

Rethinking U.S. Security: *Navigating a World in Transition*

Keynote address:
The Asia-Pacific Century

Keynote speaker:
The Honorable Dr. Kurt Campbell
Assistant Secretary of State for East Asian and Pacific Affairs

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NATHANIEL FICK: Now it's my distinct pleasure to introduce this morning our lead-off speaker, my predecessor as the CEO of CNAS, a public servant whose vision and effort have shaped American policy in East Asia for nearly four years from managing major changes in Burma to responding to a mammoth catastrophe in Japan, to most recently dealing with issues of extraordinary complexity and nuance in China, the assistant secretary of state for East Asia and Pacific Affairs, the Honorable Kurt Campbell. Kurt, welcome. (Applause.)

KURT CAMPBELL [Assistant Secretary of State for East Asia and Pacific Affairs]: Thanks so much, Nate. Well, let me just say how unbelievably relieved I am that the quote of the day has already been taken, because you always worry that you're going to be the one that has that quote. So congratulations to whoever that was.

Let me also say I had a small role to play at the outset of the start of the Center for a New American Security, and to see what they have accomplished over the last several years is truly remarkable. I'd love to be able to say that we helped with the foundation and some of that stuff. The truth is this is owed primarily to a couple of people who have worked unbelievably, diligently, and hard. I want to just give a quick thank you and a shout out to the gentleman you just heard from, Nate Fick, and a thank you for all that he has done to build this institution. (Applause.) And it's great to be back.

And I want to say a special thank you to my partner when I started this institution, Michèle Flournoy, and also several people in the crowd today that played a role at the outset: my good friend, Tom Laguerian (ph) from Idaho, Anne-Marie Slaughter from Princeton, others who helped us and inspired us to build something new and different which is an incredibly challenging thing to do, particularly in a tough town like Washington. But to see what they have accomplished and the agenda that they have going forward is remarkable.

I'm here to talk to you a little bit today about a subject that came up repeatedly last week during Secretary Panetta's very important visit throughout Asia. What we have heard over the course of the last several months, last couple of years, is that, yes, the United States has now begun to spend more time focusing and thinking about the Asia-Pacific region. And there is a recognition that the lion's share of the history of the 21st century will indeed be written in the Asia-Pacific region.

The question has been in the past perhaps, will the United States have the wit and wisdom to recognize that we have to focus on this critical region. The question that we are addressed with more now than perhaps in the immediate past is that now that we've taken more steps, now that we've engaged more deeply in the Asia-Pacific region, can that be sustained? Can we sustain a high level of operational engagement that spans every aspect of societal engagement, not just military, not just civilian, but trade, people to people,



everything. Are we able, given some of the challenges that we will face, to sustain this into the future? And what I want to do today is to lay out what I think are the elements that are going to be necessary for us to be successful as we go forward. And I'll try to go through that quickly and then I'll be pleased to take some questions from the crowd.

Let me just say that at the outset, some of the questions that we hear – and I travel a lot, spend a lot of time in Asia – are about issues associated with challenges that we face with respect to the budget or American economic capabilities. But overall, beneath the surface, there's actually quite a lot of confidence about the United States and our ability to respond to challenges.

Remember, Asia in particular has seen this story before. There was a lot of discussion at the end of the Vietnam War that the United States was out of Asia, would not be able to sustain our leadership; at the end of the Cold War, a similar dynamic. And then, in the last couple of years, when we have been fully and fundamentally engaged in our challenges in the Middle East, questions about whether we would be able to sustain a high level of engagement.

All I can tell you is that people who have bet against the United States in this set of challenges have lost a lot of money. And I think there is a broad and profound recognition that the United States has enormous capabilities and that those capabilities will be demonstrated over a period of decades, not just years.

I think the real issue at the core of concerns in Asia is whether a bipartisan commitment can be sustained in terms of a forward presence and a strong engagement in the region as a whole.

