

Straight Talk with Hank Paulson featuring guest Henry A. Kissinger

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HAK (Intro Excerpt): The unique aspect of the current situation is that modern technology and modern economics represent an inherent threat. Because you cannot conceive a war between two high-tech countries that will not inflict the degree of devastation that will threaten humanity. So the leaders of China and the United States have a unique, unprecedented responsibility of preserving the peace so that the modern technology can be used cooperatively for the well-being of their peoples.

Hank Paulson (HP): Welcome to Straight Talk, a podcast about big ideas featuring candid discussions with some of the world's foremost thinkers and doers. I'm Hank Paulson, chairman of the Paulson Institute. Today I'm speaking with Henry Kissinger. Henry is one of the most consequential diplomats and statesman of the past century. Among the many highlights of his career, he served as the 56th secretary of state from 1973 to 1977, and as national security advisor from 1969 to 1975. Today, he is chairman of Kissinger Associates, an international consulting firm. During the Cold War, he developed a policy of détente with the Soviet Union, and negotiated the end of the Vietnam War and developed a policy of rapprochement with

China. He is a recipient of the Nobel Peace Prize, the Presidential Medal of Freedom, and the Medal of Liberty, and is a prolific author. And his latest book is *Leadership: Six Studies in World Strategy*.

Henry, welcome to the podcast. You're a towering figure of American statecraft and diplomacy, and I've benefitted from our conversations for many years now. So it's an honor to have you on, and I'm really looking forward to our conversation today.

Henry, let's start with your early years. You were born in Germany and came to America as a refugee in the late 1930s, fleeing Nazi persecution. Describe your experience coming to America. And how did that era shape your worldview?

HAK: I came to America with my parents. I had just turned fifteen when I came here. When I was nine, Hitler became Chancellor of Germany. And from then on, I belonged to a discriminated minority that had no legal rights, that other kids were permitted and encouraged to harass and sometimes beat up in the streets. So I was coming from a country where I lived with great difficulty into a country of freedom. And as it happened, I arrived in America on Labor Day 1938. So the people I saw in the street were having a day off there was therefore a very relaxed and **free joyful** atmosphere. This ~~characterized~~ **shaped** my view of America from then on. I went to a high school in New York for a year, and then I just started working. I worked in a shaving brush factory, largely staffed by Italian immigrants from the age of



sixteen on and until I was drafted into the Army at the age of nineteen. So for me, America was a country of opportunity. It didn't occur to me that someday I'd become Secretary of State, and I had no specific career plan. After the Army, I went to Harvard, and then gradually progressed to the various positions. But it was the vitality of America and the openness of America and the freedom of opportunity of America were the compelling impacts through all of my life.

HP: Henry, it is just amazing how many of the great Americans and the important Americans came to this country as immigrants. You know, we were built on immigration. And it's just so sad to see today what's happening to restraints on immigration.

But I'd like to go now to the 1960s, because you became a foreign policy advisor to Nelson Rockefeller's presidential campaign. So the question is what drove you to enter into the messy world of politics? And what did you learn from the experience? And then, remarkably, Richard Nixon was able to overlook the fact that you had worked for his political opponent, Rockefeller, and recruited you to join his administration as national security advisor. Talk a little bit about that important period in your life.

HAK: It was an amazing evolution. I did not enter politics by decision. I was brought into it to help Rockefeller, who at that time was a personal assistant to President Eisenhower, to help him develop together with



a group of others a concept for American foreign policy in the beginning of the Eisenhower period. And then I didn't look at Rockefeller as a Republican – I thought of him as a national figure who invited me to do this. And it was a bipartisan group. Then when Rockefeller became governor of New York, we decided to, he decided to enter politics. And I developed during that period a friendship with Nelson Rockefeller. And I stayed on to help him in his various campaigns while remaining a professor at Harvard. So I never deliberately entered politics, because while I was working with Rockefeller, I was also invited by President Kennedy when he became president to be a consultant to him, and I stayed in that position for about a year and a half, and I left it when I disagreed with some specific foreign policy, but I remained friendly with the Kennedys during that whole period. And then Nixon, whom I had never met, invited me to become his security advisor, which is probably the most important appointed job in the field of foreign policy – and it's come to transcend the secretary of state, because the secretary of state has to run a department and has to deal with a lot of second order questions, while the security advisor always deals with the issues that concern the President of the United States. And so Nixon – extraordinary, it couldn't happen today – invited me to be his security advisor. And I developed a very close working relationship with Nixon and grew to greatly respect his strategic insights and his courage in making decisions through a whole series of crises. And I



remained in close and friendly contact with him through the rest of his life.

