

**CONFERENCE AT DUKE UNIVERSITY
GLOBAL CHALLENGES & US HIGHER EDUCATION**

Plenary Address by ADMIRAL BOBBY R. INMAN

COPING WITH A TURBULENT WORLD - - THE CRITICAL ROLE OF EDUCATION.

Introduction

GILBERT MERKX: Good Morning, may I call the meeting to order. When we began the process of planning this conference we thought it would be important and useful to the overall process to have some featured speakers and we thought it would be excellent to have a featured speaker representing the private sector perspective, a speaker who would represent a perspective from the standpoint of Government needs, and a speaker who would represent an education perspective. Among the education people that we considered inviting to speak was a very outspoken professor at the LBJ School, the LBJ Centennial Chair on National Policy who has written some very strong pieces on the role of higher education meeting the nation's human resource needs. Looking at the economy we also considered inviting a businessman, who has been Chairman and Chief Executive Officer of the Microelectronics and Computer Technology Corporation in Texas, a venture capitalist who also was Chairman and Chief Executive Officer of Westmark Systems (a holding company). That same businessman had served as Chairman of the Federal Reserve Bank of Dallas from 1987 through 1990, one of the branches of the Fed which is known for its fine international analysis and studies. That same businessman is a venture capitalist with Gefinor Ventures, he's on Boards of Directors of at least five companies

that I know of and is a trustee or board member of 10 not-for-profit corporations. This businessman also is a Trustee of the California Institute of Technology. But, then from a government perspective we thought of inviting a person who had a background in that branch of government that deals with national security and so we thought about an official who had perhaps served in the Armed Forces, who had been Vice Director of the Defense Intelligence Agency, who had been Director of the National Security Agency and who had been Deputy Director of the Central Intelligence Agency. That person is one in the same. That person is Admiral Bobby Inman, a Professor at the University of Texas at Austin. Businessman, venture capitalist, banker, admiral, and a former official in our intelligence system. I have been reading Admiral Inman's comments and statements and testimony for many years. I am particularly grateful to him for his interventions in the past since he was one of the people who was responsible for an intervention which saved Title VI in part because of a letter Cap Weinberger wrote to the Secretary of Defense who wrote to the Secretary of Education asking that Title VI be spared the chopping block. He has been a long time supporter of what we do. It is a pleasure to present Admiral Bobby Inman.

ADMIRAL BOBBY INMAN: Thank you, Gil, for your generous introduction. I could not help think as I listened to it, the old phrase "Jack of all trades, Master of none." But, fulfilling your request that I focus on government needs in this area, I fall back on my undergraduate historian background. I have been reading, hearing and watching much about the War on Terror. Let me take you back to the war that really launched us into interacting with the rest of the world on a global scale - World War II. We were totally unprepared, not just for conducting combat in

both European and Asian theaters at the same time, but even less prepared to deal with how did you govern? How did you manage countries that were newly created, that had been colonies for sometimes hundreds of years? How did you put in place civil governments in occupied territories? On top of the challenges of suddenly trying to learn on the fly about beach gradients and water depths in strange remote places. And how did you understand not only the cultures but the languages you would encounter? At the end of World War II, the leadership of this country was absolutely committed that never again should we be so ignorant about the world that surrounds us and that we could not escape from playing a large role in that world.

Now, I would remind this audience that at that point in time we had the largest economy, and that while it had been dislocated, it had escaped the bulk of the damage of the war that Europe and Asia had felt. So, it was a large domestic economy with less than 3% of our gross domestic product from international trade as late as the end of the Fifties.

The impetus in the Forties was to try to get things right, going forward, and ready to deal with the outside world. It was driven by government needs, not by the international economy. That came much later. They set out a very conscious way, not only to have people scattered all over the world serving with language skills, understanding the cultures the areas where they were assigned but also to accumulate a classified Encyclopedia Britannica called the National Intelligence Surveys. There was a new annual publication which had everything you might ever need to know about every country around the world. Of course, this was long before computers came to our aid. Just the publication challenge alone was huge. Interestingly, when I finally got to know some of those people when I came onboard in the mid-Fifties, many of them were people who

had been academics before World War II. They had been caught up during that war with the excitement about actually interacting with the outside world. And so they were drawn to stay on in government as the CIA was created, as the Defense Intelligence Agency was created and in fact, the State Department's effort grew to be part of it. Between, 1947 and 1958 if there was a new idea about how you could learn more about the outside world, usually money was made available. The plateau was reached in 1958.

I should note that many of the people who brought those linguistic skills to bear in the Forties, were from second generation, or sometimes even third generation immigrant families. The original language was still spoken in the household. There was an automatic grounding that we lost after World War II. We got past that early surge and then began to sharply restrict immigration. And the nature of it changed as we got involved in Vietnam and other wars and a whole different flow of people came into the country. Nonetheless, there was a huge effort to try to insure we had this encyclopedic knowledge about the outside world.

In 1958 the judgment was made that we were about at the level we needed to be; this was sustained until 1964. By then we had made the decision to get deeply involved in Vietnam and as forces began to deploy in 1965 there was a need for very detailed tactical intelligence to support those deployments. However no resources were added to do that job and in fact funds were diverted from elsewhere. The first such decision was to give up the national intelligence surveys on Latin America, which was the first to go. Not long after, Africa. And then as the momentum built after another year, Western Europe. Domestic political involvement in the Middle East kept

a reasonable focus there and a focus on the Soviet Union and the Warsaw Pact, China, North Vietnam, North Korea. Everything else was put on the chopping block.

