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Media Availability with Secretary of Defense Leon Panetta

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THIS IS A RUSH TRANSCRIPT.

SECRETARY LEON PANETTA: All right. Everybody set up?

OK. Looking forward, obviously this one's going to be my second ministerial with my NATO ministers, and I'm looking forward to going to that event. And then from there we're going to go to Ramstein and to the Landstuhl medical center, which takes care of our wounded coming out of Afghanistan. They've done a terrific job, so we'll stop there and pay tribute to the medical staff as well as visit with some of the wounded warriors.

And then from there we go to the Munich conference and Secretary Clinton and I will make a presentation to basically inform them about our defense strategy plus the budget decisions that have been made and then obviously indicate, you know, our commitments -- our continuing commitments, strong commitments to Europe and to NATO.

At the NATO ministerial, I'm going to brief also on the strategy and the budget decisions. We have been briefing them pretty regularly. So all of the countries are informed about the strategy as well as the budget decisions. We've been doing that on a continuing basis. This is the first time I'll have all of the ministers gathered, and we'll go through the briefing there.

I'll also obviously stress our strong commitment to NATO and what we're doing to back that up and then try to set the stage for Chicago with regards to Afghanistan and, you know, the next steps to be taken by the alliance.

On NATO, in many ways our -- you know, one of our pillars of our strategy is to build on successful partnerships, and NATO is, you know, I think without question, one of the most successful military alliances in history. And they are a force multiplier for us. They are extremely important to confronting crises around the world, from Afghanistan to Libya. And for that reason, it is -- it's very important that the United States maintain a strong commitment to NATO, and we will.

Reality is that even after we take down two of the BCTs, the combat teams that we're going to be taking down, there will be two that will remain in Europe. And in addition to that, we are going to have a brigade in the United States that will be dedicated to NATO, and what they will do is rotate battalions -- battalion task forces to Europe twice a year to conduct exercises in Europe. And you know, just to understand, those two BCTs we're taking -- we're taking out of Europe were not -- had not been there for the last few years because they've been in Afghanistan.

So what we're going to -- what we're to have there is a presence that will represent the largest troop presence of anywhere else in the world. I think we're -- you know, we're -- we'll be going from roughly about 43,000 to 37,000, but those 37,000 soldiers are still the largest presence -- U.S. presence anywhere in the world, which indicates obviously, again, the importance of Europe and the importance of a -- our strong commitment to our NATO -- to the NATO alliance.

At the same time, one of the things I want to stress with NATO is the importance of them to also look ahead as to what kind of -- what kind of defense is NATO going to have for 2020. That was kind of -- you know, that was the framework for designing our strategy. In many ways, I think NATO has to go through the same process of looking forward and deciding what kind of force does it want for 2020.

They've got to -- got to look at their capabilities. Obviously one of the issues we'll be discussing is smart defense and trying to make sure that they develop those important capabilities that they need for future missions.

At the same time, my concern is that these countries are through budget constrictions. And what I -- what I don't want to see happen is smart defense used as an excuse for not maintaining core capabilities in defense -- in other words, you know, they'll focus on a particular capability but in terms of their other core military capabilities, that they won't -- you know, they won't make the kind of investments that need to be made. And the danger from that, it seems to me, is that, you know, as we engage in future crises, that if one nation decides to opt out, that nation could take an important capability with it that NATO may need in order to be able to successfully conduct their -- the -- you know, the -- whatever conflict we're engaged in to be able to have a success in that conflict.

We're going to continue to push on missile defense, and we are making gains there. We've located radar systems in Europe. We've got Aegis being located in Greece and elsewhere. So we're going to continue to push on that. We'll continue to provide arms, obviously, to our European friends. And what I -- what I want to urge is that they really do dedicate some effort at developing core capabilities, so that, you know, we can have a strong NATO alliance and a strong partnership for the future.

On Afghanistan, obviously, the main point I'll make is, you know, sticking -- we've got to stick to the Lisbon strategy. The United States has a very strong commitment to Lisbon and to the strategy that was laid out there. And what we want is for all of our NATO partners to adhere to that strategy. We all went in together and we'll all go out together. But we have to do it on the basis of a strong alliance and a strong commitment that was made in Lisbon.

General Allen -- I had a CVTS with him yesterday, and he strongly feels that things are on track to meet the goals that were laid out by Lisbon. We have weakened the Taliban. We've made good progress in going after them. The level of violence is down. It continues to be down. And you know, admittedly, these are the winter months, but at the same time, as he looked at almost every area in Afghanistan, you know, security is clearly improving in all of those areas. A lot of it is due to the Afghan armed forces, the army. They're doing much better operationally, and we continue to try to train and improve them in that capability.

