena for competition with China and the critical determinant of our future as an intelligence service. In the last year, we appointed the first ever Chief Technology Officer at CIA, and created another initiative center focused primarily on technology and building stronger partnerships with the private sector. Both are off to an excellent start.

Leveraging the exceptional scientific technological data and cyber talent that we already have at the agency and ensuring that we're more than the sum of our parts. We have a long proud history of innovation at CIA. Within sixty years ago, we pioneered the technical collection capabilities of the U2 and other platforms. We were an early investor in the technology you now know as Google Earth. Our specialists also developed the precursors to the lithium-ion batteries that power your smartphones today. We're constantly looking for the next breakthrough. A few years ago, we set up CIA labs, which partners with academic institutions and startup communities on research in critical areas like next generation communications, quantum computing, biotechnology, machine learning, and robotics. Some of this work is about helping policymakers understand patterns and innovation. The strategies of arrivals and supply chain vulnerabilities. And some of it is about transforming our own tradecraft and technologies.

In an era of ubiquitous technical surveillance, which fundamentally challenges how we conduct our operations. Let me give you an example of what I mean by that. Imagine you're hungry when you leave here this evening and decide to go pick dinner. Let's say, you're walking down University Boulevard on your way to Shake Shack, scrolling through Instagram as you go. You probably walked past a couple of cameras, maybe at the ATM, maybe at the traffic cameras, maybe people live streaming on their phones. By the time you've sat down with your food, dozens of devices have probably picked up your location, and your social media apps have collected a trove of data on your interests.

For a generation that grew up in the digital age, the integration of technology into your daily lives comes at second nature to the students in this audience. But for a CIA officer working overseas in a hostile country, with human sources who are risking their own safety to provide us information, that type of constant surveillances are risky and sometimes deadly. We're adjusting quickly to that in the world and transforming our approach and the tools we use. We're also recruiting the best talent we can find to join other smart and committed Americans to take on the most cutting-edge technological challenges in the world today. Dozens of officers now working at CIA studied right here at Rice. One was a physics major who came on board after a decade in the private sector. He's putting that physics degree and that experience to good use now, working on nuclear proliferation and space issues. We've set up new internships and scholarship programs to help promising students get a sense of what working on

technology issues at CIA involves. And we've created a new CIA Technology fellows' program to allow talented professionals in the private sector to spend a year or two with CIA and for our officers to get experience outside government. We're stepping up signing and retention bonuses and building more flexibility into our system. Making it easier to shape a career that allows people to move in and out of government and acquire a kind of expertise that will make us a stronger agency technologically over the long run. All that will be crucial to keep ahead of rivals like China.

That leads me to my fourth point, which is about the inevitable balancing act that we are constantly managing. Between increasing emphasis of major power competition and revolution of technology and continuing challenges like counterterrorism and regional instability. Even as we've shifted some resources to those newer priorities, we have not lost focus on terrorism. This past summer, we conducted the first thorough overview of our counterterrorism strategy and organization since just after 9/11. That has taken into account changes in the terrorist threat landscape and the strong relationships we've built with foreign partners over the last two decades. But it has not diminished our will or capability to help keep Americans safe. We've had a string of quiet successes over the past year and some more public ones.

It was not a small thing for the US government to find and eliminate Ayman al-Zawahiri, the co-founder and leader of Al Qaeda, in a safe house in the middle of downtown Kabul, last August. Nor was it a small thing to eliminate two successive years of ISIS in northwest Syria this past year. While it's tempting to think that the United States can disengage from the Middle East, it has a bad habit of reengaging us. The Iranian regime remains a potent threat to its own people in the region. Its growing defense partnership with Russia is a significant concern. And its nuclear program is more and more problematic. Despite the promise of the Abraham Accords and progress to a normalization between Israel and more Arab states, tensions in the region, including between Palestinians and Israelis, threaten to bubble over again.

I was reminded on a trip earlier this year of the fragilities and importance of Africa. Both in its own right and as an arena for competition with China and attempting target for predators like Russia's Wagner group. And we're increasing the attention and resources that we focus at CIA on our own backyard, on the Western Hemisphere.

