GEN. POWELL: Thank you very, very much, Alan, for your very, very kind words, and thanks to you and to Jay and to all the members of the association for this porcelain bowl. It is very, very beautiful. And without the contribution of every soldier, sailor, airmen, Marine, and Coast Guardsman, this award would not have come my way. So it really is to them that you are presenting the award, and I am merely their surrogate. I will keep it and treasure it in their honor. I can't tell you how very pleased I am to be with you today. Three months ago when Alan asked me to be here, I told him that I would be here subject to war, crisis, or congressional hearing. (Laughter.) I don't know which one is the worst of the three -- (laughter) -- but thank God there is no war. Thank God that at the moment there is no crisis and the hearings are still a few weeks in the future. (Laughter.)

But for two consecutive Christmas seasons, America was at war. In 1989, we were executing Operating Just Cause in Panama. And in 1990 at this time we were in the middle of Operation Desert Storm, having spent the previous five months in Operation Desert Shield, watching this incredible buildup of American force. And I missed standing at this podium last year because of that operation. On this very day one year ago we were four days into an incredibly successful air operation that paved the way for our ultimate victory in the Gulf. This year -- this year -- is thankfully different. First and foremost, we are at peace. I said about a year ago at a press conference that our strategy for defeating the Iraqi Army in Kuwait was going to be very, very simple. First, we were going to cut it off, and then we were going to kill it. We did. We won the Gulf War. And all -- (applause) -- and all of the second guessing and Monday morning quarterbacking isn't going to change that simple fact. Kuwait is free, and that's what we went to do.

Moreover, as a result of our victory the number one military threat to Israel and to our other friends in the region is a shadow of its former self. There's also underway an unprecedented Middle East peace conference. Our hostages are free. We are building a new regional security structure to prevent anything like this from happening again in that particular part of the world. Yes, Saddam Hussein is still there. He's still a problem. He still causes me to grind my teeth. But he's principally a problem for the people of Iraq, not for us.

He is hanging onto power tenuously. The UN is pulling up all of his means for unconventional warfare. The sanctions will stay in place as long as he is there and continues to perform the way he has for the last two decades. And in the final analysis, it is up to the people of Iraq to determine how much longer they wish to suffer under his leadership.
And so as you listen to all the one-year retrospectives that are so popular right now, don't be confused. The President set clear objectives. The United Nations set clear objectives. The Congress set a clear objective when they passed the resolution permitting us to use force. We achieved those clear objectives and then we came home. It was a victory for American leadership, it was a victory for the armed forces of the United States, and it was a victory for our vision of a new world order. Continue to be as proud of that victory as are all the young men and women who went out and accomplished that victory for America.

There is another war behind us as we begin 1992. The Cold War is also over. The Soviet Union was put in its grave last month and a new Commonwealth of Independent States was born, committed to the principles of democracy, the principles of free market economics, and respect for human rights. We, in a transformed Europe, have an unprecedented opportunity to build a new relationship of cooperation with those who had been our former enemies. And if you look to the Pacific, we were helping South Korea mark out a new path with the hostile regime in North Korea. And if North Korea can put aside its ambitions to build a nuclear weapon, if it can put aside this Xenophobia that has existed in that country for the last 40 years, we have hope for peace in that final bastion of the Cold War in Korea.

President Bush's early January trip to the Pacific reassured our regional friends and allies of our concern, of our interest, and our commitment to peace and stability in the Pacific. And if you look in our own part of the world, in Latin America, democracy -- democracy -- dominates the horizon for as far as you can see for the first time in history. Yes, there is still Cuba and there's a troubled Haiti, but they are the only blemishes on that horizon. And who can believe that these two nations will not soon succumb to the powerful forces of freedom, powerful forces that forged an historic peace agreement in El Salvador just last week.

So these are great times. These are wonderful times, wonderful times to be the Chairman of the Joint Chiefs of Staff, a wonderful time to be an American living in this period of great and positive history. And yet at the same time, with all of this positive change, with all of the opportunity for the future, we must remember that we are just at the beginning of a new phase of history, not the end.