And the other thing that is important is that we are -- we are transitioning areas to Afghan governance and security. We're involved now in the second tranche. And as I've mentioned to you before, that means that about 50 percent of the population in Afghanistan will now be under Afghan governance and security. That's an important step.

I think I've said this before, but you know, if you kind of stand back and look at where we are, 2011, I think, was very much a kind of turning point in terms of the war in Afghanistan. And probably the most important thing was not only our ability to really go after the Taliban, but it was also the fact that the Afghan army stepped up to the challenge and were involved. You know, we've had indications that the Taliban itself had -- in many ways, you know, their main incentive for continuing this war is to fight foreigners. But when they're fighting Afghans, it becomes very different and it impacts on their -- you know, their desire and their incentive to continue the war. So I think we have made an important turning point in 2011.

And so consolidating those gains is going to be what we have to do in 2012, ensuring that we continue the transitions, ensuring that we continue to improve the Afghan army during this year.

And 2013 becomes an even more critical year, more critical because we'll be going into the final transitions, final tranches, and those'll be some of the most difficult areas. But nevertheless, you know, our goal is to complete all of that transition in 2013 and then, hopefully, by mid- to the latter part of 2013, we'll be able to make -- you know, to make a transition from a combat role to a training, advise and assist role, which is basically fulfilling what Lisbon was all about.

2014 then becomes a year of consolidating the transition and making sure that those gains are in fact held, so that we can move towards a more enduring presence beyond 2014.

As the president has said, we're committed to an enduring presence there. We have the missions we're going to be involved with -- those CT operations. We'll be involved with training, advising and assisting, not only the Afghan forces, but we'll continue to have to provide enabling forces for ISAF as well as Afghanistan. And there'll be a large civilian presence there involved with development. So there clearly is going to be a continuing presence in Afghanistan for the long term, and that's something, you know, we'll want to discuss again at this ministerial.

On the ANSF, the key there is to have a sufficient and sustainable force that can be there for the future. That's the key. And one of the things we'll be discussing are, you know, what the size of that force should be.

But a lot of that is going to be dependent on the funds that are going to be put on the table in order to sustain that force. And that's one of the things, frankly, I'm going to be pushing at this ministerial is, you know, to make sure that funds are provided, sufficient funds are provided by our -- by our allies, and that we also expand the pool for funds to be provided. I think we ought to be looking at others as well that are non-NATO, looking at Arab countries to help provide assistance, looking at Japan, looking at Korea, looking at other countries that can help provide the funding, because in many ways, the funding is going to largely determine what kind of force we can sustain for the future. And that's going to be a principal effort, not only beginning at this ministerial, but we're going to continue to have teams going to different countries to develop those funds.

At Ramstein -- I mentioned what the purpose of that is going to be, and I also mentioned at Munich, what Secretary Clinton and I are going to be doing there as well. And then from there, we all head home to see who the hell wins in the Super Bowl. One thing I know is that the 49ers -- (inaudible). (Laughter.) It won't be them. It won't be them.

MR. : All right -- (off mic) --

Q: Mr. Secretary, I'd like to ask you if you would flesh out a little bit that thought you offered a minute ago about 2013 in Afghanistan. You said it would be an even more critical year, and you said that in the latter part of the year there'd be a transition from combat role to I think what General Allen calls security assistance role. Could you elaborate a bit more? And do you have a particular marker date that's going to be discussed at this meeting, what's been proposed in Chicago? And could you elaborate on that point?

SEC. PANETTA: I think we're -- you know, we will be discussing kind of, you know, what we're looking at over these next few years in terms of making sure we fulfill the Lisbon strategy. And look, the transition I was talking about is in fact the fulfillment of the Lisbon strategy. That's what -- that's what the hope was, that hopefully, we could reach a point in the latter part of 2013 that we could make the same kind of transition we made in Iraq, from a combat role to a train-and-assist role.

Look, it doesn't mean that, you know, we're not -- we're not going to be combat-ready. We will be, because we always have to be in order to defend ourselves. But we are going to be largely transitioning to a support role for the Afghan army as they take over these different areas in the future.

Q: Mr. Secretary, as you know, President Sarkozy last week suggested a speeding-up of the Lisbon schedule that you've described. Could I get your reaction to that, and more broadly, whether it is at all even conceivable that all combat troops, U.S. and allies, could come out of Afghanistan in 2013?

SEC. PANETTA: I think it's really important for all of the nations that are involved, the NATO nations, the ISAF nations, to stand by the Lisbon strategy. And the Lisbon strategy basically said that we ultimately are in a process where we will withdraw our forces by the end of 2014. And I think we ought to stick with that.

With regards to France, I mean, I understand why they made the decision. I called them and expressed our condolences for the loss of life. And at the same time, I was pleased that they did indicate that they're going to maintain a longer-term presence with regard to training and advising. And so my hope is that at this ministerial, we can discuss their decision and hopefully find a way to make sure we bring them back into, you know, the Lisbon strategy so that we can all walk forward together.