Texans hardly need to be reminded of the mounting dangers of the fentanyl crisis, which took the lives of one hundred thousand Americans last year. We're stepping up our work with foreign partners to attack the fentanyl production and distribution network from the precursor chemicals up and coming from China to the pill pressing equipment often smuggled into the United States. One extremely valuable tool in this expanded effort is the authority provided by Provision 702, a provision in the foreign intelligence surveillance act, which enables CIA and other partners of the intelligence community to collect communications from foreign actors located overseas, if they are using communications platforms, based in the United States. 702 collection has enabled several recent successes against Mexican drug cartels, illuminating their networks and global supply chains, facilitating Mexican government actions against these networks, and helping to counter the fentanyl threat which looms larger and larger for us in the United States. Given its importance of this and many other intelligence challenges, particularly the threat posed by China, the administration is working closely with Congress to help ensure that 702 is reauthorized before it expires at the end of 2023 in a way that carefully protects the privacy and civil liberties of US citizens.

The final theme that I want to stress is the critical need to take care of the CIA workforce. Of the women and men who as we meet here at Houston this evening are doing hard jobs in hard places around the world to protect Americans. CIA officers have been operating in some of the most dangerous places on Earth since 9/11, at an incredibly high profile, performing heroically in challenges ranging from Afghanistan and Iraq to Ukraine. I have no more important responsibility as director than to take care of our officers and their families. And every day in headquarters I'm reminded of their valor and agility and dedication. And I walked past the memorial wall in our lobby, with the stars pitched on that simple marble, each one commemorating an officer who gave his or her life in the line of duty, quietly evoking their sacrifice.

I continue to be amazed by the depth and ingenuity of the commitment of CIA officers to accomplish our mission. A few weeks ago, I was briefed by a very impressive officer who was on his very first overseas assignment. He just completed a successful operation in temperatures that got as low as thirty-five degrees below zero. Apparently, this was a new record for CIA's coldest operation. The previous standard was set at a different part of the world just a couple of months earlier, by an equally impressive officer operating at thirty-one degrees below zero. I know that by mentioning this publicly, I run a risk of sparking the competition, that could result in some extremely talented but extremely frozen officers. That's not my goal. But the story speaks to the lengths to which the CIA officers will go when you put a mission in front of them. What we owe to them, what I owe to them, are the resources and support they need to take care of themselves and their families. That's why we've completely revamped our in-house medical team, the Center for Global Health Services and appointed our first chief wellbeing officer. That's why we aimed to double the number of medical practitioners overseas and combat the stigma attached to making use of mental health resources. That's why we've just opened the state of the art fitness center at CIA headquarters, doubled the number of families taking advantage of our child care subsidy program and encouraged more use of flexible work schedules and remote work opportunities. At the same time, we're streamlining our hiring process.

When I became Director, it took nearly two years to get talent through the door. We modernized our system and surged hiring personnel and we're on track to reduce the median time from application to final job offer from more than six hundred days to less than one hundred and eighty days. We've cut our backlog of applicants from ten thousand to less than one hundred. We're also making progress on recruiting and retaining a more diverse workforce. Last year, we reached historic highs in hiring women and minority officers, as well as officers with disabilities. And we also promoted into our senior ranks the highest percentages of women and minority officers in our seventy-five-year history. Demonstrating that there is a pathway to the top for anyone whose work merits it whatever their background. We still have a lot of work to do that we were stepping up recruitment efforts this year across all fifty states.

I am deeply proud of our officers. There is not a day that goes by that I'm not reminded of how fortunate this nation is to count on them even if their service is rarely publicized and often not well understood.

Their stories are about the best in American society, and the best of the American dream. One of those stories is about an officer who grew up in Moscow in the 1980s in the household of proud ethnic Ukrainians. She remembers hearing the news of the fall of the Soviet Union while sitting in her fifth-grade classroom. Her family immigrated to the United States where she graduated from Georgetown University. She wanted to use her language skills and background to serve her new country, which

brought her to the CIA. She has excelled in assignments overseas and has served at the White House. She has played a critical role in the agency's efforts to support Ukraine, during Putin's war, briefing me every week proudly wearing the colors of the Ukrainian flag.

Another story is about a Houston native and Rice graduate, who served multiple tours in the U.S. Army Special Forces in Iraq and Afghanistan before joining the CIA. He has continued to serve with exceptional bravery and skill across a variety of conflict zones.

And yet another story is about a young Chinese American, just out of college with a degree in cybersecurity, who is already using her Mandarin language and technical skills to advance the agency's crucial work in artificial intelligence and machine learning.