And one of the things that I'm proudest of, if you look at Asia policy over the course of decades, it is that it is profoundly bipartisan. And one of the things that we have found as we've engaged over the course of the last several years is some of our strongest partners are our colleagues on Capitol Hill – Senator McCain, Richard Fontaine's old boss, many others – Senator Lugar – who have played a long and historic role in underscoring American commitment to the Asia-Pacific region.

And so I believe one of the most important things that we can do is to build that consensus, even in a period in which almost every issue is fought and ferociously debated, but that on the key principles there is a strong bipartisan commitment about a need to continue our engagement in the Asia-Pacific region.

The parameters of that will have to be discussed. There will be questions about what area to focus on more, what area to engage upon less. I think that's perfectly appropriate. But what our Asian colleagues want to see is that our focus is bipartisan and



that when we discuss these issues that we do it in such a way that demonstrate national strength and not a divisiveness. That will be enormously challenging on issues associated with trade, on China, on military issues, but I believe it is within our grasp to construct a deeply bipartisan commitment in terms of forward engagement in the region as a whole.

A second issue that I'd like to discuss is if you compare, for instance – and this will seem a little bit wonkish, but it's important – one of the things that when you come into government you're struck by is how much of the time of the senior most officials is taken by institutions that have been developed over decades. And most of those institutions are actually in the European arena. So there's an enormous number of meetings that people are going to. It sustains sort of the biological clock of government. You always know when you're supposed to be in certain meetings. And those meetings drive an agenda. They drive progress. They drive forward momentum.

For decades, it was the attitude of the United States government that it is our flexibility that gives us our abilities to be most effective in the Asia-Pacific region. But I think what has dawned on many over the course of the last several years is that for us to truly be effective, that we need to sustain those opportunities for regular high-level engagement between not just our treaty allies, but a whole host of countries in the Asia-Pacific region. And it's the regularity; it's the predictability of that agenda that in fact drives the kind of progress on sometimes very mundane issues that reminds people of our overall engagement.

So just a couple of years, you could have looked at the broad engagement of the Asia-Pacific from the United States and see only a couple of countries where you have regular meetings that are on the schedule.

But now, what we've attempted to do is to put in place, with virtually every country in the Asia-Pacific region, a set of predictable engagements that drive our agenda, whether it's on issues out of area and how to work together in the Middle East or South Asia, or profound issues associated with dealing with climate change, or the really challenging issues associated with military modernization in the Asia-Pacific region.

But that institutionalization at the level of our bilateral relationships is one of the most important things that we can do over the course of the next several years. And to keep it in train so that it's not just one off, but to explain that these will be things that will be sustained over time.

Now, I cannot lie that these engagements are not for the faint of heart. I sometimes interact with my colleagues who say, oh, my God, I had an incredibly difficult five-hour flight and long meeting – I mean, if you're going to do this, get ready for really long, difficult, challenging trips and engagements. And that's what it's going to take to be



effective going forward. Asian friends expect us more than anything else to show up. So just being at the meetings, just being there for high-level dialogue is as important as anything else that you can imagine in the Asia-Pacific region.

A third issue I'd like to just spend a little bit of time on is something that when we talk about our ticket to the big game, what gives us our sway in the Asia-Pacific region – clearly our security presence and our commitments are enormously important – but really what Asians look to us for is being a voice, an optimistic, engaged trade and economic partner in the Asia-Pacific region.

In the last couple of years, that has been challenging given some of the things that we faced at home. But, in the recent past, we passed the Korea Free Trade Agreement very effectively and negotiated by the previous administration. That trade agreement, to the surprise of some, passed with a much higher number of voters in Congress than many would have anticipated, suggesting I think that there is a belief and a recognition that for us to be effective in the trade and economic space, that we have to be out there, particularly during a period where the number of trade and economic understandings in Asia are growing exponentially.

We are currently engaged in what is an agenda setting initiative, the Trans-Pacific Partnership and I think that's going to be very important. But, in addition, one of the things that we will have to do as a nation is to take very effort to support really more than anything else American exporters in the Asia-Pacific region.

