

DEPUTY SECRETARY BLINKEN  
TESTIMONY  
“AMERICA AS A PACIFIC POWER: CHALLENGES AND OPPORTUNITIES IN ASIA”  
HOUSE FOREIGN AFFAIRS COMMITTEE  
APRIL 28, 2016

Chairman Royce, Ranking Member Engel, Congressmen and Congresswomen – thank you, for the opportunity to come before you today to discuss a region whose importance will only grow in the years and decades ahead.

This past weekend, I returned from my sixth visit to the Asia-Pacific in a little over a year. With each trip, I have seen growing dividends of President Obama’s rebalance to Asia and our common efforts with our Pacific partners and friends to strengthen a rules-based, institutions-based order that is advancing U.S. interests and addressing regional and, increasingly, global challenges.

Having inherited a nation immersed in the greatest financial crisis since the Great Depression, President Obama recognized from his first day in office that America’s presence in the Asia-Pacific was not merely peripheral to our future prosperity and security—it was indispensable.

Nowhere in the world are our economic and strategic opportunities clearer or more compelling than in the Asia-Pacific—home to four of our top ten trading partners, five of the seven of our defense treaty alliances, the world’s largest and fastest growing economies—including 40 percent of overall global growth and nearly two-thirds of the global middle class—and some of the most wired and innovative people in the world.

The rise of Asia will help define this new century. How it rises—according to which rules, by which means, to what ends—will have significant impact on our national well-being, perhaps more so than any other region in the world.

Over the last seven years, our rebalance to Asia—that is, deepening our strategic, economic, and diplomatic ties with the region commensurate with its importance—has helped shape and influence a positive trajectory. We’ve given substance to the rebalance by bolstering our treaty allies, deepening engagement with emerging powers, strengthening regional institutions, promoting trade and investment, enhancing our military posture, advancing democratic reforms, and creating new networks of trilateral and multilateral relationships.

As a result of our engagement, we are better prepared to meet the region’s opportunities and to tackle its challenges, including concerns related to nuclear proliferation, intensifying maritime disputes, and backsliding in democratic governance and respect for human rights in some countries, in addition to global challenges like violent extremism and human trafficking.

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First, we have invested in strengthening and modernizing our core alliances with Japan, South Korea, the Philippines, and Australia. Tested in crisis, fortified in peace, and bound by shared values, these relationships provide a foundation of peace and security in the region that has enabled decades of stability and prosperity.

For the first time in nearly two decades, we have updated our guidelines for our defense cooperation with Japan so that our forces will have the flexibility to face 21<sup>st</sup> century challenges. We have also concluded new host nation support agreements with both Japan and the Republic of Korea, reinforcing these alliances and underscoring our shared commitment to continuing U.S. presence in the region. We signed a Force Posture Agreement with Australia in 2014, and the first of 1,250 U.S. Marines on a six-month rotational deployment arrived in Darwin earlier this month. And we signed a landmark Enhanced Defense Cooperation Agreement with the Philippines to give our forces access to key facilities and allow our militaries to work even more closely together.

Second, we have deepened engagement with emerging powers and forged new relations with nations in the region as they start to turn the page on the past.

We have built a relationship with China defined by broader and deeper practical cooperation on global challenges and, at the same time, direct and frank discussions on areas of disagreement. Our engagement with China has helped it implement difficult reforms—including those that opened previously protected sectors of their economy to foreign competition—take steps to modernize its economy, and play a more constructive role in international efforts to tackle global challenges from Iran’s nuclear program to North Korea’s destabilizing nuclear and ballistic missile testing to progress against climate change including our work together on the recent Paris Agreement.

We are directly engaging on areas of difference with the goal to resolve or narrow them while preventing conflict. This is important, as significant areas of disagreement remain, including on issues concerning China’s destabilizing behavior in the South China Sea, conduct in cyberspace, and its denial of internationally recognized human rights and fundamental freedoms to its citizens and those of other countries.

We have worked to deepen the bonds between the people of the United States and Taiwan. We continue to call on both sides of the Strait to engage in constructive dialogue on the basis of dignity and respect, which has laid the foundation for peace and stability across the Strait and led to a significant improvement in cross-strait relations. The United States remains committed to our one-China policy based on the three joint communiqués and the Taiwan Relations Act. We look forward to working with Taiwan’s first female president and leaders from all parties to further strengthen our relationship.