Q: Hi. Just to follow up, the -- you said earlier that you talked a lot about progress in Afghanistan, but as you know, there was a National Intelligence Estimate from your old -- you know, from one of your old agencies saying that there was a stalemate in Afghanistan. Can you just briefly tell what your assessment is of that -- (inaudible)? And I've got another question -- oh, just if you could talk a little bit more about how you envision this transition. If there -- if we're no longer in a combat role, does that mean that you have forces in Helmand and Kandahar, where they're spread out very -- all over the countryside, pulling back to big bases -- what is that going to look like?

SEC. PANETTA: On the -- on the first point, on the NIE -- and you know, we've discussed this with our intelligence colleagues. I mean, a problem with an NIE is that you basically take a picture of a situation at a given time, and sometimes it doesn't take into consideration what's happening at the moment. And so that's part of the problem.

The other thing is that I think their conclusion was based on the fact that we would have no presence beyond 2014, which is not going to be the case. And we've pointed that out as well.

But the bottom line is this, that I think for anybody that's gone to Afghanistan and is seeing the situation on the ground, including myself, there -- without question, there has been significant improvement in the security situation on the ground. The Taliban has not been able to regain any of the lost territory. They haven't conducted a successful operation to regain territory. We continue to weaken them. The -- you know, the effort to target their leadership continues to be robust and effective. And in addition to that, everyone says that the Afghan army is much more effective at engaging in operations.

And also, in these tranches where we've actually transitioned areas, it is the Afghan army that is taking on the security role in providing security to those areas. And you know, again, that's an important step, because ultimately, this is about having an Afghanistan that can govern and secure itself, and that's what it's going to take in order to get there.

With regards to, you know, the transition, it'll -- you know, in many ways, it'll reflect, you know, kind of the transition we made in Iraq, where we'll obviously continue to maintain support forces there; we'll continue to provide

enabling support for the Afghan army; we'll be there to help train and advise them on operations; and you know, we'll still be very much engaged in helping them as we move into 2014.

So it's still -- it's still a pretty robust role that we'll be engaged in. It's not going to be kind of the formal combat role that we are now, but it clearly is going to be a role where we are going to be providing a great deal of support and assistance to the Afghan army so that they can succeed. And we're going to do that in conjunction with ISAF. I think that's -- that's our whole goal. And that was the whole goal in Lisbon; let's, you know, be able to reach a point where we can begin to transition that role and then ultimately in 2014 consolidate the ability of the Afghan army to be able to secure the country.

Q: Thank you, Secretary. When we're talking, then, about the transition in 2013, in order to provide that support role and that combat-ready role, do you feel it's safe to drop below the pre-surge level of 68,000, which is the number that we'll be at basically by fall of this year? Do you think that in order to -- since there's going to be a change in the strategy, does that allow for dropping again below that 68,000, and kind of can you walk us through how this frees up -- you know, frees your hand a bit to continue reducing those numbers?

SEC. PANETTA: No decisions have been made with regards to, you know, the level of force that we'll have in 2013. Obviously, as you know, we're taking down our surge force and that will take place by the end of the fighting season in 2012. But beyond that, you know, frankly, we haven't made any decisions. We know that -- what I can say is that 2013 is a critical year, and therefore will demand that we have a strong presence there in order to make sure that the gains that we've made up to that point are continued.

Q: If I could change subjects, quickly, about Egypt. As you know, there's an Egyptian military delegation that's in the country, and -- (inaudible) -- your department, as part of the long-standing partnership with that country. At the same time, we have a number of Americans holed up in our embassy from pro-democracy groups, including the son of another Cabinet member. I know you've spoken with Field Marshal Tantawi on this subject a couple of times, but the Egyptians still don't seem to want to let go.

Do you have any concerns in your mind about, on one hand, you asking the Egyptians to take it easy on these pro-democracy groups, and at the same time them not responding, and meeting with folks in the Pentagon and elsewhere?

SEC. PANETTA: I did have -- I did have a discussion with General Tantawi and conveyed to him the concerns that we have with regards to the treatment of these individuals and the whole NGO issue. At the same time, you know, I said, look, we -- you're making progress in Egypt, you've gone through the elections, you've taken off the emergency law, you're on a path towards establishing a democracy there, it's extremely important that we maintain the relationship and continue to work together to provide for your security, but our ability to maintain that relationship is being impacted by how this matter is being handled, and so for that reason urged him to do everything in his power to try to allow these individuals the opportunity to be able to leave the country.