So if you look, for instance, at a list, for instance, of the “Fortune 1,000” companies, companies that make their business from high-tech to every kind of imaginable product – agricultural, medical, you name it – because the American market has been so robust for so long, many companies haven't had to think about exports until relatively recently. But with the largest growing middle class really in the world in the Asia-Pacific region, we're going to have to sustain exports for us to be both leading and sustaining economic prosperity here at home.

But what's striking if you look at these top companies is how much of our engagement economically comes from the very top tier of those companies. It does not extend below in the fashion that one would anticipate and that one would like. And so I think one of the challenges going forward is to encourage that kind of engagement, particularly for exports, not just in China but across Asia. That's very difficult for companies, particular mid-cap companies that have to make an investment in people, in time. It's often challenging to try to build markets. It takes a couple of years, but how we in the U.S. government and others can work to support that effort I think is going to be critical over the course of the next several years.



Some have suggested that in the 21st century that the alliances that the United States built after the Second World War are somehow antithetical to the new institutions, new capabilities that have been developed. Personally, I could not disagree with that more.

I believe that at the same time that we have to build stronger engagements – and I'll talk in a moment about multilateral frameworks like the East Asia Summit, the ASEAN Regional Forum, which sound like almost an alphabet soup of organizations – that really the foundation of our engagement has been and will continue to be our strong alliance structures.

And these alliances, particularly Japan, South Korea, Australia, but increasingly the Philippines and Thailand, that to maintain these strong alliances with countries that share our values and our views on so many things gives us a platform to do so much in the Asia-Pacific region.

And even though some of the politics in these countries are challenging and that are alliance actually has been in many of these countries the subject of domestic debate, sustaining them, working on them. And it was the metaphor of George Schultz, one of our great secretaries of state, who's made enormous contributions to our understanding and our work in Asia, liken the role of a diplomat in Asia, particularly with regard to our bilateral engagements, our bilateral partnerships, security partnerships, as really tilling the garden.

Some of the work here is not terribly sexy – the length of runways, what time jets take off, various issues associated with status of forces – but they are the essentially grease that oils the wheel of our engagements with these critical countries.

And so for us, I think one of the most important elements of our bipartisan commitment is a recognition that these alliances really form the basis of everything that we seek to do, and they will, going well into the 21st century, it is inconceivable that we can be as effective without these strong alliances.

I will say that one can expect also that they are not always at the – start Q&A? Can I keep going on or do I have to – is that for me? Okay. All right. I was looking. (Laughter.) Okay. So the way this works, if I talk longer, then I have to answer lesser questions. So just so you know. (Laughter.) I'll go as quickly as I can. Thank you for that reminder though. I sort of forgot what I was saying there.

Not every alliance will be at the high point. We will go through ebbs and flows, but that commitment is going to be important going forward.

In addition though, it's not enough. We have to also work very hard on enhancing a number of relationships in the Asia-Pacific region, and you will have seen from the visit of



the chairman, from the secretary of defense, from Secretary Clinton that we are working with a number of other countries to deepen those relationships: Indonesia, really the emerging leader of ASEAN; Vietnam, clearly desiring a better relationship with the United States, countries that for decades had very close relationships with the United States, but over the last 25 years almost nothing at the strategic level – New Zealand. So we've worked to try to broaden, bring in other countries, work with them closely, share our agenda for multilateral engagement. I think that has been effective and will be sustained.

But there are a couple of particulars that I'd like to focus on, and one is India. Some of the work particularly that CNAS has done on the Indo-Pacific concepts, how to think about an operational concept that links sort of the two great oceans of the 21st century, remarkable.

I cannot recommend a book more than *Monsoon*. Bob Kagan's book is just remarkable and it is something that I urge all of you to take a look at and think about it. Did I say – given the right name? Kaplan. Yes. Sort of like the same. Bob Kaplan. They're both great. (Laughter.) I guess that could be the quote of the day. Sorry. (Laughter.) Sorry. Sorry.