For Indonesia, the biggest country and economy in Southeast Asia, we upgraded our relationship to Strategic Partnership to reflect our increased cooperation on global challenges such as countering climate change and violent extremism. Our Comprehensive Partnership with Malaysia is now two years old, and we have doubled the scope and scale of military cooperation, as well as signed two terrorist information-sharing agreements. Singapore continues to be a strong partner for the United States, as a member of the counter-ISIL coalition and a major commercial hub for more than 3,000 American companies. We recently upgraded our Enhanced Defense Cooperation Agreement with Singapore to expand our military relationship.

The recent elections and peaceful transition of power in Burma represent a historic milestone, and they offer a moment of opportunity for Burma to move forward with additional reforms to tackle the many challenges that still remain. The national reconciliation process must continue, the rights of ethnic and religious minorities must be respected, remaining political prisoners must be released, and broad-based economic growth must be sustained. We continue to work with the new government to offer any support we can to aid in Burma's success.

Thanks to leaders of both parties in the United States, the U.S. and Vietnam are deepening and broadening our ties in areas that we could not even imagine just a few years ago, including regional security, military cooperation, trade and business, human rights, climate change, global health, energy security, disaster response, and peacekeeping. In every one of those areas, our partnership is growing stronger every day.

Third, we have sustained and increased engagement with institutions of the region like the East Asia Summit, APEC, and ASEAN—including by sending our first dedicated Ambassador to ASEAN. Important forums for promoting collective action and facilitating the peaceful resolution of differences, these organizations advance a regional economic, political, and security architecture in which the United States is a vital and permanent player.

In February, President Obama became the first president to host the U.S.-ASEAN Summit in the United States, and we are proud to collaborate on a range of issues of global importance—from expanding economic integration through the ASEAN Economic Community to upholding international rules and norms in the maritime space..

We have also assumed a reinvigorated position in APEC—including by hosting in 2011—which allows us to promote a rules-based approach to the regional economic architecture. Recent successes include reducing tariffs on environmental goods and improving supply chain connectivity within APEC, as well as launching liberalization efforts for services and digital trade

Fourth, as a central pillar of our rebalance, we have vigorously promoted trade and investment opportunities designed to unlock growth for the United State and our allies and partners. We have implemented a free trade agreement with South Korea and worked with Burma to modernize and strengthen legal and regulatory regimes, helping set the stage for major U.S. companies like GE, Ford, Chevrolet, Coca-Cola, and Colgate-Palmolive to enter the market.

The heart of our economic engagement is the landmark Trans-Pacific Partnership, which will bring 12 APEC economies and 40 percent of the global together with the highest labor, environment, and intellectual property standards in the world.

TPP will solidify an economic arena where every participant—regardless of size—agrees to fight bribery and corruption, abide by international labor standards, including the formation of independent trade unions, and commits to enforcement of environmental safeguards.

It will eliminate more than 18,000 taxes on American exports and level the playing field for American workers. It will help allow for the free flow of ideas and data and promote additional standards that are critical for building the foundation of a common ASEAN digital economy. And it will mean simplifying the process to start a new business and streamlining ways to resolve business disputes.

American companies have been the largest source of foreign investment in ASEAN. As Secretary Kerry often points out, it is not only the quantity of these investments. It is their quality. American businesses help develop a skilled workforce, contribute towards responsible business conduct, and abide by the rules of the road.

Fifth, we have enhanced our military posture in the Asia-Pacific—deploying 60 percent of our Navy in the region by the end of the decade, including some of our most advanced capabilities. That includes F-22 and F-35 stealth fighter jets, P-8 Poseidon maritime surveillance aircraft, continuous deployments of B-2 and B-52 strategic bombers, and also our newest surface warfare ships, like the amphibious assault ship U.S.S America, and all three of our newest class of stealth destroyers, which will all be homeported with the Pacific fleet.

We do this in order to reinforce an environment of peace and stability that has provided value far greater than its cost. We are also bringing America's regional force posture into the 21<sup>st</sup> century by rotating American personnel into new and more places, like northern Australia and new sites in the Philippines and modernizing our existing footprint in Japan and the Republic of Korea.

We are increasing the maritime security capacity of our allies and partners to respond to threats in waters off their coasts and to provide maritime security more broadly across the region. We are helping the Philippines increase its naval and air forces, Vietnam expand its maritime domain awareness capacity, Malaysia improve its maritime law enforcement capability, and Indonesia protect its coastal communities and fisheries.