There is war in Yugoslavia. There is war in Georgia. There is war in Armenia. There is economic and political instability in the Commonwealth of Independent States. We have to remain concerned that about 27,000 nuclear weapons are still in what had been the Soviet Union. And we have to watch with some concern how the old Red Army and the old Red Navy will be broken up and disbursed among the various republics. And yes, there is still unease in Southwest Asia and in Southeast Asia. In Cambodia, we are moving in peacekeeping forces for the first time, in a solid effort to bring peace to that troubled country that has known nothing but war for almost a half-a-century.

And so as we enter 1992 we see hope and opportunity, we see challenge and danger. We see a brighter future but with remaining clouds of a darker past. America must have a national security that deals with this very challenging and unclear world, a strategy that holds the promise of opportunities fulfilled and the clouds dispersed. And we have such a strategy. Its most crucial pillar is continued American engagement in the world. We must remain active partners in our alliances across the Atlantic and across the Pacific.

In the meetings that I hold with my counterparts around the world, the message they give me is the same: America, don't go home. America, don't go home. We have seen twice in this century -- twice -- what happens when America does not play its destined role in world leadership. Both times it has cost the world dearly. Please, they tell me, please, don't let it happen again. Stay engaged, America. And we will stay engaged.

At the same time, though, the prospect of global war has disappeared. You won't
find any Colonel Blimps in the Pentagon wandering around, bemoaning the fact that the Soviets are no longer there for us to plan a global war against. We are proud of this, we are happy for this new environment to be on our doorstep to work with. And we can reshape our armed forces for a new military strategy that focuses on possible regional conflicts and unexpected crises but no longer on the prospect of a global war.

Across the Atlantic and Europe, we will maintain our military forces to cement this trans-Atlantic link as part of our new strategy. Those forces overseas in Europe will be smaller, much, much smaller, but they have to remain on European soil so long as our European allies want us there, and they do. There is no more positive way to ensure the continued coherence and strength of the Atlantic Alliance than to keep US military forces engaged in Europe. And today I’m even more convinced than ever that a strong and coherent NATO is critical to Europe's future, not to counter an longer the Red Army sweeping across the plains of Germany but to help build stability in the East while undergirding stability in the West.

Also across the Atlantic, we will have to keep military forces in the vital Persian Gulf area. Our decisive victory against Iraq last year has given us new opportunities for peace and stability in the region, and we must not squander these opportunities by picking up everything and coming home. We must be prepared to stand with our forces in the Middle East until permanent peace and stability are a reality. And we will keep a military presence in the Meditteranean no longer oriented as in the past toward the Soviet Union but looking south and East towards Africa, the Middle East and Southwest Asia, where we still see the potential for trouble and crises.

And so the forces we will maintain for the Atlantic will be oriented eastward. Some will be forward deployed in Europe, in Southwest Asia, and others will be here in the United States, capable of reinforcing at whatever point they are needed, just as we reinforced so effectively during Operation Desert Storm and Desert Shield.

I was talking to some of my table companions about the business of distributing things and what it’s like to be a middle man. You’ve got nothing on us. If you want to know what it’s like to distribute the supplies necessary for 541,000 people 8,000 miles away from home starting from zero, come see us later. We're the real experts in this business. (Laughter, applause.)

We will have continuing needs elsewhere than just across the Atlantic. If you turn to our other great ocean frontier across the Pacific, I maintain we have to keep a forward military presence in the Western Pacific, in Japan, and in Korea. The nations of the Pacific are major trading partners for us, as well as partners in providing security and stability. They are counting on us to remain engaged. Why? Because countries in the Pacific trust us. They look to us for leadership. They look to us for counsel. And they look to us for security in the broadest sense. No other power on earth can claim the position that we enjoy in the Pacific as a security partner. We abandon that position only at our peril. So our Pacific forces, those military forces that we have there, will ensure that we stay engaged in that dynamic region of the world.

In addition to these forward military forces across the Atlantic and across the Pacific, we must have military forces here in the United States that are able to react promptly to a crisis or to a contingency that no one had predicted, no one said would come along. On a moment’s notice, these forces must be able to move to a trouble spot, such as to evacuate Americans in trouble as they did in Liberia and in Somalia, or eliminate a threat to American lives as we did in Panama in 1989. In the 28 months that I have been Chairman, I have dealt with some 14 separate crises that involved in one way or the other the armed forces of the United States. And nothing on the horizon, even in this most promising environment, indicates to me that such crises will vanish in the new world ahead of us. So we have to have forces able to deal with these sorts of crises.