So thinking about India's role in the 21st century and helping to support this low-key strategy so India works more with us in a variety of endeavors in the Asia-Pacific region is enormously important. And let me just give you a hint about something that we're going to seek to do this summer at the ASEAN Regional Forum.

If you look at every area of consequence that the United States has been engaged in – whether it's in the Maghreb or Iraq, Afghanistan, the Cold War, everything – what it is involved, has been a deep, sustained, important relationship and partnership with Europe.

What is the one area where there is remarkably little engagement and dialogue between the United States and Europe? Really Asia. And the truth is with Asia's rise, it is not just important for the United States. It is remarkably important for the E.U. And so what we have been trying to work on and what we're going to need much more help on over the course of the next several years is building a much deeper engagement with Europe about how we see, how we work together on trade issues, human rights issues, political developments.

And I'm very enthusiastic. Lady Ashton will be at the ASEAN regional forum. We will have a meeting with Secretary Clinton, and we have a specific set of agenda that will articulate a vision for how the United States and Europe will work together going forward.

Let me also say that the most important country, the most difficult challenge for American foreign policy will be how to sustain a strong, robust relationship between the



United States and China. And in many respects, this is more challenging than any other bilateral relationship we've ever had, much more complicated, much more sophisticated than the relationship between the United States and the Soviet Union.

And, in fact, even those who would compare the two miss a fundamental I think quality to the relationship between the United States and China. There are many areas that we work closely together on. There are going to be areas that we struggle continually on, whether it's on trade issues, on human rights and the like, but we do not have a choice.

The most important recognition for American foreign policy is that we will need to be involved in a sustained effort to work together in the Asia-Pacific region. And that really is our destiny. And if you ask most countries – in fact, almost all countries in the Asia-Pacific region – what are the two things that they want – number one, most countries in the Asia-Pacific region, in addition to wanting a good relationship with the United States, need to have a good relationship with China. It is essential for them. This is not a matter of geostrategy. It is a matter of geography.

But in addition, what they want is for the United States and China to work together. They recognize that there will be competition. There will be times where we will have intense engagements, but they want the United States and China to have the wisdom and the maturity to work together, to work through our problems, and to find a joint prosperity in the 21st century. And I believe there is a strong commitment to do that going forward.

I'm going to just conclude with a couple of things, then I'll be happy to take some questions as we go forward.

The other issue that's going to be important for us going forward – and, again, I will compare and contrast with Europe. What Europe built after the Second World War is a number of institutions that have played a remarkable role in sustaining dialogue and prosperity.

One of the things that we are now basically at the early phases of is a similar process in Asia. Asia has a huge number of institutions, almost all of them with relatively shallow roots. The key will be not to create those institutions so much, but hopefully see a few of those institutions put down much deeper routes, much more sustained and effective engagement.

For us, the United States last year joined the East Asia Summit. President Obama went to Bali as the first U.S. president. We will have our second meeting later this year. The ASEAN Regional Forum plays a critical role in discussions around a whole host of issues, including the South China Sea and maritime related issues. And there is now a building number of institutions that bring the defense ministers and the military chiefs from



Asia together, building these institutions, formal multilateral institutions is going to be one – of which the United States is an active member.

I think in the past, some of the time we would say, well, look, if you want to meet without us and go ahead and talk about issues, no problem. I believe that it is profoundly in America's interests to be – when important issues of trade, economics, national security, are discussed, I want the United States at the table. We need a seat at those tables. We want to be engaged and we want to make a major investment. And that's going to be important as the region begins to build the kinds of norms and manner of engagement going forward.

I want to compliment some of the most important work that have been done on this has been done by Anne-Marie Slaughter at Princeton, the Princeton Project, other – so thinking about how institutions like this are created over time.

In addition to these multilateral engagements, we also need to recognize that what we might call mini-lateral engagements, smaller scale meetings of a smaller number of countries, like the United States, Japan and Korea, or the United States, India, Japan, or possibly the United States, China and India, these kinds of mini-lateral engagements can be remarkably important in building trust and tackling critical issues that lie before particular countries.