Steadily we began to lose the edge of the depth of our knowledge. Probably, the most critical decision on this decline was taken in 1967 for matters utterly unrelated to need. The issue was the balance of payments, gold outflow, and the determination that we needed to make a conscious effort to reduce our expenditures abroad that were not directly national security related. So President Johnson issued a letter to every ambassador indicating that their number one responsibility was to significantly reduce the American presence in their country. That letter was reiterated to every outgoing ambassador from every administration until 1981 when it was finally possible to get it canceled. So, out went many of the political officers, economic officers, cultural officers, commercial attaches, and, coincidentally, much of the cover for the Central Intelligence Agency. It was judged to not be cost effective to maintain non-official cover for clandestine intelligence agencies. It was much cheaper to put them in the embassies. You could communicate with them easier, you could get in touch with them easier and save money.

The steady decline persisted essentially uninterrupted until 1980. What event changed it? The Soviet Union's decision to send combat forces into Afghanistan. And actually, it didn't begin with the Executive Branch. Senator Sam Nunn of Georgia added money to the 1980 budget. There was some objection from the Executive Branch. He made a trip down to talk to the President and the objection was ended. Some additional money was put in for additional language studies and clandestine billets for the Central Intelligence Agency. President Reagan, to my pleasant surprise, turned out to be very open to a surge of funding to expand our knowledge

of the outside world and in fact the years 1981 to 1985 were ones of tremendous rebuilding effort. It was only limited by training capacity but dollars were available, as long as you could recruit and train linguists as intelligence officers of all kinds.

Unfortunately, we could not persuade the State Department to join in. The discussion was where their budget should be placed and they wanted no part of being put in the same budget as the Department of Defense. The President was ready, Congress was ready, but the State Department dug in their heels. They would remain funded totally separately from Defense and therefore they got none of the funding to begin rebuilding our ability to be all over the world.

I ran the National Security Agency from 1977 to 1981 and I could continue with many stories, but let me just note one for you. Let me tell you how far down we've come. Over the whole government we had given up about 40% of the resources from that 1958 peak by the time we got to 1979-1980. When faced with trying to support the hostage rescue in Iran I had come across - in the entire large signal intelligence system - only three individuals who could speak and understand Farsi at a level that they could understand two excited Iranians talking at the same time. A total of three. How many could translate documents across the entire system? Twenty-six.

Defense reached its peak of spending in 1985 and started the steady decline that continued until 2001. The natural pressure was there and everybody had to take their fair share of the cut. A few programs were protected with some continued support for international education, but on balance the argument was never successfully made that as you reduce your overall forces, the

actual need to understand the world better goes up not down. Because you have so little time to provide warning and protection for a much smaller core structure to protect the country's interests.

In 1989, the Warsaw Pact collapsed, and then in August 1991, the Soviet Union collapsed. And again, it was a time of opportunity largely missed. The driving force I've already talked about how everything was drawn down, but still the focus was on the Soviet Union, and largely on Moscow where the decisions were made, where you had access. Suddenly, there were 15 republics, and instead of being restricted, you could travel all over those 15 republics. And there were suddenly 200 newspapers and a whole variety of languages and only a tiny handful of people with the competence to go sit in the coffee houses, visit the Mosques, go to the churches, interact and simply listen and observe. As I watched I became persuaded there were some clear hard targets where you needed the most competent clandestine agents. But, overwhelmingly, for the vast majority of what we needed to know about the outside world, it was openly available for people who understood the language, culture and nature of the country that they would be observing.

Alas, there was no broad support on the scale of expansion that we needed. I remain as committed to Title VI and what it does as I was back when it was reauthorized a couple of times in my tenure of service. But, frankly, I still consider it only a bucket as compared to the firehouse that we need desperately to adjust to in the outside world as we suddenly moved into a post-bipolar world. We failed to detect the growing disorder. It was not a "New World Order," it was a "New World Disorder." We failed to detect early and pursue the reality that we needed to

dramatically increase the pool of talent. To track, understand, and explain us to the outside world.

Let's focus on terrorism. In 1983 there was the first large scale attack killing US citizens. We know certainly that Iran funded the attack on the marine barracks outside of Beirut in 1983. In late 1983, the embassy in Kuwait, late 1984, the embassy in Beirut, in 1993 the World Trade Center, 1995 Kobar Towers, 1998 Nairobi and Dar Es Salaam, 2000 USS Cole, and finally, 9/11. A wake up call that 18 months later is already beginning to lose its impact. We clearly need comprehensive knowledge on every country and every language on the globe. It is now a global economy. All five corporations on whose boards I serve have operations around the world. And all it takes is a strike in Venezuela and a total disruption to discover how much you are dependent on the local nationals. You have all of your assets and your effort, yet not enough people that can converse in the local language.

The War on Terrorism; I don't particularly like the phrase, but it is in actuality, a reality. If you are going to engage international terrorists operating across national boundaries, what we know from Kabul and Kandahar is that there are more than 70 Al Qaeda cells in more than 60 countries around the world. Singapore had two, several in Indonesia, we don't know how many. A bunch of them in the Philippines, Malaysia, ones that have already been folded up in Spain, Germany, France, Belgium, the Netherlands, Denmark, the UK, US and Canada. And we don't really know how many cells there might be in Latin America. So, the needs of the country, whether it's for national security or whether it's the global economy, are continuing to grow at a far faster rate than we are equipping ourselves to deal with. And I remain as persuaded now as I was when I

first encountered this problem back in 1958, that at the heart of it is the pool of talented citizens who have complete language ability, not just reading, but the ability to communicate, and the depth of knowledge of the cultures, of the language, of the economies of all the countries that we interact with around the world.

We have been greatly gifted with an economy that is an envy to the rest of the world. It doesn't make us loved at all. But I still say to my students, and to my sons, that with prosperity goes responsibility. And I don't believe that we can adequately discharge our responsibilities to the outside world unless we do far more and much faster. And really insure that we can communicate to the rest of the world effectively. Thank you very much.

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