And finally, and very, very importantly, we must have military forces that can
deter the use of nuclear weapons against this country. I never let a day go by
without reminding myself that in all of the this change there are 27,000 nuclear
weapons in the Soviet Union and at any moment thousands of them are pointed at
the United States. And until someone tells me that he has located and destroyed
every nuclear weapon in the Soviet Union I will continue to include those
nuclear weapons in my calculations. And I do not believe the American people
would have it any other way. So we have to have the strongest possible nuclear
forces on our side in order to be able to deal with the continuing, although low
likelihood threat of nuclear warfare.
An essential new element to our strategic force posture, however, is the use of
defenses to protect ourselves against nuclear weapons as opposed to relying
solely on our own nuclear weapons to deter an enemy. And that is why the
President's Strategic Defense Initiative, as reflected in the new Global
Protection Against Accidental Launch System, as we call it in the Pentagon, is
so, so essential. And you will see the President strongly defend the continued
development of strategic defenses.
When you put these military forces together -- what we need for the Atlantic,
what we need for the Pacific, what we need for crises response, and what we need
to deter nuclear attack -- you have what we are calling the base force -- the
minimum essential force America needs to meet the future in safety. It is a
force much, much smaller than the size force we maintained to deal with the Cold
War. Your Department of Defense is moving quickly to implement the base force.
It is about 25 percent smaller than the force we had just 18 months ago. We are
reducing your armed forces over the next several years by half a million young
men and women, and we are doing this as rapidly as common sense and the art of
the possible will allow us. We have taken strategic bombers off alert for the
first time in the post-Cold War era -- in the Cold War era. We have deactivated
45 percent of our land-based intercontinental ballistic missile launchers. We
have cut the number of Trident submarines that we're planning to have from 22 to
18. We are in the process of not only destroying many of our own strategic
nuclear weapons, but we are also offering our help to the new Commonwealth of
Independent States to do the same thing with theirs. And we are looking at
proposals that would reduce our nuclear stockpiles even further. We are
destroying and putting into storage thousands of tactical nuclear weapons. We
are removing these weapons from all of our ships at sea. And in Europe, under
the provisions of the recently-ratified Conventional Forces in Europe Treaty, we
are beginning the monumental task of destroying hundreds of thousands of
conventional weapons from tanks to infantry fighting vehicles to artillery
cannon. Your Navy is mothballing two battleships, two aircraft carriers, and 24
other combat vessels in the near future.
Since the end of Desert Storm in February, your Army alone has pulled out of
Europe 40,000 soldiers and 48,000 wives and husbands and children. And by
September of this year, another 25,000 soldiers will have come home from the
United States Army in Europe.
We are closing over 250 of our Army installations in Germany. The Air Force is
reducing its main bases complex in Germany from a total of nine main base
complexes down to five. We're closing bases all over the United States.
Just this past weekend, we inactivated the two divisions in Europe that were
sent to Desert Storm to help defeat the Iraqi army last year. The 1st Armored
Division, all of those troops are now gone, and we've given the flag of the 1st
Armored Division to the 8th Infantry Division so that we keep the lineage, and
the 8th Infantry has gone out of the structure. And we have completely
inactivated another division, the 3rd Armored Division, the division that I
began my career in some 34 years ago. Gone. Finished.
The first post I ever went to is now being turned over to the Germans for use as
a shopping center. The library that was at that base has had all of its books
packed up, and the books are being sent to East Germany and behind the old Iron
Curtain to help educate a new generation of Europeans.
On the other side of the world, we have closed Clark Air Force Base in the Philippines. We are now in the process of closing Subic. And by the end of this year, more than 15,000 people will have been withdrawn from our forces in Japan and in Korea.

So, every day a base is closing or a battalion furls its flag or a fighter squadron comes home or a troop who planned to stay in the service, a GI who volunteered and wanted to make a career of it is making a different career choice and is returning to civilian life, looking for help when he gets into civilian life with respect to a job or educational opportunities.

So, if you want to know where the peace dividend is, if you want to know why we're not cutting, the answer is we are cutting. We're cutting massively, and we're cutting across the world. And we're only one year into our planned 25 percent reduction. We aren't even halfway there yet. To put it in simple terms, over the next four years, a million people, civilian and military, both in the active force and in the reserve force, will be released from the rolls of the Department of Defense.