I think of those groups, probably the most important for us is going to be the United States, Japan, and Korea. Obviously, the United States shares very strong relationships between these two countries, but what we want to see is a more stable, enduring engagement between Seoul and Tokyo going forward. Okay.

I'm going to just – I'm going to conclude with two last things: comprehensive defense strategy. Others are going to talk about this. But I think one of the things that we're going to need to see going forward over time is a recognition – as Secretary Panetta and others have discussed – is not only do we have to sustain our capabilities for deployed nation in the Pacific region – I think his speech to Shangri-La said it extraordinarily well – but we will also have to find ways to partner and to engage with countries in Southeast Asia and elsewhere so that we have more places where we train, engage, we have more joint facilities, we're more creative about the way that we partner with countries, sustaining that, building that for the 21st century to move beyond the sort of the formal base structure of the mid-20th century will be one of the great defense diplomacy challenges of the course of the next 10 to 15 years. But the steps that we have taken in Australia, in Singapore, in the Philippines, in Guam I believe are a down payment on this process going forward.

And then, I will also say in addition to all of these things, one of the most important things is going to be an investment in people. And I'm struck. I spend a lot of time, obviously, in engagements with our key colleagues inside the U.S. government. We have



now built an unbelievable cadre of people that can tell you every aspect about how to do post-conflict reconstruction. And I think that has been very important in every endeavor that we've been involved with in the Middle East and South Asia.

What I am hoping for and what I believe will be necessary at the State Department, in the intelligence community, in the military is to build a similar cohort of people that are deeply, profoundly knowledgeable about Asia. We have done it before and we're going to do it again. And we already have the beginnings of that, but to see those people with deep knowledge, with language skills, with personal relationships that span decades, those kinds of commitments, that kind of knowledge will be critical going forward.

Last thing – we have to be true to our values, our democratic principles. And I have – myself have had – I wouldn't say it's always a pleasure but I've been able to see a few of these issues play out before my eyes. And I'll just talk about two quickly and then take questions.

The first, in the last several weeks, I and a group of people were involved in the most intense imaginable diplomacy about the fate of a blind Chinese dissident. All I can tell you was that could not have been prouder of the colleagues that I work with on our side. I believe we were true and honest to our values. It was incredibly intense diplomacy and I'm very proud that he is with his family studying in New York University today and couldn't have been accomplished without the strong support of Secretary Clinton and this whole team.

And, frankly, I must say remarkably encouraged by elements of the diplomacy. It couldn't have been more challenging, but I think in many respects, what our Chinese interlocutors were able to accomplish, again, in these very difficult circumstances, set of circumstances, is very noteworthy.

And, obviously, today, this morning, I was struck as I was driving in – wonderful story about Aung San Suu Kyi as she begins this remarkable tour where she will go to receive her Nobel Prize, give a speech, joint session of parliament in London. And I can remember three years ago meeting her under house arrest where she had not been out for almost five years. And to see her now assuming her rightful role inside her country and to see what's underway inside Burma is a remarkable, long road to plow going forward but hopeful.

And to be able to play a small role in both of these and to be reminded, even if there are times where we have doubts about our systems or how things are going for us, trust me when I tell you that for a whole group of people, we continue to be a beacon of hope and a reminder that there's a better world. Thank you all very much. (Applause.)

MR. FICK: Kurt did quite an admiral job of paring down the Q&A time, but we do have time for a couple of questions. So Matt. And please just identify yourself and make sure it ends in a question mark.

Q: Thank you. Matt Pottinger with China Six. I had a question about journalists in China. There recently was an American journalist who had her visa revoked and had to leave. I'm also aware of a number of U.S. newspapers – Voice of America, others – who cannot get visas for journalists to go to China. At the same time, China has seen an enormous uptick in the number of their journalists coming to the United States. CCTV now broadcasts in English to us.