What runs through all those stories are the dedication and passion and talent that I see every day in our workforce. It's a community of people devoted to our country, willing to take risks and make sacrifices and committed to supporting each other through the hardest moments. So, for all students in this audience, that appeals to you, I hope you'll think about a career in public service. At CIA.

Looking back at the beginning of my own career four decades ago, I realized that I have something in common with Secretary Baker. It's that we both got good advice from our fathers early on. Secretary Baker's father told him the five P's. That prior preparation prevents poor performance. And Secretary Baker's preparation was truly legendary. I never saw him go into a meeting with a foreign leader without knowing exactly what he wanted to achieve with a rare ability to put himself in the shoes of that leader and understand his perspective too. He lived up to his father's motto every day. And our nation is much the better for it. When I was wondering whether to join the foreign service, my father also gave me some valuable advice "nothing can make you prouder," he wrote "than to serve your country with honor." I've spent the last forty years learning the truth in those words. And I see that truth every day in the officers who walk the halls at CIA. It's a privilege to serve alongside them and to share some of their stories with all of you. We'll continue to do all we can to help our leaders navigate this complicated world with this remarkable moment in history, and we'll continue to do all that we can to help keep Americans safe.

Thank you all so much.

Ambassador David Satterfield: Thank you Bill. And thank you for being here at the Institute. You know, your CV is quite impressive, but in most recountings Deputy Secretary of State, Under Secretary of State for Political Affairs, Ambassador to Jordan, Ambassador to Moscow, National Security Senior Director, they omit for some reason, the most important job of all that you had, which was a staff assistant almost forty years ago in the Near East South Asia Bureau front office where Bill and I got to know each other.

CIA Director William Burns: Carrying a senior officer's suitcases around the Middle East.

Ambassador David Satterfield: He's being modest, it was one of the most influential positions one could hold within the Department of State. But Bill, it's great to see you.

CIA Director William Burns: It's good to be with you David.

Ambassador David Satterfield: Bill, you talked about specific challenges. Russia, Russia-Ukraine, China. I'm gonna ask you to pull the lens back a bit. As you look at, as you must, at the strategic challenges over the long term, which the nation, our partners, the intelligence community face. What issues other, of course, then the continuing in this administration, as in previous administrations, disclosure of classified information. What other issues really keep you up at night? Over that long term.

CIA Director William Burns: I've learned in this job, especially, that a certain amount of interrupted sleep comes with the territory. Another thing I've learned over the years is the importance of trying to balance the immediate and the long term. To try and ensure—and this is part of our responsibility as an intelligence service—that the urgent doesn't crowd out the strategically important over time. In the now category, in that urgent category, the issue that you've mentioned, the deeply unfortunate leak of classified documents, is certainly as intense as anything that is now part of the inbox. It's something that the US government takes extremely seriously. The Pentagon and the Department of Justice have now launched a quite intense investigation to get to the bottom of this. There's not a whole lot I can add to that at this point with that investigation going on.

Another challenge is obvious that I mentioned before about the war in Ukraine, not just because what's at stake, is the ability of Ukrainians to defend themselves against Putin's aggression. Also, a longer-term norm that matters enormously is that big countries don't get to swallow up smaller countries just because they think they can. So, there's a lot at stake there. In terms of the longer-term issues, some of which keep me up at night, I mentioned the long-term geopolitical challenge of China, which must be at the head of the list. I mentioned the, not just the revolution in technology, but all those other challenges out there from climate change and energy security through global food and health insecurity. They're going to shape the future of our planet. Counterterrorism, I mentioned in my remarks, which is both an immediate concern and something that does keep me up at night, but also requires a lot of long-term patience and persistence. It took us as an Agency working with the rest of the US government a decade to get Osama bin Laden; it took two decades to get Ayman al-Zawahiri, the co-founder of al-Qaeda and bin Laden's successor. So that's a reminder of the importance of persistence and long-term professional skill and dedication.

The last thing I'd say about sleepless nights is, I do worry, as I mentioned before, about our people. A lot of my colleagues, a lot of CIA officers, are doing some very tough jobs in some very dangerous places right now. There is no such thing as a zero-risk environment. We cannot conduct our mission to help defend the American people without accepting a certain amount of risk but understanding that is one thing and, being able to sleep soundly is something different as well. I worry about people, as well.