Now, we must not go any faster. There will be great enthusiasm in Congress next month to get us to move even faster. And the argument that Secretary Cheney and I and the Chiefs will give back is we don't want to go any faster. We have a strategy. We have a glide path. We have a glide path. We have a base force that we're going down to. Don't try to do it any faster or we will break the force. We will break faith with the young men and women who have served us so well.

At the same time, we also don't want to move so fast as to exacerbate our economics problem here at home. Hundreds of thousands of young men and women must be worked back into the economy, into productive jobs, and must serve to boost our economic prospects and not degrade them. Hundreds of programs will be cancelled, and we have to do that over time so that the impact can be modulated somewhat as it goes through all of the American economy.

I want you to also understand in this group that you are having made available to you a great group of new American veterans. I know we're in a recession, but these young men and women are the best and brightest of the nation. They're drug free; they're motivated; they've demonstrated they can do a job. You saw them on television sets day after day after day. You're missing the best, ladies and gentlemen, you're missing a bet if you're not active in your community and in your firms and in your association in seeing what you can do to integrate those fine young men and women back into civilian life.

Over the next several years, 500,000 active troops going out, tens of thousands of civilians. I hope that doesn't produce 500,000 more unemployed people because these are the best and the brightest. And I ask your help in making their transition back to civilian life as easy as possible. They are truly great talent.

We must also understand that no one is clamoring to leave your armed forces. This isn't like World War II or Korea, where there were tens of thousands of telegrams to Congress demanding that the draftees be let go, that sons and daughters and husbands all come home as soon as possible. Your armed forces are all volunteers. They are all under contract, all disciplined and proud. We simply in this environment cannot tell them, "Thank you for winning a couple of wars. Thank you for representing us so well," thanking them for being so wonderful, but now, you're out on the street. Do the best you can. Find a job. You're on your own. We can't let that happen.

And that is why on our side of the equation in the Pentagon we've put together a major transition program to help ease the restructuring pains for these outstanding young volunteers. We're setting up telephone hotlines for GIs to call businesses, and for businesses to call our GIs. We have established liaison with educators who want our young people to be school teachers under new alternative certification programs that exist in a number of communities. The Congress has also allowed us to create financial incentives and benefits to encourage young people to leave voluntarily rather than being eliminated.
involuntarily. And these financial benefits and initiatives will also provide them a transition cushion for those, of course, who accept them. All of this build-down effort takes time. These actions cannot be precipitous. They cannot be rushed. We are not demobilizing the force and breaking it apart as we did in 1919 and in 1945.

And so the point I want to make to you this afternoon is that your Defense Department does have a strategy. We are not living in the cold war past. We see the future, and it's a future of opportunity. It's a future of challenge. And we're going to take our force down to what we believe is the correct level in order to meet our responsibilities in this changing world. President Bush will lay this all out in greater detail to the American people in his State of the Union address next Tuesday. You will hear about a solid, well thought out strategy, and about a dynamic base force to support that strategy.

When we complete our reductions, we will be using in the Pentagon only 18 percent of the overall federal budget. You put this 18 percent beside our peacetime cold war high of just under 60 percent at one point -- you can appreciate how small that 18 percent really is. It amounts to about 3.6 percent of our gross national product. This will be the lowest percentage of the federal budget devoted to defense since before World War I. And so, to argue today that all of the domestic ills of America can be cured by tapping this 18 percent of the budget and ignoring the other 82 percent of the budget is really incorrect and quite misleading.

And so, you'll see us in the Pentagon fighting to protect the base force. We need that force to preserve our role in the world. We need it to ensure against that which is still unknown. The threats are no longer as clear as they used to be, but we have a pretty good idea of what parts of the world those threats are liable to emerge again if we do not remain engaged, if we do not remain strong. We owe that to the American people, and the American people would never forgive us if we let down our guard.

We also need the base force to protect your armed forces, especially to protect the young people who have given so much of themselves to serve this nation. For them, history has not ended. There are still 1,700 young GIs at Guantanamo Bay in Cuba caring for 7,000 Haitian refugees. There are 26,000 men and women still manning F-15 fighters in Saudi Arabia, or manning FA-18 fighters aboard our carriers in the North Arabian Sea. Our men and women still stand guard along the DMZ in Korea. The men and women of the North American Air Defense Command still watch the Soviet nuclear weapons half a world away pointed at us. Your Marines are still afloat in the Indian Ocean, remembering all too well the harrowing evacuation that they had to conduct last year of American citizens from the US embassy in Somalia.