HP: That was a remarkable relationship. And we're going to get to that in more detail in a minute, because now I'd like to talk about your latest book on leadership, which is terrific. So the book profiles six different world leaders from the twentieth century as they approach the major strategic challenges of their time, so, Konrad Adenauer, Charles de Gaulle, Richard Nixon, Anwar Sadat, Lee Kuan Yew, and Margaret Thatcher. Remarkably, you worked with all of them and knew them well, which makes your book particularly compelling.

Since I've benefited from the advice of Lee Kuan Yew, the visionary prime minister from Singapore, I'd like to begin with him. Henry, you write that he pursued a strategy of excellence which transformed Singapore into a prosperous stable city state. What were the key elements of Lee Kuan Yew's strategy? And what can American policymakers learn from Lee Kuan Yew? And talk a bit about the qualities of Lee Kuan Yew that allowed him to execute his strategy so well.

HAK: If it is possible to describe the career of anyone from the beginning, Lee Kuan Yew is a great example, because his original ambition was that Singapore would be part of Malaysia, because he might become prime minister of Malaysia. But then Malaysia expelled Singapore from the Malaysian Federation. So Lee had to build a country that had three nationalities: Chinese, Malay, and Indian, and which had



no natural resources. He used to say that his country had, I think, 250 square miles at low tide. And these three nationalities were in conflict with each other, and there were constant riots, and so Lee developed the idea: they could not work together with a predominance of one group. And he developed a concept of Singapore as a unit. And English became ~~the~~ **an** official language, which everybody shared, but which was not dominant by anybody. And then he relied on the quality of his people in developing a country based on excellent performance and economic theory that in developing countries, was not popular at the time, which was a free market economy. And when he started, Singapore had a per capita income of about \$700. And currently it has over \$60,000 dollars. And it's one of the more advanced countries in the world. And he based it stressing the free market, stressing excellence of performance, wrecking the corruption system, which had been dominant previously, and developing through his personality an image of Singapore that made him an advisor to many governments around the world. When he came to Washington, senators were lining up for appointments with him, and an appointment with the president was a matter of course. His personality became an important factor. But he never relied on friendship in the traditional sense; his attitude was based on performance. And, of course, he was of Chinese extraction. And he had thought deeply about the Chinese character and culture. But he also was convinced, and he knew that China had a material ability to become a dominant country, but he also believed that



America was needed to create a balance in the region. So, he acted as an interpreter of each country to each other. I was present at meetings between him and the American President, as a matter of course, but I happened to be in China at the same time that he was, for example, during the Chinese Olympics, and I was invited to sit in on conversations he had with the Chinese president. And it was startling to see the wise and restrained and thoughtful manner in which he conducted his role as a kind of mediator, and teacher without ever stressing that point. Because he was, of course, the head of a very tiny country, and he became a world leader based on his capabilities, and on the evolution of each country. So he was unique in my experience. There was no other leader who played that particular role.

HP: Yeah, he was an amazing man. My memory of him comes from a big favor he did me, and it really wasn't trying to do a favor, he did something that made sense for Singapore. Long before I was a CEO of Goldman Sachs, but when I was very involved in Asia, I went to him and made the audacious request that I was going to set up a conservation organization in Asia, and I'd like him to co-chair it with me. And he started laughing, but then he said, "okay." We talked about it, and he said, "If we hold the first meeting in Singapore, I'll do it for only one year. The first meeting has got to be in Singapore." And then he helped us put together a group that had a good number of Chinese leaders and including Wang Qishan. So again, he did that



not as a personal favor, but he really advocated conservation. He thought it was important that China care about the environment. And again, the first meeting was held in Singapore. But, Henry, now let's talk about Richard Nixon. You began talking about him earlier. Your ability to collaborate with him changed the world. You write that in navigating the superpower tensions of the Cold War, Nixon adopted a strategy of equilibrium. Describe what this strategy was and what it aimed to achieve. And talk a bit about your relationship with Richard Nixon.