Ambassador David Satterfield: Bill you talked about the Ukraine, but from your own background, your own context over a great period. With Russians, the fall of the Soviet Union, the question many people if not most in this room and many other rooms in the states ask: How did we get here? And to quote Dave Petraeus's famous question: "Tell me how this ends."

CIA Director William Burns: Well, how did we get here? I have watched and dealt with Vladimir Putin for much of the last twenty years, and I watched him stew in a very combustible mix of grievance and

ambition through all those years. It seemed to me that Putin's ambition through much of the last two decades has been to re-establish Russia as a great power after what he saw to be the humiliation of the first decade after the collapse of the Soviet Union and to establish himself as a great Russian leader. The keys to realizing that ambition, it's always seemed to me in watching Putin, have been his sense that he needed to establish this sphere of influence to control the choices of countries in his neighborhood and to establish a repressive authoritarian order at home in Russia. Both of those keys are born of a fundamental mistrust of his own people and his own political elite and of the choices that his neighbors might make. I think over the last decade or more Putin has come increasingly to see Ukraine, a democratic Ukraine, stubbornly independent and moving more and more in political and economic and security terms towards the West as the central threat to realizing that ambition. Then over the last couple of years especially as Putin's grip on power has tightened, as his circle of advisors has narrowed, I think that sense of destiny and his own appetite for risk has also grown. And you have to remember in that circle of advisors that it's been increasingly composed of people, of sycophants, who feed the narcissist. And Putin, and of people who learned a long time ago, that it's not career enhancing to question and or challenge his judgment. So, you fast forward to the fall of 2021. And I think by that point it seemed to me that Putin had determined strategically that his window of opportunity for controlling Ukraine was beginning to close. And he also looked ahead to the beginning of 2022 and saw a favorable landscape in the sense that he really did believe that Ukraine was a weak and divided country. He really did believe that the West, the United States or European allies, was distracted and risk averse. And, he believed that he had modernized the Russian military to the point where they could accomplish a quick and decisive victory at minimal cost. So that was the backdrop when President Biden sent me to talk to Putin and his senior advisers at the beginning of November of 2021. I was troubled on the plane ride there and I was even more troubled on the plane ride back because what he had conveyed was very much the impression of a man who had just about made up his mind to go to war. It turned out each of the assumptions I had just described that Putin held on eve of the war were profoundly flawed. But as I said, Putin is not someone who concedes easily to flawed judgment. He's tended to double down over the course of the last fourteen months of the war.

You asked how does this end? Most conflicts end in some form of negotiations but it's our judgment today, our assessment that Putin is not ready at this time for a serious negotiation. He believes that he can grind down the Ukrainians. He can wear down the Europeans. He's always believed that Americans have a deficit disorder and will move on to some other question. And he really does believe, as I think I said before, that Ukraine matters more to him than it does to us. But I think that he's wrong in those assumptions, in those bets, as he was before the war began. But I think progress on the battlefield, once the Ukrainians launch their offensive—and I recognize how difficult it's going to be, the Russians are quite dug in across the front, but I also recognize how determined the Ukrainians are—it's progress on the battlefield, Ukrainian progress, that's likely to shape better prospects for a serious negotiation. That's not going to come without risk and risk of escalation, but I think that's the circumstance—a circumstance in which, in a sense, Vladimir Putin's hubris, his arrogance, is punctured, and where he begins to realize that not only is he not going to be able to advance further into Ukraine, but as every month goes by, he risks losing more of what he's already illegally seized—I think that's the circumstance in which a more serious negotiation might be possible.

Ambassador David Satterfield: A related question, which is debated a great deal, not just here in the U.S., in Washington, but in capitals around the world is, what happens if the tide turns? If Putin truly

feels militarily cornered, some put this, if Crimea were threatened. What's the risk, and what does it mean to say there is risk of escalation?

CIA Director William Burns: Well, as I've mentioned before, I think we've already seen some deeply irresponsible nuclear saber rattling, and I suspect we will see more of that in the circumstance that you described. And, as I emphasized, it is not something that we can afford to take lightly. We don't see today, evidence of preparations for any potential use of nuclear weapons. We don't see any significant changes in nuclear deployments by the Russian leadership, and this is something we obviously, across the U.S. intelligence community, watch quite intently as well. So, there is a risk there, and I think we have to understand that, and try not to be intimidated by it. Putin is going to use, not just nuclear saber rattling, but other forms of trying to undermine European unity or undermine some of the neighboring countries to Ukraine, like Moldova, where Russian intelligence has been involved in trying to destabilize that country as a way of compensating for what is so far been his inability to make real progress militarily. So, it's just a reality we're going to have to navigate.