Around the world, in a thousand places, these wonderful young troops still have a job to do. It is these wonderful young men and women who have sacrificed and have served so well; these American GIs about whom we must remain concerned. They are well-trained. They are proud. They are ready. They care about their profession. They are wise and they are brave. They love this country that they call America, and we must, above all, not break faith with them. And I assure you, as long as I'm around, we won't. Thank you. (Applause.)

Alan (sp) told me I could stay up here and take questions all by myself. (Laughter.) Let me also say that I'm especially flattered to have been introduced by my good friend Alan Kranowitz (sp). You've got a heck of a guy in charge of your association. I was worried for a moment that he might really tell some of the stories -- (laughter) -- about our days together in the White House, but he didn't. Thank you, Alan (sp), for your kind words earlier. I'd be delighted to take a few questions. Yes, sir?

Q (Off mike.)

GEN. POWELL: I don't have that at the tip of my tongue, but take off that thing you're wearing, and we'll get back to you -- let us have it. No, if you give us a business card --
Q (Off mike.)
GEN. POWELL: Call -- no, this -- Col. Smullen will have some one for you to call within an hour.
Q (Off mike.)
GEN. POWELL: In your case, Riley is probably best, but I'm going to do better than that. We'll have somebody at Riley call you. I guarantee it. (Laughter.) Port Riley is about to have a lot of excitement. They're just -- (laughter) -- no, I guarantee it. You'll -- somebody from Riley, probably the division commander -- (laughter and applause) -- now I want everybody in this room -- no, in seriousness, that's what I need. And you let us have your card, and somebody from Port Riley will be calling you, if not when you -- if not within the hour -- (laughter) -- then right after you get home. And I need each and every one of you who can help us with this to give Col. Smullen here your card, or give it to Alan, and get it to me, and I'll make sure that you're contacted. But obviously we can't reach the whole country in this one room. I'm really pitching to the cameras so that people all over the United States in those communities look out for these great young men and women. But I do thank you, sir. Would you like to stand up and get a plug? If you'll give me your name, I'd be -- (laughter) --
Q (Off mike.)
GEN. POWELL: Thank you, sir. (Applause.)
Q One of the other great victories that -- I think that the country really appreciates with the war was not only winning it, but getting the rest of the world to participate in most of it. How do you see in the future, you know, you mentioned that different countries are saying they want our continued support. Do you see this as part of the overall strategy, and in the future, do you see other countries participating in such --
GEN. POWELL: Yes. I mean --
Q Once more, how in the future, when things come up and -- (inaudible) --
GEN. POWELL: Desert Shield and Storm, to a large extent, was not paid for by the American taxpayer in terms of money -- money-wise. Very generous contributions from those we came to help and others who had reason to want to participate, as well as the presence of forces from 28 different nations, there in the desert alongside our forces. It is becoming more and more common for that kind of ad hoc coalition to come together to deal with regional problems. When we had the humanitarian relief effort in northern Iraq and eastern Turkey right after Desert Storm, similarly about 12 countries came together there to help us. Sometimes these arrangements will be ad hoc as countries have common interests, but what I'm especially pleased about and proud of, frankly, because we worked it a bit at the tail end of the last administration, is that role that the United Nations is playing in solving one lingering regional crisis after another. It is a heck of a success story. The UN was instrumental in the Iran-Iraq War settlement in '88, in the southern Africa and Angolan situation, in the Nicaraguan elections, in the El Salvador situation, in southeast Asia, Cambodia. The UN is playing a much more important role. Why? Because they are willing to get involved, and secondly, the Soviet Union is no longer a spoiler. The Soviet Union has been on our side in almost every one of these recent issues that we could take before the UN. And I hope, even with the changes in the Soviet Union -- now the Commonwealth of Independent States, we can see an even more forthcoming attitude on the part of our former enemies. And I think this is all to the good. And I think you will find that more and more nations will be willing to make contributions to the settlement of these regional disputes and conflicts.