Given how much we've all – U.S. government and private citizens – have relied on good journalism to explain to us China and what's going on, what can we be doing? Why not deal with this with reciprocity – you know, threaten to withhold visas for Chinese journalists until they allow U.S. journalists to go there? Thank you.

DR. CAMPBELL: Let me just say on the part of the equation about American journalists and others having the opportunity to report freely inside China, we think it's an incredibly important issue. It's been raised and will continue to be raised at the highest levels and not just individual cases, but the larger case as a whole.

I think generally speaking that the freedom of our system is our strength. And so our primary focus is going to be to work not just in a bilateral set of circumstances, because what's transpiring is not just limitations on the possibility of American journalists, but frankly it's other countries' journalists as well. And so we've raised that and will continue to do so going forward. I think we do recognize that this is a serious issue that has to be addressed. Yes.

Q: That was a terrific talk. I'm Mitzi Wertheim with the Naval Postgraduate School. I was delighted to hear you talk about what I guess is a real transformation of the personnel systems in the State Department. And, in the past, where you've gone from India to Germany to South Africa, we have the same problem in the military, because it's all about building relationships.

And my question for you is how do we get more of that role of building relationships into I guess both the intelligence community and the defense community, but the problem is we keep moving people in and out so fast, we don't do that. And it's very time consuming and you have to build that in as an important thing to do. And I don't know how you guys have enough time to even sleep.

DR. CAMPBELL: Look, the military and the defense community is the model of how to do it. When they set their mind to it, either through (FEIO ?) programs, other kinds of commitments, it can be remarkable. And I believe that that is underway now.

What I'm seeing more and more of are really wise senior officers that identify commanders, captains at certain stages of their career and then encouraging them either in small group environments, or engagements, or education at the National War College, or language skills to really nurture them, to understand that really to be effective, you've got to master some of these capabilities. You just can't come at them for the first time.

For the State Department, it's a more complex issue. We're going to struggle with budgets. It's our destiny.

I think one of our – one of the things that I've been struck by – first of all, I have never worked with a group of people I admire more, never. And what's interesting, I will tell you about diplomats and these people, is literally it is wonderful and a wonderful thing if you work at the Pentagon, which I did for many years. Every day someone thanks a person in uniform for service, every single day. And it feels good.

I get a letter probably once a week from a senator, a congressman or a citizen who will write to thank me for something that a Foreign Service officer or a civil service officer has done. But it's always like this: this is crazy, but this guy actually helped me. I expected him to be – you know. But the truth is they get remarkably little recognition. They're unbelievably hardworking and unbelievably capable. And so most of the people I deal with are double language competencies in Asia.

My goal though is for these people, who have generally been content not to rise to the top of some of our institutions – they've been content to serve as ambassadors at various levels, because there's so much that is rich and enthralling. But the key is you've got to rise to the top of your institutions if you're going to shape ultimately the fundamental culture of where you want to go.

And so what I want to do is to see what happened at the State Department in the European division between about 1943 to 1965 – a remarkable, serious, sustained commitment in creating this next remarkable generation of European officers. We have that in Asia, but they need to be able to play that role not just at mid levels, but at senior levels of the State Department.

MR. FICK: I think we have time for one more. Yes. The woman behind.

Q: Thank you, Secretary Campbell. Bin Luong (ph) with Hong Kong Phoenix TV. This week, the State Department exempted seven economies from the U.N. sanction



including India, but China is excluded. What are you expecting China to do more? Secondly, the Chinese foreign minister said China opposed to one country imposing unilateral sanctions on another country. What did you talk with your counterpart on this? Thank you.

DR. CAMPBELL: All I can say is we're right in the middle of this. We have had continuing discussions with China on this matter. They have made their views clear, but we also have done the same and we have underscored how important it is to have a solid, unified international consensus about how to deal with the challenges posed by Iran's nuclear program. And I must say we have thanked China for their support within the P-5 plus One and we will continue close consultations with them going forward.

Thank you all very much. (Applause.)

(END)