HAK: As I said before, I did not know Nixon when he invited me to become a principal advisor on foreign policy. And he, of course, knew that I had worked for his key rival. In fact, I told him when he offered me the position that it would be difficult, and I'd have to talk to Rockefeller and think about it. I would think every CEO that I've ever met, who if he offered you such a senior position, and you responded by saying you needed to think about it because you had close relations with his rival would say "I'll relieve you of this burden" and say, "Go to somebody else." But Nixon said, "Take a week." So I went to Rockefeller, and typical of that period, his reply was, "have you considered that Nixon is taking a much bigger risk with you than you with him?" And that settled the issue. And from day one, Nixon treated it as an intellectual problem that had to be solved. And his basic view was, we were in the middle of a Vietnam War that the preceding administration started, and he needed America to



extricate itself from that war in a manner that did not betray the people that we had supported, and that other allies of the United States could respect. But he also, and above all, had to show to the American people a vision of a world order that could be sustained and over a long period of time. And therefore he developed the notion that the NATO Alliance had to be strengthened, and relations with both China and Russia had to be put on a sustainable basis. And it's especially with respect to China, he was convinced that we needed to open a dialogue with China so that each side could assess each other's objectives in a systematic fashion. Now, when he made that proposal, we had no relations with China whatsoever. There were no diplomatic relations, there were next to no economic relations, and there was great hostility. China had fought us in Korea, and it started a series of incidents. But nevertheless, Nixon decided we would try to open relations, which was difficult because the Chinese were in the midst of the Cultural Revolution at that moment, and they were not many, there were not representatives around the world whom you could reach easily. So I won't go through the whole process. But finally, contact was made and relations were developed. And it turned out that the Chinese approach to international relations, based on their own Confucian culture, also at that time led them to some dialogue with the United States, because they had begun to feel the power and potential dominance of Russia. So this relationship developed over months and had the big obstacle that Taiwan had historically been a Chinese island, then was occupied by



the Japanese for a period, had returned to China at the end of World War Two, but China's Civil War divided between the Chiang Kai-Shek group which was there and communist aspirations. And we found a concept to navigate through this, which was based on ambiguity, namely that Taiwan could have an autonomous status. But the concept of One China would not be challenged by the United States. And the implication that the autonomy of Taiwan would not be threatened militarily by China, and this has lasted for over 50 years. And it is now a big issue in the tension that is developing between China and the United States. But the essence of the China policy of Nixon was that neither side would attempt to impose its preferences on the other. And there would always be a dialogue on key issues. And so in pursuit of this, he went personally to China, and he gave me the opportunity to become his chief negotiator. And that policy was continued for 50 years. It was one nonpartisan foreign policy we had, but it is now in grave jeopardy, and China and the United States are heading on a confrontational course which threatens the peace, the world economy, and maybe the future of humanity, given the nature of weapons that now exist. It's an overriding problem of our time.

HP: I tell you, it sure is, and we're going to come back to that, Henry, in a little bit. But first, I want to go to Russia. You and President Nixon developed this strategy of equilibrium, as you've described. And you know, now let's go to today, and in a recent *Wall Street Journal*



interview, you expressed concern that the world is verging on a dangerous disequilibrium with the US at the edge of war with Russia and China. Now, you've talked a bit about China. Let's now talk about Russia. What are the biggest dangers you see emerging from the Russia-Ukraine war? And how do you think that war will end? And what strategies should the US employ? Then we'll go from there. And I'll want to have you talk about China in more detail.

HAK: Let me just add one thing to our previous topic, which is, we defined the equilibrium by a specific instruction to our diplomats to place themselves in such a position that they were closer to Russia and China than they were to each other. So, we always had more options if we pursued that policy. Now, Russia is a different culture, totally different culture from China. China has thousands of years of history. Russia has a few hundred years, but it has been in almost constant conflict with its neighbors. So Russia has the largest land expanse of any nation in the world, but not actually a population adequate to fill it, so that any part of Russia is always threatened in its historical experience by its neighbors. And it has many neighbors. So Russia has - the Chinese conception is that they will basically dominate by their culture, though they're perfectly ready to use force. But it's not their principal instrument. The Russian historical experience is that when they are not physically dominant, they are in potential danger. And the Ukrainian war came out of this perception, and we made the mistake in recommending Ukraine for membership in NATO. Now,



that was a basic challenge to Russia in this sense: Ukraine is a fairly big country, about the size of France and a population about that same size. So they are a potential source of danger in terms of their capability. Ukraine has also had a cultural and emotional relationship so that the great friends of Russian authors like Dostoyevsky have always treated Ukraine as if it were an integral part of Russia. So the immediate crisis occurred because Putin decided to reincorporate Ukraine into the Russian Federation, in which it had been until ~~1989~~ **1991**, and launched a military attack, which was based on a series of misconceptions: one about the relative strengths of China and Russia, no, a misconception not about China but about Russia and Ukraine; one about the division of Europe because he thought Europe would accept it; and third about the extent to which the United States would go in defending. And now we are in a World War One-type situation: two countries arming themselves in the center of Europe for periodic offensives, which neither side seems to be able to prevail on. And at the same time, Russia and the United States, both nuclear countries, are involved in this war. So there is a danger that the war could escalate either with the Russian victory, or a Ukrainian victory, or a defeat of either side, because the other side will then escalate. So it is a war that, on the one hand, is for the independence of Ukraine, which I support, but on the other hand, it's a war between Russia and the United States. And so it's my view that it needs to be settled by negotiations, and it cannot be permitted to



drag on through winter, and then possibly into another year, with all these dangers in front of it.