Ambassador David Satterfield: And as we compete with Putin's assumption that we are strategically impatient while he is endlessly patient, or as our late friend, Hafez al-Assad, would have said, "to will enough us" long of breath, liaison becomes an ever more important challenge for you at the top, but for everyone of keeping the coalition alive. That has got to be a major part of what you do.

CIA Director William Burns: It's a huge challenge. As I've said, I'm proud of the role, that especially in the early stages of the war, that intelligence played in helping to cement that coalition. And that is something that we work at every day. I spent a lot of time both traveling overseas and talking to our coalition partners, my intelligence counterparts, about these issues as well. I do think it is also important for all of us to recognize that in many respects the war in Ukraine is already a huge strategic failure for Russia. If you think about not only the losses in man power and material, the humiliation in many respects of the Russian military, the exposure of its weaknesses, the long-term damage that sanctions and export controls, and the exodus of more than a thousand western firms from Russia are going to have on Russia's own economic prospects. If you think that early in the war it was Putin's intention to try to fracture and weaken NATO, the truth is NATO is as coherent as it's ever been. It has just added one new member in Finland, it is likely to add a second in Sweden. If you look at the reality that Russia is becoming more and more dependent on China and in some respects runs the risk of becoming an economic colony of China over time, dependent for export of energy resources and raw materials in that direction as well, that all adds up in my view to a huge own goal for Putin's Russia right now.

Ambassador David Satterfield: Let's turn to China, which you reference in your remarks. If Russia is a declining power, with nostalgia for an empire gone, China is an ascendant force socially, politically, economically, commercially. How do you deal with that China? How do you assess its quest for near peer if not peer status?

CIA Director William Burns: Xi Jinping's China, just as you mentioned, David, is a formidable rival and it's a huge mistake for any of us to underestimate that. You look at the pace with which China has advanced its economy, advanced in a number of areas of technology, that twenty or thirty years ago, none of us would reasonably have imagined. It's a huge mistake to underestimate that, nor would I underestimate Xi Jinping's sense of ambition, his own sense of personal destiny. He's also consolidated his leadership to the point that he has no real challengers, and I wonder how many people are willing to question his judgment within that leadership circle. At the same time, I think it's fair to say that China's not ten feet tall. I think that's also important to keep in mind. There are significant domestic challenges of an aging workforce and an aging population, a penchant for prioritizing order and control sometimes over innovation in the tech sector. A penchant again, for reasons of political control, of propping up inefficient state-owned enterprises that don't make a lot of economic sense. And a tendency in Chinese diplomacy, which sometimes can be very adept, but also in its wolf warrior diplomacy, is sometimes overreached and antagonized a lot of countries across the Indo-Pacific, which has created opportunities for the United States. Our main asset in many respects, what sets us apart from lonelier powers of China or Russia, at least today, is the fact that we have allies and partners. We can't take that for granted. We have to invest in it. But it's a significant asset.

Ambassador David Satterfield: Bill here in Houston disruption is a challenging threat. The Ukraine War has generated a series of disruptions, in the energy and related industrial sectors. The threat of a Chinese invasion of Taiwan, of war or conflict in the Pacific, is a similar disruption. What do you assess to be the chances at least in the near term?

CIA Director William Burns: I'd say several things because it's obviously an enormously important issue for us at CIA. First, I would not underestimate Xi Jinping's ambition to control Taiwan. He's been very upfront about that. He's been equally upfront in asserting that his preference is to achieve that by means short of the use of force. I think today, it's at least our assessment that Xi Jinping and the Chinese military leadership have doubts about whether they could accomplish the successful invasion of Taiwan at acceptable cost. Xi has watched Putin's experience in Ukraine, and no foreign leader has watched more intently that experience than Xi Jinping; he's been sobered a little bit by that. It has deepened some of those doubts, deepened the doubts but not necessarily undermined his long-term determination to control Taiwan. And I think especially he's been struck by—at least up until this point—the extent of Western solidarity in support of Ukraine. A willingness on the part of the west to accept short term economic costs, in the interest of something bigger, upholding that international norm that I mentioned before that big countries don't get to swallow up smaller countries just because they think they can. So having said all that, I think I don't believe that military conflict over Taiwan is inevitable. But what does concern us at CIA and across the U.S. intelligence community is that we believe that Xi has instructed the PLA, the Chinese military, to be ready by 2027 to successfully invade Taiwan. Being ready does not mean he has made a decision to go to war in 2027, or 2028, or 2026, but it's something that we need to take very seriously. That doesn't mean, as I said before, war is inevitable. I think it does mean that the risk of a potential conflict is likely to grow the further out you get in this decade and beyond.