We also get good support from our Japanese friends, from those who want us to stay in the region, in the Pacific, we are getting very attractive offers. We are closing down our presence in the Philippines but we will be in Singapore, Malaysia, Indonesia, continue to be in Korea and Japan, they want us there and they are willing to do their share to keep us there.
Yes, sir.
Q Those of us in Florida do admire you a lot as a leader. What are the chances that we would be able to vote for you? (Laughter).
GEN. POWELL: Alan (sp) answered that. I have no political ambitions. I sometimes say "at the moment," I sometimes say "maybe," "never," you know. I don't know why I should preclude running for alderman in Kansas City at the age -- when I am 75 years old, so I don't feel the need to give Shermanesque-type statements but I am a soldier, chairman of the Joint Chiefs of Staff, that's all I want to do for the next two years and then I'll go into private life and at the moment private life does not include any political aspirations.
But if Kansas City needs an alderman -- (laughter) -- when I am 75 years old. I'm kidding a little bit but I have no political -- nothing is motivating me in a political way.
Now, the other gentleman, who I should have called on. (Laughs and laughter)
Q General, I noticed recently on the news that they talked about reducing the reserve units here in the United States by 250,000 and in view of the role that they played in the recent war over in the Persian Gulf, maybe you can enlighten on the types of units that you're thinking of an how you plan to work on the replacement.
GEN. POWELL: The Reserves have performed magnificently in the last two years that I have been closely associated with them. We have no intention of breaking up the Reserves or breaking what we call the total force concept of active and reserve working together. The simple facts are that over the last 10 years, during the period of the Reagan buildup, we built up the Reserves by about 300,000 troops, roughly a 25 percent increase. The reason for that buildup was to orient on the Soviet threat in Europe. We discovered that we did not have enough force structure in the event that we had a sustained war in Europe, so we built up the Reserves for that purpose.
A large part of our reserve structure, particularly within the Army is oriented and associated with specific active units. So when we brought the active units out of the force structure and when the Red Army has disappeared, it's gone, it only seems prudent that we take down the growth that was put into the Reserves over the last (10 ?) years, and so we are plannig to reduce it by about 250,000, especially taking out those units that are directly affiliated and associated with active units that are no longer there. It doesn't make any sense to take the active unit out but leave all the Reserve supporting units there. There is nothing there to support.
Congress has given us some degree of grief over this issue because Reserves are very popular, they should be popular. These are great units in communities throughout the country who are enormously helpful in sustaining public support for our efforts in Desert Shield and Desert Storm, and I wish I didn't have to cut or recommend cutting a single one of them. I'd just as soon not cut anything in the active Army either, or the Navy, or the Marine Corps, or the Air Force or the Coast Guard, but cutting the budget 25 percent, cutting the force 25 percent means cutting the force and pain is associated with cutting.
It's enormously frustrating to go up on the Hill and be told, "No, we don't want you to cut that. No, we don't want you to close any bases. Well, don't close these programs down because they are important to us, but when are we going to see our peace dividend?" (Laughter)
I don't know how to manage an environment like that, and so they want -- if you want the budget cut we have to cut it in a sensible way, it has to affect all parts of our total force. You can't protect this in order to have a disproportionate cut over here. And that will be the debate we will have with Congress, have been having with Congress.
And so we love the Reserves, we have no intention of breaking the total force concept that exists, but it is not good stewardship on our part to keep forces in the structure that the American taxpayer is paying for if that structure is no longer needed. It makes no difference whether it's active or reserve. If
it's not needed we ought to eliminate it from the structure and give that money back to the American taxpayer, and that's what those of us in uniform are saying and we are having difficulty with the Congress on that issue. Yes, sir, the gentleman.

Q General, at the risk of maybe putting you on the spot, one of the greatest risks still remaining perhaps to this country is drugs coming inside. In your opinion, and perhaps the military is playing a role in that I'm not aware of that you can't talk about, but in your opinion is there a role that the military could play to make sure some of that material doesn't get in?