HP: Henry, it's hard to imagine that we're dealing with that war at the same time we're dealing with a relationship with China that seems to be spinning out of control. And I want to go back to China, and of course, well before Taiwan became this emotionally-charged flashpoint that it is today, well before that, you and I were talking about the fact that the US and China were letting this relationship between the US and China get to a dangerous area where it was spinning out of control. And I'd like now to have you talk about this relationship in more detail. So we can go back to Taiwan, because you've described how this policy was set, why it was set, you played a key role in developing a One China policy with constructive ambiguity that has served the world well for over 50 years. And so let's start there and say, what do you say to those who now call for more clarity around America's position on Taiwan, right? And then I want to move from there, you know, to the extent we can separate Taiwan from this, which I guess we can't, but I want to talk more generally about this US-China competition and what your prescriptions are for how the US should be dealing with China. But let's begin with Taiwan. And you had this constructive ambiguity serve the world very well for 50 years. So what do you say to those who are now calling for clarity around America's position on Taiwan? You said, and I thought it was really quite accurate, that today's US diplomacy is



very responsive to the emotion of the moment. Right. And this seems to be especially the case with Taiwan, and emotions are running high on both sides.

HAK: Taiwan is an island off the coast of China. So in most of its history, it had been under Chinese domination, and most Americans didn't know much about it until this postwar situation developed. It returned to China. And then during the Korean War, it was separated **when the United States placed its navy in the Taiwan Strait**. So now the political issue is that China has insisted on the unity of China, and every country that has established relations with China has agreed, as we have, to the concept of One China. So if you publicly announce that you're going to defend one part of a country that you say is unified against the huge majority of the country in terms of population, in the name of what are you doing it? It's in the name of that island, being separate from China. And so when you clarify the strategic position, you make it more explosive, you don't make it less explosive. The advocates of that position think we can scare China into not engaging in military action. But they haven't engaged in military action for 50 years. So we should keep that status and not break it on our side. So anytime these senior people go to China, to Taiwan, to see the Taiwanese president, they are making the situation more explosive, because they lead to an assertion then of Chinese dominance. So that's the immediate issue. What we, those of us who are saying that should be maintained, are saying, let's work



on all other relationships with China and then see where Taiwan stands when the overall relationship has been settled or calmed. And that's one of the big issues of the moment. Another issue is this, and that is entirely new, and nobody specifically can be blamed for it. When another country develops enormous economic and technical capabilities, in terms of historic strategies, that is a threat to one's own country. The unique aspect of the current situation is that modern technology and modern economics represent an inherent threat, because you cannot conceive a war between two high-tech countries that will not inflict a degree of devastation that will threaten humanity. So the leaders of China and the United States have a unique, unprecedented responsibility of preserving the peace without unleashing modern technology and preserving the peace so that the modern technology can be used cooperatively for the well-being of the people, rather than for conflict. That's never happened before, such a challenge. But what this says to me, from our previous conversations I think you're at the same level, is that we're going in the opposite direction, that we are not understanding the complexity of the modern world. And so there's a danger that a generation grows up on each side, thinking of the other as an enemy. And the world is so complex today that we cannot help interacting. And if the interaction is always on a basis of hostility, it will lead to a dangerous growth of conflict. And that's the big problem in the world today. And it doesn't get better with every month and the meetings that take place between leaders – there's no conceptual discussion of this



problem. It's always about some domestic issue that tries to solve by confrontation.

HP: And, Henry, as you so well understood, that for any discussion with the Chinese to be meaningful, it has to be in the framework of a conceptual discussion, of a strategic framework, right? And that's the key to stabilizing this relationship. And so we tend to look at this right now through a military lens. And, of course, there is no win-win in the military, right? On the battlefield, you either win or lose, it's really pretty dangerous.

