Talks at GS Zalmay Khalilzad

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Amb. Zalmay Khalilzad: We're having a real problem in dealing with Russia, the declining power that is having a hard time adjusting to that.

Sharmin Mossavar-Rahmani: Hello, everyone, and welcome to Talks at GS. We're thrilled to have Ambassador Zalmay Khalilzad, who's an Afghan American with 40 years involvement in American foreign policy. His first it was actually advising the state department on the Soviet invasion of Afghanistan. He also was involved as an advisor for the Iran-Iraq War.

So starting with Afghanistan, then many stints in many parts of the government, including a stint in the department of defense in policy planning. He has been ambassador to the United Nations, to Iraq, and to Afghanistan. And his last stint was from 2018 to 2021, negotiating with the Taliban in terms of a peace settlement as well as how to exit Afghanistan.

Thank you very much for being here.

Amb. Zalmay Khalilzad: Great to be with you.

Pleasure.

Sharmin Mossavar-Rahmani: If I think of your 40-year career, you had started with the first part of the bookend, in effect, was starting as an advisor with the Soviet invasion. And your last stint was involved also with Afghanistan, with obviously lots in the middle. The Watson Institute at Brown University has this study of the cost of war. And they estimate that the cost to the United States of the war in Afghanistan was \$2.3 trillion and about 250,000 people dead from not just obviously American forces but civilians in Afghanistan, opposition fighters, other allied military people.

What was actually achieved in Afghanistan from this war?

Amb. Zalmay Khalilzad: Well, the cost that you refer to was one of the reasons that both President Trump and President Biden wanted to end it, to end the war, that it was too expensive and that the world had changed. The

priority that was Afghanistan after 9/11 was no longer that. And that great power or relations, the rise of China in particular as a challenge to US role in the world in the aftermath of the Cold War was coming under pressure.

Afghanistan and Iraq was part of a thinking that maybe we could transform the whole region because 9/11 had been a product of the dysfunctionality of this broader region from Pakistan to Morocco. But that in fact we were not succeeding in that effort of democratizing, bringing Afghanistan and the region into the zone of democracy, peace, and prosperity. The Afghans weren't getting along with each other. Corruption was high. Elections became more and more problematic with each cycle.

So I think it's fair to say what was achieved was two. One, that terrorism, I think we established deterrents. The Talibs know and that we take it very seriously, and they have paid a huge price. So I think they will think twice to go back to allow al-Qaeda or another terrorist group to plot and plan from Afghanistan against us.

And second, we did transform Afghanistan. It's a different country. Afghans on average live longer, more connected.

The young generation, which is most of the population, are a product of the American encounter with Afghanistan. I think this is what the Talibs do with them what they do with the Talibs, although there's quite a number is left, but most overwhelming majority are still there. Those are the two things that were achieved, but it was ultimately, in terms of what we wanted, was a failure.

Sharmin Mossavar-Rahmani: In terms of whether terrorists will establish a stronghold there again, Sir Alex Younger, former head of MI6 and a regional advisor for Goldman Sachs, has said that we have to make sure the West doesn't turn its back on Afghanistan like it was done in the late '80s when the Soviets left, both in terms of what happens to the population as well as in terms of terrorists. So what is the US actually doing on both those fronts?

Amb. Zalmay Khalilzad: Well, I agree with that advice. Very prudent. We did turn our back on Afghans after achieving together something we didn't expect to achieve in the 1980s. And for a long time we weren't paying attention until al-Qaeda emerged and a terrible price Afghans paid for that war against the Soviets. So that is a lesson that has stayed with me.

And so what we are doing is, one, I think we are monitoring the situation closely in terms of terrorism. I think we have assets in the region kind of over the horizon. Not as much as we would like. Our ability to monitor has degraded with not being in Afghanistan.

Second, which is a challenge we haven't come to terms with since we have withdrawn our embassy, what to do with the Talibs. That still is a big question. Do we embrace them? Or do we isolate and pressure them to do the right things on human rights, women's rights, and on inclusivity? I think that challenge remains, and we haven't found a way to -- I think for now, engagement is there but presence in Afghanistan, embracing the Talibs, moving towards recognition is not on the table yet.

Sharmin Mossavar-Rahmani: Initially, they had made statements that they would allow women to be educated. They wouldn't go back to whatever medieval century they are operating in, in many regards. So what is your outlook? What is a way that that will change? And how do you think about their ruling over all of Afghanistan? Or do you think there's always going to be a bit of a failed state

with different groups behaving?