Ambassador David Satterfield: From an analytical standpoint, what works best with the Chinese? What works least?

CIA Director William Burns: Well firmness and power in the one sense is something that any major rival takes seriously. I do think it's important to have channels of communication. Even in the, and Secretary Baker knows better than anyone, even in the worst of the Cold War, these moments of the most intense friction and tension between the United States and the Soviet Union, there were channels of communication that existed and helped to avoid inadvertent collisions. And help us to avoid assuming the worst about another rival's calculation. So, I think it's important to re-establish those channels of communication across the board at the level of leaders. And I know President Biden very much believes this. In diplomatic terms, in military terms, and in intelligence terms as well. I think that's all really important to managing a very complicated rivalry that is becoming increasingly adversarial. And then the last thing I'd say getting back to my point about allies and partners is that you've seen a lot of effort in this Administration and in prior administrations to try to deepen ties across the Indo-Pacific, and I think that's also a very important dimension of managing that very complicated relationship in a sensible way.

Ambassador David Satterfield: Bill, turning to the region where you and I spent many decades of effort, of the Middle East, there has been much made in the Press of China in its role as intermediary, broker, partner, different terms between key states in the Middle East, Saudi Arabia, most notably, and Iran. I'm going to ask you a double-part question: first- how do you assess what the real Chinese role motivation is in all of this and second, Iran. Among the things that keep you up at night, you have an enrichment program which is now a horse out of the barn, the barn is in the distant past, but weaponization, how you assess Iranian intent and risk of weaponization, and what should we be doing? You are one of the initial contacts whose work led to the original JCPOA, well that is no longer with us, but where do we go today to address this?

CIA Director William Burns: I'll start with Iran and then come back to your question, David, about China. The other thing I'd add on Iran is the domestic situation. We saw over the course of the latter part of last year some incredible demonstrations and unrest across Iran, some incredibly brave young Iranian women. It wasn't about us... it wasn't about Americans. It was about Iranians and it's about Iranians who were fed up. Fed up with economic decay, fed up with political repression, fed up with social restrictions especially on women, fed up with the basic lack of human dignity. This is a regime that in the short term was able to suppress that but I think in the long term doesn't have good answers for what's on the minds and in the hearts of a lot of young Iranians. You have to remember that 70 percent of Iran's population is under the age of 30 today. So that's part of the backdrop to this and a continuing concern in the regime and the leadership about the Iranian economy. My second point is that domestic unrest has not so far tempered Iran's aggressive behavior in the region. As you know as well as anyone, David, from your service in Iraq or in Syria or in Lebanon or other places, the nuclear program remains an

increasing concern, not just for the United States, but for lots of others when you consider that Iran's nuclear program really has three legs to the stool, the potential for a military program. One is enrichment as you mentioned. After the last Administration pulled out of the comprehensive nuclear agreement, Iran has made significant advances in its ability to enrich. Whereas under the old JCPOA, we judged them to be at least a year and probably at a little more from being able to enrich to weapons grade—which is 90 percent and produce enough weapons-grade uranium for a single nuclear weapon—today they could probably develop that stockpile of weapons grade enriched uranium in a couple of weeks. The second leg of the stool is a delivery system of advanced ballistic missiles. There again, the Iranians have made significant strides, very troubling strides. Then the third leg of the stool is developing a weapon itself. Our judgment in the U.S intelligence community is that the Iranian leadership has not yet made a decision to resume the weaponization program that they stopped or suspended at the end of 2003. It's obviously something we watch very, very carefully given the dangers of Iran trying to acquire or develop a nuclear weapon, and the President has been very clear in saying that it's the policy of the United States to prevent Iran from acquiring a nuclear weapon. But it's a very combustible combination of factors right now in dealing with Iran.