GEN. POWELL: There is a role we can play and we are playing it. We're very -- I'm delighted to talk about it. We're very actively involved with the Coast Guard and INS and a number of other federal agencies in intercepting ships coming into the country as well as aircraft penetrating our air space. Most of the early-warning radar planes that we have in the United States are used for counter-drug purposes. The forces command, which is our Army command here in the United States, are using their troops and equipment to try to seal the border with Mexico. Our commander in Panama we call CINC South, responsible for Central and South America, is deeply involved with the countries of the Andean region not only in cutting the transit routes coming to the United States but in helping those countries go to the source of drugs within the country. And so we're doing a lot, we're going to do lot more, we're spending billions on this. I think it's a legitimate role for the armed forces of the United States. Having said that, though, don't think that cutting off drugs is the solution. Until we kill the drug problem right in our own community, the money is just too good and you won't be able to cut it off. And so it begins right here in the United States, in our community, in our schools, and we have to just educate a generation of young people that the use of drugs is stupid, it's criminal, it's destroying our inner cities, it's destroying our country, and we've got to stop it here while the armed forces and other agencies are trying to interdict the amount of drugs coming into the country.

(Applause.)

Q The theft or transfer of even one Soviet tactical nuclear weapon to an undesirable entity could have profound and tragic implications. How comfortable are you with regard to the security and the controls in place to keep that from happening in the Soviet Union?

GEN. POWELL: Reasonably comfortable. You can't be completely comfortable when you're talking about 27,000 things that are not under your direct control. But historically the Soviets have shown a great deal of care with respect to the storage of nuclear weapons, the counting of nuclear weapons, the safeguards they have on their nuclear weapons. And in all the turmoil of the last six months in the Soviet Union and now the Commonwealth of Independent States, I have been impressed and I think my intelligence colleagues have been impressed at how their system for controlling nuclear weapons has not been buffeted the way every other segment of their society has been buffeted. Their strategic weapons, the ones that can reach the United States, are firmly under control. The tactical weapons are all being removed from the outlying republics back into Russia for further control and dismantling, and that process is going well. They give us repeated assurances that they are handling it with the care it deserves and so far their assurances seem to be well founded and we can accept.

Having said that, one has to remain concerned. It is always possible that their very fine system could break down during this period of uncertainty and turmoil within that land, and we'll continue to keep our eyes on it. But it would be an event of profound consequences should one of them get loose and turn up in an awkward place. So we'll watch it, but so far we're reasonably comfortable with how they're handling it.

Yes, sir?

Q The other day the Wall Street Journal ran an article about demolition of
explosives and various mines and so forth in Kuwait, and they stated there that fully one-third of the ordnance dropped on the Iraqi army in Kuwait didn't explode. Would you care to comment on their accuracy?

GEN. POWELL: Yeah, I don't -- I didn't see the report and the one-third number seems -- does not seem right, it seems high. There is always a dud rate associated with munitions, especially dumb munitions, that is, it sets itself off by hitting the ground. And there are some problems with the type of battlefield we had with soft sand not detonating. We have a continuing demolition problem in Kuwait. The Kuwaitis have asked us for our assistance; we're providing it. And they've also contracted for private firms to come in and help remove munitions that have not exploded. A continuing problem. I haven't seen that particular report. The number of one-third sounds high to me. Yes, sir?

Q: A recent news report talked about the Persian War and perhaps that President Bush called off the forces a little bit too early. Would you care to comment about this? (Laughter.)

GEN. POWELL: Thank you sir! (Laughter.) One of the generals who was intimately involved in the war, General Buster Glossan, who was the mastermind of the air campaign, was asked a similar question last week and he says it's never too early to call off a war.

The fact of the matter is that about the 26th of February, a day or so before we stopped the war, it was becoming clear that our objectives were rapidly being accomplished. The Marines were in Kuwait City, the Army units were sweeping around the flank, there was starting to be an incredible amount of destruction on the road going back into Basra, and it was becoming clear that we were near the end, that beyond a certain point it wasn't war. It isn't war when you're fighting after having achieved your objectives.

And so on the morning that we -- the day that we decided to terminate it, there was complete consultation between military authorities -- myself and General Schwarzkopf and his commanders in the region. We told the President that it was near the end, and after further consultation and watching the battle develop throughout the course of that morning and into the afternoon, and then also seeing images of some of the destruction taking place.

But fundamentally, we had done what the President told us to do. That's the time you should end a war, and that's what we did. the President was absolutely right. Whether you killed people and continued the war for another 12 or 24 hours -- which is what Newsweek was alluding and other critics have alluded to -- was irrelevant to what might have subsequently happened. We were only fighting the Iraqi army in Kuwait. We were not fighting the other half of the Iraqi army that was intact throughout all of Iraq and quite able to handle internal security matters within Iraq.