Amb. Zalmay Khalilzad: It looks like heading towards being a failed state at this point. They are working on having a grand assembly of the leaders of areas -- communities, tribes, religious groups, political groups convened. That's the way traditionally Afghanistan had decided. We'll have to see how representative that will be. If they don't move towards inclusivity but maintain, they gain power after a lot of sacrifice so that they should be awarded for that and keep things to themselves and give them more extreme clerics and not all Talibs agree with girls not going to school, high school, for example. Some of them have spoken quite forcefully.

So where it will come out on inclusivity and on rights will affect them internally and internationally. And right now, one cannot be optimistic, but there is a rigorous debate inside the Taliban on this issue.

Sharmin Mossavar-Rahmani: And if it's a failed state, is there a higher risk of terrorist groups actually establishing themselves and being a threat to the West?

Amb. Zalmay Khalilzad: I think that the two go together. You're right. And that's why it's not in our interests for it to be a failed state, and that's why, although it will have costs, one would have to look among choices that you make whether we should be looking at a grand bargain with the Taliban that, if they did this and that, we will do this. This is the unfinished part of the Doha Agreement that I signed on behalf of the United States. There were things that they committed themselves to and things that we committed ourselves in return. Parts of it were implemented. Parts are not.

So I've been, from the outside, advising that we need to go back and tell the Talibs, "Let's finish the unfinished business." But I think politically it's been very difficult for the administration to move forward with the idea of a grand bargain with the Taliban. That's not very popular. The decision to withdraw was a difficult decision, but it was done for reasons that I described. And imagine if we were now in Afghanistan with what's going on in Ukraine, given our assistance to the Ukrainians, which I support, but the Russian option they would have had would have been to unload a lot of weapons to give to it the Taliban to put pressure on our forces in Afghanistan. So that wasn't part

of the calculation for getting out because no one anticipated that what's happening in Ukraine would happen and what we would do in response.

But the emergence or the emphasis on great power competition was one of the underlying factors for the desire to withdraw forces from Afghanistan.

Sharmin Mossavar-Rahmani: You mentioned Ukraine, so obviously it's a good time to pivot towards Ukraine. Lots of commentators have said that the somewhat disorderly departure from Afghanistan actually put the US in a weakened perception, at least the perception was that the US was weakened and that has emboldened the Chinese and the Russians. And maybe the Russians wouldn't have even attacked. What is your view of how the US is now perceived because of the departure and the way it was done in Afghanistan?

Amb. Zalmay Khalilzad: It is possible that Putin may have thought that, but it clearly has been a miscalculation if they thought the Americans, given Afghanistan and the way it ended, the president is a weak president, Americans are kind of disillusioned with kind of wars, they will stay

out, NATO is divided. It sort of shows a great resolve on the part of the United States, has brought NATO very much together, and it even may be further expanding.

So now of course a terrible situation for Ukrainians. It would have been better for this not to have happened because we are having a real problem in dealing with Russia, the declining power that is having a hard time adjusting to that. That is nostalgic for times past when Russia was an empire, and Ukraine is particularly important in that vision and that nostalgia. So they're in a difficult situation, and I'm sure uncertain on what to do in their different advisors are advising Putin. I'm sure they want different courses of action.

Sharmin Mossavar-Rahmani: One of the concerns for everyone is what is Putin's next step? You mentioned that obviously not being able to get Kyiv but also not making as much progress as he thought in the sort of eastern parts of Ukraine. What is your outlook in terms of the different paths? What's the probability you would assign, especially to the risk of any kind of sort of tactical nuclear attack?

Amb. Zalmay Khalilzad: Yeah. Well, I hope that my

wish and hope that he will look to a negotiated outcome, but I fear that he might escalate before perhaps considering that, given how important Ukraine is and, as I mentioned before, to Russians, the Russian psyche. And among the options for escalation, as of course more forces are to be brought in, but also perhaps escalate by attacking conventionally one of the NATO members through sort of raise risks of a broader war and therefore affect European calculations and the calculation of others not to provide the level of support which has been provided and even grow further. And the other part form of escalation is use of nuclear weapons in Ukraine, against a NATO member, or even a strike against the United States.

Of course an attack on the United States would be the most dangerous because it will result in a massive response likely. And NATO similarly would be risky. So if it goes to a nuclear scenario, my judgment is it's going to be against Ukraine out of interest and risk calculation and perhaps an unpopulated military target. But no one can be sure about what's going on in Putin's head. It may go through stages that perhaps initially escalation in Ukraine itself and then reassessing against the European state, non-nuclear reassessing, and then perhaps a tactical use

in Ukraine and reassessing. So there are grave risks and uncertainties with regard to Ukraine in the coming weeks and months and perhaps years.

Sharmin Mossavar-Rahmani: Our various external consultants we talk to have given us a probability as low as 2.5% for anything nuclear to as high as 15%. You think that general range is reasonable?

Amb. Zalmay Khalilzad: I think so.