Now the question you asked about China... China obviously has a lot of interests in the Middle East especially in the Gulf where in terms of energy imports to fuel what President Xi hopes will be a revival of Chinese economic growth. They also have broader strategic interests, the "Belt and Road Initiative," which the Chinese have launched as a way of connecting infrastructure from China all the way to Europe, which also has a strategic purpose to expand Chinese influence. The Chinese were able to broker an understanding in the last several weeks between Iran and Saudi Arabia aimed in large part at winding down the war in Yemen, which has been a humanitarian catastrophe. So, from the point of view of the United States, winding down the war in Yemen is a good thing that would be good for the region and good for people in the region. It's right to be a little bit skeptical about what the Iranian calculus is here, but I think it's important to test the proposition that the work can be ended because it's long overdue.

Ambassador David Satterfield: Bill, we do a great deal of analysis here, and we're asked quite a few questions about MBS, Russia, Iran, China, breathless discussion of the U.S taking a kick in the gut, a partnership lost, the U.S kicked out. What's your assessment of what we've been watching over the last year?

CIA Director William Burns: I think it's a little breathless, to use your term, David. This is an international landscape and a regional landscape in the Middle East that's changing in some important ways right now. I mentioned in my remarks that there are a lot of middle powers who are trying to figure out what's going to maximize their interests and I think wanting to preserve security partnership and partnerships with the United States, which have decades and decades of history to them but also interested in opportunities in their relationships with China. I don't think that should come as a surprise to any of us. It's just going to be a test for American intelligence and American diplomacy as well to be able to navigate that world in ways which serve our interests, which I'm confident we can do.

Ambassador David Satterfield: Thanks Bill. We have several questions from the audience, which I'll raise now. During the Cold War, Beijing and Moscow were bitter rivals. Since the 90s, the relationship has improved. We've seen willingness from both countries to cooperate on strategic challenges. China and Russia, nearing a full-fledged alliance, what does such a nearing pose in terms of challenges for the U.S? How durable is the relationship, and where does Xi draw a line?

CIA Director William Burns: The partnership between Xi Jinping's China and Vladimir Putin's Russia is a strong one today. Xi's visit to Moscow a few weeks ago underscored that. In February of 2022, so several weeks before Putin launched his invasion of Ukraine, Xi and Putin met in Beijing at the beginning of the Winter Olympics and they proclaimed a friendship without limits then. And it turns out since then that there still are some limits to that friendship in the sense that, to the best of our intelligence, Xi's China has not yet provided weapons and ammunition to Russia which we know the Russians have been very much interested in acquiring from China since the war in Ukraine began. President Biden has spoken out publicly and so have a number of European leaders about the serious consequences which would unfold should China provide weapons and ammunition to Russia for use in the war in Ukraine. You've seen Xi make a 12-part proposal, as a framework for peace negotiations between Russia and Ukraine. I think the provision of weapons and ammunition would undercut any pretense, any ambition that China has to play that kind of a role. I think president Xi on several occasions has spoken up publicly and fairly forcefully about the dangers of Russia or anybody else using nuclear weapons in Ukraine, and I think that has been a welcome assertion of a concern that's shared by lots of countries. It's an important partnership. I think both leaders are committed to it, but it's so far at least, not a friendship without limits.

Ambassador David Satterfield: We've watched, and you made reference, to this the extraordinary demonstration that went on in Iran. Most if not all cities, all levels of society, and the regime seemed uncertain how to respond. My question is, what should we do? We, the United States faced with this phenomenon?

CIA Director William Burns: Well as this goes, I'm always acutely aware as director of CIA that I don't do policy anymore.

Ambassador David Satterfield: From an analytical point.

CIA Director William Burns: I was a diplomat in 2009 when some of you may remember there were huge demonstrations in Tehran and other Iranian cities after the regime rigged an election in the summer of 2009. I think we probably tortured ourselves a little bit too much about whether to speak out assertively in public about that. We did eventually, and I think in this instance, policy makers in the

administration were right to speak out quite clearly in support with the challenges that they're trying to grapple with. I've always found that competing successfully with China, for example, in both of those parts of the world is less a function of us preaching to people or lecturing them about the dangers of doing contracts with Huawei or ZTE on Chinese 5G. Much as I believe that those are traps in many ways for those leaderships, but what's important I think is to emphasize an affirmative agenda. In other words, what the United States can do, public and private sector, to help societies, cope with those kind of challenges. So what we try to do as an intelligence service is to help policy makers better understand what kind of messages are going to resonate, where we need to be more creative to help develop alternatives at affordable prices that those leaderships and those regimes can adapt. And then on issues in this hemisphere like counter-narcotics, as I mentioned in my remarks, is a huge challenge for our society given the fentanyl crisis. It's looking at ways in which we can partner more effectively not just with our Mexican intelligence and security partners but with others to help them combat in a more serious way a crisis that affects them as much as it does us, but it's a huge challenge. And then also try to deal more effectively with the flow of precursor chemicals from China and other places that help fuel this in Mexico.