Every time this country has gotten in trouble it's because we lose sight of what our objectives were with respect to the use of military force. The President gave us clear political objects. We gave him a clear military plan to achieve those objectives. The military plan unfolded flawlessly -- I will stick with that, "flawlessly" -- compared to any other military plan in many a year. And when we reported to him that we had achieved the objectives set out, he ended the war. And that took leadership. That took courage. It would have been the easiest thing in the world to say, "No, somebody might say we stopped too soon. Let's just keep it up." And I think that would have -- history would not have treated us that well.

Now, obviously, it's become a source of great commentary. And lots of people who were nowhere around, and lots of people who didn't want to go to the war in the first place -- (laughter) -- suddenly are surfacing to say, "Yeah, but now that I know it wasn't going to be that hard I would have been there." (Laughter, applause). And I have played the tape back many times in my mind, as you can appreciate, and particularly last week when it was such an interesting subject of discussion.
The conclusion we came to a year ago last February was the correct one. The President made the right choice and the troops in the field know it. They accomplished their mission, they're home and we should be proud of it and not find ways to denigrate our success, which seems to be becoming something of a national pastime these days. (Applause.)

Q General, I appreciate and share your support of what the United Nations seems to be doing -- coming alive and doing with us. It's my understanding, however, that we're still badly in arrears in our financial support of the United Nations, and I'm wondering what we're going to do about. Particularly it seems to me a very cost-effective way to solve some of the problems of the future.

GEN. POWELL: It's a -- we are in arrears with respect to our obligations to the United Nations. Alan (sp) and I were together when we at least acknowledged we were in arrears a few years ago and reversed our policy to start being a more responsible financial partner. It has not been possible to clear up all of the arrears because of our own financial difficulties. What position the administration will be taking in the months ahead with respect to this issue -- I hate to take a dive on you, but that really belongs to the State Department, so I will take a dive on you. (Laughter.)

Yes, sir?

Q How has the television camera changed the way the Army or our armed forces fight?

GEN. POWELL: A fundamental question. A good question. It's changed the way national security policy in general has to be managed. A little story I tell is whenever I did a press conference, or any of the chiefs or General Kelly, my operations officer, who you all know and love so much, General Schwarzkopf, Secretary Cheney, the President, you always had to remember when you went out there that you were talking to five audiences at once. First, you were talking to the media, the ladies and gentlemen who were asking the question. Then, you were talking beyond them to the American people, who were watching the whole press conference. The third audience was the international community. Every capital in the world, 150 nations, 150 kings and prime ministers and presidents, other heads of state, foreign ministers, defense ministers are watching and will make their own individual nation judgment based on what they see coming out of Washington. That's a third audience. A fourth audience is the enemy. Saddam Hussein and his folks are watching, or any other opponent that we may have to go up against will now be seeing it all in real time.

And then the fifth audience, which many people might not think about but which I had to think about, and so did my colleagues, the Joint Chiefs and Secretary Cheney, were the troops. We have some very smart, well-educated troops. Ninety-nine, roughly 98 percent of them are high school graduates, very sophisticated, and we were talking to them, too, and they had to receive the right message from home.

And so you just can't get up in front of a camera in a crisis situation like that without recognizing there were five audiences. Now, audience one, the media, would sometimes get upset because we didn't give information that we thought was not useful to give audience four -- (laughter) -- or which might have a morale effect on audience five, or which might affect audience two and three, as well.

So, we are accused of managing the news. We were accused of not handling this very well. Frankly, I think we handled it very well. (Applause.)

And, frankly, I think the press did a good job. There should be criticism between the press and the government. They ought to pull my chain all day long. That's their job. And they do it well. (Laughter.) It's the nature of our system. And by this conflict that sometimes exists between the government and the press, it's held in the public, in the open, and the American people are the beneficiaries of the conflict because you see your government in action.

So, I think we did reasonably well, as you might expect I would feel that way,
and television has fundamentally changed the way you do things. Everything is seen instantaneously now around the world as long as you can get a camera there, and it is not that hard to get a camera there, with jet travel and the ease of sending electronic images around the world. I think I have to -- is that it? Thank you all very much. (Applause.)