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Strength at Home and Abroad: The Coalition for Fiscal and National Admiral Michael G. Mullen, Secretary Chuck Hagel, Senator Sam

MODERATOR: *David E. Sanger*



Senator Sam Nunn

Former U.S. Senator; Co-Chairman and CEO, Nuclear Threat Initiative; Member, Coalition for Fiscal and National Security

Secretary Chuck Hagel

24th U.S. Secretary of Defense; Former U.S. Senator; Member, Coalition for Fiscal and National Security

Security

Nunn

NEXT, *New York Times* national security correspondent David Sanger moderated a conversation with Admiral Mike Mullen, former Defense Secretary Chuck Hagel, and former Senator Sam Nunn about the connection between America’s global leadership and its fiscal and economic health. The discussion focused on the work of the Coalition for Fiscal and National Security, which is chaired by Mullen and includes Hagel and Nunn.

The Coalition is comprised of senior government officials who have served during eight presidential administrations—Democratic and Republican—and former

leaders in Congress from both parties. The Coalition released its initial statement in 2012 during the “Fiscal Cliff” negotiations. It united for a second time in 2016 to draw our country’s attention to how our national security is fundamentally linked to the fiscal sustainability of our federal budget, and to the urgent need to update and reprioritize our defense and foreign policy strategies.

During the conversation, Mullen reiterated his view that the “number one threat” to America’s future is our unsustainable national debt, because it



“really hits at the heart of our ability to lead.” He noted that defense spending is approximately half of all annual discretionary spending. But as our overall fiscal challenges worsen in the years ahead, he explained, discretionary spending “is going to get smaller and smaller, at a time [when our] ... national security challenges are increasing.”

Hagel summed up the critical importance of the debate, saying that “the economic power, flexibility, [and] credibility of a country directly corresponds and [are] proportionate to a nation’s security ... and foundationally, if a nation doesn’t have a strong economy, a growing economy, then that nation’s options and capabilities are very limited.”

Nunn noted that “the defense budget is being squeezed” both by growing

mandatory entitlement spending and by rising Department of Defense personnel costs. He advocated for reforms to improve the nation’s budget process and fiscal outlook, and to help policymakers make better decisions about defense spending. He suggested that policymakers consider combining the authorizing and appropriations committees in the Congress; moving from annual to two-year budgets; using a longer, 25-year time horizon for our budget projections; and looking to outside business leaders to fill future openings for the secretaries of the Army, Navy, and Air Force.

The panel pointed to political gridlock as a contributing factor to the lack of forward-looking fiscal and national security policies. Hagel said, “We really haven’t governed in this

country for a number of years. We’ve got a Congress that’s paralyzed, an executive and Congress that doesn’t get along, doesn’t talk. And it has really not just polarized our country, but it’s paralyzed, in many ways, every institution in government.”

Despite the gridlock, Mullen said that there are opportunities to streamline and gain efficiencies, citing a “tremendous opportunity inside the Pentagon to be able to do away with duplication.”

Nunn emphasized the urgency of acting, saying that “every year that goes by that we don’t address these issues, everything gets more difficult, both economically and politically.” Hagel called for increased discussion of big picture fiscal and national security issues during the electoral process,



citing the critical need for campaigns to clarify “what do Americans want? What do leaders think that the appropriate role of America is in the world today?”

Mullen added, “The world isn’t going to let us [simply] recede.... I think we need to stay out there and engaged in the world, in ways that really make a difference, [and] in a world that, quite frankly, is begging us to do that.”

Hagel closed the panel by saying, “There’s no other country that can replace us. Now, do Americans want to continue to carry that burden and that heavy responsibility?... I’d say, yes, it is worth it. Because the next great power on Earth may not be as judicious and benevolent with its power as America has been with its power.... I don’t want my children to grow up in that world, or their children to grow up in that world.”

Members of the Coalition for Fiscal and National Security

Admiral Michael G. Mullen, USN (Ret.)

Coalition Chairman
Former Chairman, Joint Chiefs of Staff

Madeleine K. Albright

Former Secretary of State

James A. Baker, III

Former Secretary of State and the Treasury

Zbigniew Brzezinski

Former National Security Advisor

Michael Chertoff

Former Secretary of Homeland Security

Robert M. Gates

Former Secretary of Defense

Stephen Hadley

Former National Security Advisor

Chuck Hagel

Former Secretary of Defense

Lee Hamilton

Former Representative from Indiana’s 9th District

Michael Hayden

Former Director of the National Security Agency

Dr. Henry A. Kissinger

Former Secretary of State

Janet Napolitano

Former Secretary of Homeland Security

Sam Nunn

Former Chairman of the Senate Committee on Armed Services

Paul O’Neill

Former Secretary of the Treasury

Leon Panetta

Former Secretary of Defense

Henry M. Paulson, Jr.

Former Secretary of the Treasury

Tom Ridge

Former Secretary of Homeland Security

LTG Brent Scowcroft, USAF (Ret.)

Former National Security Advisor

George Shultz

Former Secretary of State and the Treasury

Paul Volcker

Former Chairman of the Federal Reserve

John Warner

Former Chairman of the Senate Committee on Armed Services

Robert Zoellick

Former President of the World Bank Group