Ambassador David Satterfield: And Bill this leads into the last audience question which is the structure of the national Intelligence community, and you've got experience over many administrations. How's the community working, how does it integrate in its different parts, law enforcement, intelligence, military civilian, and then the relationship in the end with the president?

CIA Director William Burns: I'd say several things. I think first since 9/11, over the last two decades, there's been significant progress in getting intelligence agencies across the community and law enforcement agencies to work more effectively together. We all learned some very hard lessons in 9/11. There's been progress that extends not just on counter-terrorism but to lots of other areas as well. I mentioned the pride I take in the work of my colleagues at CIA on helping Ukrainians resist Putin's aggression. I think that's reflected an effort across the intelligence community as well, which has been really important. Are there things that we need to do better? Of course. I think there's a serious problem of over-classification sometimes in the U.S government, which is something that I think needs to be taken on. There's always a lot of things that we need to do better as well. Obviously, we need to learn the lessons once this investigation that the Pentagon and the Justice Department have begun quite intensely into the leak of classified documents. We need to learn lessons from that as well about how we can tighten procedures. There are lots of challenges, but I think, we've learned a lot from the experiences of 9/11 and made a fair amount of progress. And, with the president, our job is to supply policymakers with the best intelligence we can collect and the best insights we can offer. To be honest about it and straightforward, which oftentimes I know from the policy side it's not always a great thrill when people tell you that your great new ideas are not so great and not so new. But I think that's the job of an intelligence service—to be straightforward, to in effect tell policy makers what we think they need to know, not what they want to know. And it's also crucially important for us to remain at CIA, an apolitical institution. We need to convey intelligence and deal with our oversight committees in Congress in a very straightforward way without a whiff of partisanship, without a whiff of policy agenda

as well. Because that's not our business, and I'm very mindful of the importance of that as I look ahead at how CIA conducts itself.

Ambassador David Satterfield: And Bill a final question for me, or actually, a request for your observations. This is the 30th anniversary of two things. One is the Baker Institute. The other is the invasion of Iraq. You were assistant secretary for NEA at that time. You, Ryan Crocker, and the Bureau wrote the famous Perfect Storm memo. Thoughts, 30 years on, not so much of what happened then, but lessons learned?

CIA Director William Burns: There are a lot of hard lessons learned. We worked together in that time in the Bureau at the State Department, and I certainly think a lot of us had some pretty serious misgivings, especially the day after a successful invasion and toppling of Saddam Hussein who was a thug and a ruthless dictator and, in many respects, deserved what he got. But the question in our minds was always what came next and where we thought through carefully enough what the consequences of the day after would be. All of us face tough choices. Within the discipline of a system, you don't get to run off and complain publicly about this or go to a media outlet or something else, but what you do owe is an honest expression of your concerns. We shared a lot of those misgivings with colleagues at the CIA I remember in those years. We—Ryan Crocker and David Pierce and others of our colleague—did produce a memo which, tried as best we could to lay out all the things we thought could go wrong. We got it about half right; you reread it years later, and there were some things we got wrong and some things we got right. But it was an honest effort. To this day, I don't know if I did all that I should have done or could have done to register those concerns. But I think the lesson I took away from that is the importance of being honest about those concerns, and encouraging people today at CIA to be straightforward when they have concerns and they differ as well. Because we've learned the hard way that if you create an atmosphere in which it's not welcomed or people are hesitant to speak up, you're asking for trouble, and you're asking for bad policy choices. So, I still have a sort of jumble of views when I think back on that time, but I do take great pride in the people that we worked with in that period as well in the State Department and the Near East Bureau. I think we often felt outnumbered and outgunned in those years in some ways, but, we tried to be as straight as we could be.

Ambassador David Satterfield: Great, and on that note about the fundamental role of intelligence, which is to speak as honestly as possible both internally and to those who consume the intelligence. Thank you very much on behalf of the Institute.