Sharmin Mossavar-Rahmani: As a low probability event?

Amb. Zalmay Khalilzad: I think it's a low probability event but high risk, so you can't dismiss it. And the fact that the Russians are discussing it, even in the kind of high-level elite members -- of course we don't have access to the inner circle that really advise and have a say. But I think you can't dismiss it because of the potential risks.

Sharmin Mossavar-Rahmani: Former Secretary of Defense Ash Carter has said that sanctions are not as effective. They're definitely not a deterrent, and sometimes they're half-hearted. So as we think about the sanctions,

do you think they could work as a deterrent in terms of anything nuclear or not really? And do you see them evolving where they're much more serious in terms of oil and natural gas and secondary sanctions against other buyers like India and China?

Amb. Zalmay Khalilzad: Right. Well, I think sanctions or at least a threat of sanction did not deter because we had a lot of discussions about the sanctions before the attack. The president said many times that he has communicated to Putin that there will be sanctions the likes of which the world hasn't seen before, and he may have been specific in his conversations as to what he had in mind. That didn't obviously work. There was a perception that the hope and that that would be sufficient, but obviously it didn't turn out that way.

Now, sanctions can affect Russian relative capabilities. I think one area that they could affect is its economy, its production of things. Even to some degree a brain drain also that's taking place. So I think I can't see it affecting by itself Russia/Putin from not taking actions to discouraging from taking actions that he regards vital for Russia, but it would punish Russia and weaken it over time. And I see

that they will lose market share already with regard to weapon sales, for example. I think that their weapons have not performed as well, so we will probably get a bigger share of the international weapons market.

And Russia being able to provide on the contracts that they've already signed I think is going to be very problematic. They may come under pressure as they weaken in areas where they are now relatively stronger. And the economy itself I think already has declined. Could decline further. But I agree with Secretary Carter, as a deterrent on vital issues that countries really care about, the record is not very encouraging. But it doesn't mean it cannot impose severe costs and punishment and have effects that over time could lead to instability, to problems for the target country that they may not take seriously at the beginning. And even if they did, they were willing to run that risk because of what's at stake otherwise.

Sharmin Mossavar-Rahmani: One of the results of the Russian invasion of Ukraine has been higher oil prices and even higher natural gas prices. So everybody's looking to see if the US will actually reach some kind of agreement with Iran because of the margin that's additional oil

production. What is your view if whether a deal will be reached? Or will the Iranians try to negotiate too hard?

Amb. Zalmay Khalilzad: Sure. Well, the oil producers are doing well from Saudi Arabia to Iraq. The income has jumped up significantly. And I think the administration was seeking an agreement with Iran for its own reasons on the nuclear issue. But certainly, if there is an agreement and Iran can supply more oil and more gas, including through Turkey to Europe, that would help.

Sharmin Mossavar-Rahmani: I read this very interesting book you had helped co-author with Air Force, and lots of the things you had talked about have actually come out to be true in terms of China's more aggressive posture towards Taiwan. As you think about China and now seeing how they came out with the statement at the beginning of the Beijing Olympics, where do you think US-China relations go, given that it seems that the US was much more optimistic that they would like the world order that the US had established and now it seems that they want to establish themselves as a major power?

Amb. Zalmay Khalilzad: Well, China is a different

challenge. The rising power that wants to become the world's preeminent power. We became the world's preeminent power after the collapse of the Soviets, our rival. And they would like to displace us as the preeminent world power. I think that we took our eyes off the ball after the collapse of the Soviet Union with regard with China, which is the logic of us embracing China was because we believed -- at least Dr. Kissinger believed that we were losing ground to the Soviets in the Cold War with the aggressiveness they displayed in Afghanistan and Africa and some other parts of the world.

And when he saw with President Nixon that there was a Sino-Soviet conflict and fighting, that this might be an opportunity to get another balancer with regard to the Soviets. And that led to not only an apportionment but also a huge benefit to China of developing economically with a lot of American capital and know-how, making China the kind of production capital or country of the world, being where manufacturing sort of moved.

And the logic changed because the Soviet Union no longer. But then we thought that perhaps the economic progress, prosperity would lead to democratization. That was the theory that was very dominant, and now that has proven not to have been the case. And only recently in the last two, three years we've become aware of it, although this thing has been going on for years. And so that's risky, too. A declining power as we see in Ukraine can present a serious challenge. Rising powers and the shift in the balance, unless we can reduce the speed with which they have been moving, can lead to conflict as well.