I want to move now into technology because, Henry Kissinger, one of the things I really admire about you is your intellectual curiosity. And I don't know any great man that isn't intellectually curious. So here you are, you know, a few years ago, you really delved into artificial intelligence. And last year, you co-authored a book called *The Age of AI and Our Human Future*, in which you argued that artificial intelligence is changing the course of human history. And of course, what do you think that the biggest challenges emerging from AI are? And what are the most promising opportunities? I'll tell you one anecdote. I was talking with someone you and I both know well in China a number of years ago, Wang Qishan, and, you know, I asked him about AI. And he said, "have you read Henry Kissinger's paper on AI?" And I hadn't read it yet, and I said, "Henry Kissinger wrote a paper on AI?" And Wang Qishan gave it to me, but in any event,



because the Chinese leaders are reading it, and they saw it very much the way you did. So talk about artificial intelligence, and how it is changing the course of human history. What are the dangers and the challenges and what are the promising opportunities?

HAK: The extraordinary aspect of artificial intelligence is that we have in our generation broken through what seemed to be the limits of human intelligence in the past, that is to say, that there used to be thinking and there used to be machines. But now, we are capable of creating instruments that can assist in thinking, and as they develop, can think for themselves. So that the tools that we create become partners, and their activity affects our perception of the world. Historically, the origin of religion has been an attempt to interpret a greater universe to a limited capacity to understand all its aspects. But now, there are breakthroughs that have been developed, for example, it is possible now, there are machines, to which you can give an opening two sentences, and they can write a paragraph on it or a chapter. Now, that creates two problems, because on the one hand, of course, you can do it. But what you don't know is what you would have done if you hadn't had that capability, so that the nature of reality is changing. Right now, these artificial intelligence instruments, when they're used in the economic world, they're tremendously helpful because they speed up decisions, and, and all of this. But the impact on the human mind that now is relieved of having to figure this out by himself, over a period of time will be



altered. So that is the problem that bothered me after hearing a lecture on the subject. And that's why I invited Eric Schmidt and ~~John~~ **Daniel** Huttenlocher, who are distinguished scientists on the subject, to join me and see what we could work on. And in the political field, it is the challenge that I mentioned before, which is that you cannot rely on conflict to solve your problems, certainly not among great powers, and all of this has to be rethought. But when a similar thing happened in the Age of Enlightenment, 500 years ago, there was a philosophic tradition that could go with it. In our world, the great inventions are made by technologists, not even scientists always. I'm not offering an answer to all of this, but this is what concerned me. In this book that we wrote, they're now coming out a year, less than a year later, with a paperback edition that has, to which we added a chapter of what has happened in that year, technologically, and it's mind boggling. So this is the projection of which we are, but it's mostly handled by technologists. And this book was a call for some philosophical perception of this new world.

HP: I think, looking at it with a big picture, the major question for humanity is: is technology changing and moving quicker than the human race's ability to manage it and understand it? And that's the issue of our time. And one of the things that you brought out is it's very, very important we figure this out ourselves. But we also need to work with China and other major countries in this area. So, Henry, this has been terrific. But I'd like to end with asking you what advice



can you share with our younger listeners? How can they navigate their lives and careers in this increasingly tumultuous world we've been discussing? What advice do you have for them?

HAK: I'm struck with the fact that the younger people I meet are very career-focused, and they think they can plan their career from their earliest period. I'm not saying, but in my life, if I had planned my career, I would have been a failure because I would have been premature at many stages of my life. And so I think it is important to dedicate yourself to something that you consider significant and not whether it helps the career or doesn't help the career so much, but something to which one can dedicate oneself. And that gives emotional security as one goes through it, because one increases one's capacity. But so many of the young people now are so obsessed with whether they are succeeding already. They don't know whether they'll succeed because they don't know where the needs are, and they ought to be in a position to respond to emerging needs by having a broad enough vision so that they can be relevant. But that's all, this advice is based on one's own life. But that seems to me the overwhelming necessity, to stay flexible enough and broad enough so that you can recognize what is essential. And once that's achieved, and a man like Lee Kuan Yew, he had taught himself what was essential. And then he inherited an impossible-looking situation and turned it into an enormous opportunity. Now, not everybody will



be able to do that. But that's the direction in which I think one should plan one's life.

HP: Amen. That's a great note to end on. Henry, thank you. This has been a tour de force. You've been an extraordinary “thought leader” and a difference maker throughout your career. And it's an inspiration to me and so many of your other admirers that you're not slowing down one bit. So thank you, Henry.

[Closing] You've listened to straight talk with Hank Paulson, a podcast at the Paulson Institute. To find more episodes from leading thinkers and doers, please visit PaulsonInstitute.org/straighttalk or download on Apple, Google Play, Spotify, and Stitcher. And don't forget to rate and subscribe. Thank you for listening and see you next time.