He -- you know, he indicated his concern, that he'll do everything he can to try to help on this issue. He obviously has to deal now with the parliament. He has to deal with what is an independent judiciary. And he indicated that. And I said I have the same -- I said, welcome to democracy, because I have the same responsibility to deal with the Congress, and they're concerned about this issue.

So bottom line is I think they're working this issue. I'm hopeful that hopefully it can be resolved soon.

Q: Have you given any consideration to calling off the talks with the Egyptian delegation? (Inaudible) -- understand that they are moving toward democracy, but the military still calls the shots.

SEC. PANETTA: Yeah. You know, frankly, I'm glad they have a delegation here, because I think they'll hear exactly what I told General Tantawi; and if nothing else, it should make clear to them what a concern it is that this matter is not being quickly resolved.

Q: Mr. Secretary, I want to go back to the question of force levels in Afghanistan in 2013 and make sure that I understand what you're planning and preparing for the Chicago NATO summit. I don't think I've heard from you or U.S. commanders the same stress on seeking to end the combat role late in 2013 and move to advising-training that I've heard today from you and we heard earlier from Ambassador -- (inaudible). And I -- that sounds new to me. Is it -- is that a new emphasis?

SEC. PANETTA: No, not really. And I think under Lisbon we knew that the goal would be to reach a point where we could make that transition from a combat role to an advise-and-assist role. And we always looked at, you know, what exactly -- what exactly are the pieces we would have to have in place in order to be able to make that transition. And in order to do that, we are going to have to continue to weaken the Taliban. We're going to have to continue to improve the Afghan Army's capabilities and their operations. We're going to continue to -- have to improve governance in the areas that we transition, and we're going to continue to have to maintain a pretty strong presence there in order to assure that those goals are achieved.

But in the -- in the Lisbon discussions it was always clear that there would -- that there would come a point at which -- at which we would make that transition and then be able to, hopefully, consolidate those gains in 2014. So the bottom line is, no, this isn't a new strategy. It's basically implementing what Lisbon was all about.

Q: (Off mic.)

SEC. PANETTA: Pardon me?

Q: (Off mic.)

SEC. PANETTA: No, I think -- I think it was -- everybody assumed that there would come a time, as we move towards the end of 2014, that we would be transitioning that role. We couldn't just kind of go right to the end, you know, with our combat role; we would have to transition. And that's basically what -- you know, what we did in Iraq. And it's what we're going to try to do in Afghanistan.

STAFF: We probably have time for one or two more questions.

Q: Mr. Secretary, do you envision a continuing presence by U.S. military troops in Afghanistan after 2014? And are there some conditions -- you laid out a lot of what has to happen between now and then to maintain the kind of stability that you expect by the end of 2014. What if that doesn't happen? Is there really realistically -- politically realistically -- an option to change the trajectory at this point?

SEC. PANETTA: Well, you know, I think we always have to be prepared for any contingencies. But right now, I'm confident that the path that General Allen has laid out is one that we can achieve. You know, it's headed in the right direction, it's on the right track. We just have to make sure that we continue -- everyone continues, ISAF as well as United States forces, continue along with the Afghan forces to keep marching in the right direction.

The -- with regards to the enduring presence, I think it was always envisioned that, in terms of an enduring presence, we would maintain military capabilities there. If we're doing CT operations, you're going to need to have that capability. If we're doing training and assist, you're going to need to have military involved there as well. So the answer to your question is that the military will have a presence. The size of that presence is still to be determined, but clearly it'll continue to be there.

STAFF: All right, thanks, everyone. Thank you.

Q: (I have a question ?) -- (inaudible).

STAFF: One last question.

Q: Thank you, Mr. Secretary. Can you elaborate a little bit on what sorts of decisions NATO needs to make about its own future in order -- ahead of the Chicago summit, in order for that to be a success?

SEC. PANETTA: Well, I think -- I think it's very important for NATO to agree that all of us have to strongly support the commitment in Lisbon. And incidentally, even with the French decision, every other ally has made clear that they're going to stand by the Lisbon Agreement in terms of, you know, making sure we all work together as to, you know, at what point we decide to draw down, that we'll do that in conjunction with each other.

The key for NATO is to, I think, make clear -- and I think they will -- that we are -- we are in this together, and that, you know, any success we've had there has been a result of everybody pulling together. If you look at -- if you look at Afghanistan and look at the different areas in Afghanistan, ISAF is playing a very important role in some key areas to establishing security there. And I think, you know, we could not do this -- we could not do this job without the help of NATO, without the help of the ISAF forces.

And so the key -- the key message that I'm going to bring there is: You know, we're on the right track; we've made important gains; we just have to stick with this until, you know, we all can, by the end of 2014, be able to end this mission based on the success of a mission that gives Afghanistan the security it needs for the future.

STAFF: All right. Thanks.

Q: Appreciate it.

Q: Thank you.

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