But I believe that China was the beneficiary of what happened in terms of 9/11 because we got people like myself worked hard in the '90s to get smart about China because we saw the end of the Cold War. Now, China is the emerging challenger that we would maybe be heading towards another bipolarity. But all of us then shifted to focus on Afghanistan, Iraq, and that region, and sort of China kept going. And there is a risk that Ukraine could also have that effect if it becomes a protracted conflict and that we will have to have more forces, more tension and involvement again in Europe, given the limited resources, time of the president included, time of the other leaders, that China could benefit once again from that.

That's why I believe that, as we do Ukraine, whichever way

we want to do it in a better, burden-sharing way, that we keep the principle. Mao Tse Tung had a saying which is that among many contradictions there is one that is the principal contradiction that affects all others. And I think that the US-China relationship/competition is that principal contradiction, if I could borrow from Mao Tse Tung. And that we need to make sure that we don't forget that and that we keep the Europeans encouraged to do most of the burden of what's going on in Ukraine other than the ultimate issue of a threat that there's a bigger conflict, god forbid, nuclear that involves the Russians.

And I fear that we already may be doing a lot more than the Europeans are even with this renewed commitment that they have made. So this is an issue that we need to be maybe focused on in the right and balanced way, remembering China.

Sharmin Mossavar-Rahmani: With China's fairly aggressive posture through the One Belt One Road where they've actually taken over ports, an example is Djibouti. We talked about it a little bit earlier where they've established a military base right at the mouth of the Red Sea. All the transport that goes through the Gulf of Suez.

We think of all the things they did on the islands in the South China Sea. They said they were not going to be for military; they're all military bases now. So what should the US actually do given the much more aggressive posture? And what is the likelihood of some kind of engagement with Taiwan, given that everybody in China thinks Taiwan is part of China?

Amb. Zalmay Khalilzad: Well, the Chinese challenge is quite comprehensive. It is not only territorial, basing access contestation. It is technology, which is kind of its own geopolitical space now, from digital, 5G, to hypersonics, to chips that they're trying to -- Taiwan produces the world's best chips. Imagine if it took over having, you know, stealing technology, incentivizing big American companies to share know-how using the power of their huge market that they have.

And minerals and for the new economies, green energy and Africa, the DOC, other places. But also Afghanistan may be an area of interest for them. So we need to be able to compete across a range of things. We may be behind -- imagine that -- in technology with China on some specific things. There are disagreements even in the Arab. People

are watching these things closely.

But the fact that there is disagreement that they may be ahead on some things, maybe not, but not for sure, it shows how the world has changed. And the challenge of China is quite different and the challenge that Russia poses is a one-dimensional really challenge essentially, I would say. But China is kind of a huge challenge across the board, and they need to deal with these things. There may be need for new kinds of partnership between the government and the private sector to successfully deal with it. And it's hard, I know, because what drives private companies may be not the same as what the government is supposed to do.

But we have to maybe think of creative ways because the challenge is so big that the government alone may not be able to deal with all the demands that it faces, and maybe we have to think in new ways. They have a comprehensive, as I said, strategy for undermining the US both geopolitically, territorially, technology, at home. And so I don't think we quite recognize its seriousness all across the board, as you described.

I have talked to companies with regard to producing chips, for example, high-quality chips that will take a huge effort to do. I think that now the government is putting some money aside. I don't know whether that will be enough to do what's needed. We may have to defend Taiwan, if nothing, for the chips capability. But in my judgment, we have a big challenge ahead of us. Very different than the Soviet challenge because we have so much economic interests in China that may have its impact in terms of distorting our ability to see the threat as it really is. So I am concerned about that.

Sharmin Mossavar-Rahmani: Obviously the big question for everybody is, if China were to attack Taiwan -- and Secretary Carter had said right now they're not actually capable to do that from the perspective of their navy being strong enough to be able to actually take over, physically take over Taiwan. What is your view on the likelihood of something in the next five years, ten years?

Amb. Zalmay Khalilzad: I think China is quite determined to acquire Taiwan, and therefore it's a vital concern. Now, some would say, given the balance of interests between us and them, when push comes to shove,

would we go to the defense of Taiwan because they would be willing to run, the Chinese, more risks for Taiwan?

Secretary Carter obviously is authoritative on this issue, but my judgment, it depends how the war, should it start, would evolve. There is some degree of unpredictability to it. Certainly Taiwan, there are lots of Chinese missiles that can reach Taiwan and that perhaps would try to keep us at bay, and there is a degree of unpredictability.

Sharmin Mossavar-Rahmani: Ambassador Khalilzad, thank you so much. We really appreciate it.

Amb. Zalmay Khalilzad: Thank you.

Sharmin Mossavar-Rahmani: I think we've covered every corner of the world.

Amb. Zalmay Khalilzad: Thank you very much. Thank you. Great to be with you. Thank you.

Sharmin Mossavar-Rahmani: Thank you. Thank you.

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