And we are holding more numerous and sophisticated exercises with a growing network of partner countries, none larger than this summer's RIMPAC, which will bring together more than two dozen navies—nearly twice the number that participated just six years and now including China—to increase our collective capacity for cooperation on humanitarian assistance and disaster relief operations.

The reason that we are the region's preferred security partner—the reason we are invited in and invited back—is not merely because of the professionalism of our armed forces. It is because, strong as we are, the United States accepts that the same rules apply to us as apply to all. We support the rule of law, even when it is not convenient.

Sixth, we have stood up for our values—for the basic rights and freedoms of individuals throughout the region. In January, the people of Taiwan showed the world again what a mature, Chinese-speaking democracy looks like. In 2014, Indonesia—a nation of 300 languages, 17,000 islands, and 250 million people—came together to hold the largest single-day election in the world and the most free, fair, and competitive presidential election in the history of Indonesia.

In Indonesia and the Philippines—both founding members of the Open Government Partnership—we are working with our partners to tackle persistent the challenge of corruption and strengthen the capabilities of their institutions.

In Burma, the United States is working in close partnership with the new government to support its efforts to fulfill the aspirations of its people. We supported Burma's first non-partisan, independent, election-observation organization, trained over 11,000 political party members from 84 political parties to improve their ability to effectively communicate with voters, and helped ensure that tangible benefits from the transition reach communities throughout the country.

Diversity is one of Burma's greatest strengths, and we continue to express our strong concern about discrimination and violent experienced by ethnic and religious minorities, including the Rohingya population in Rakhine State. Rule of law must be equally applied to ensure protection from violence, freedom of movement, access to livelihoods, education, and health, and an equal chance for everyone to participate in the democratic life of their country.

In response to our engagement and the demands from the Vietnamese people, Vietnam has taken positive steps on human rights, including ratifying the Convention against Torture and the UN Convention on the Rights of Persons with Disabilities, agreeing to allow independent trade unions for the first time in modern history, revising their civil code to make it easier for transgender persons to alter their legal identity and access health care, and broadening social media space as a way for citizens to share information and debate the issues of the day.

That said, citizens continue to be harassed or imprisoned for exercising their fundamental rights, and significant reforms must still be completed to bring Vietnam's domestic laws into synch with international human rights obligations and with Vietnam's own constitution. We continue to emphasize that our relationship can grow only as Vietnam demonstrates its commitment to human rights through concrete actions.

Thailand remains our most enduring Asia-Pacific partner in addressing a broad range of regional and global security, law enforcement, public health, and environmental challenges. In order to restore our relationship to its fullest capacity, however, we continue to encourage Thailand to return to civilian rule and restore full civil liberties to its citizens.

Seventh, we have invested in a new geometry of trilateral and multilateral networks to encourage cooperation among and between allies and partners.

At the core of these efforts, we have invested in a robust trilateral partnership with South Korea and Japan, two of our closest friends, partners, and allies. On the margins of the Nuclear Security Summit, the leaders of our three countries, President Obama, President Park, and Prime Minister Abe, met in Washington, DC to reaffirm a common vision for a rules-based order in the Asia-Pacific, where all countries act according to established laws and principles.

In support of these stronger ties, we have convened the first-ever trilateral meetings at the Vice Minister and Deputy-level, which have proved productive on a great range of issues. The benefits of our strong trilateral relationship are crystal clear in the face of the region's most acute threat: North Korea. We are expanding our cooperation even further in response to its provocative and destabilizing behavior. We are stepping up trilateral consultations on sanctions implementation, including those under UN Security Council Resolution 2270. We are working trilaterally to increase the capabilities of others to counter North Korean proliferation activities. And our three countries will continue to shine an intense light on North Korea's deplorable human rights violations and pursue accountability for them.

At the same time, our commitment to the Republic of Korea's security is absolute. We have begun consultations on the possible deployment of THAAD, which would provide additional defensive capabilities to protect South Koreans and the tens of thousands of U.S. personnel and their families on the peninsula.

With every trilateral meeting, we increasingly magnify the impact of our trilateral partnership beyond the immediate region. Since January, we have had separate trilateral meetings of cyber and health experts, including discussing our support for cyber capacity building and our collaboration against deadly epidemics, like Zika and Ebola. We are also teaming up in the fight to cure cancer, an effort at the center of the White House's Cancer Moonshot Initiative, led by Vice President Biden.

This summer, we will convene our first trilateral Middle East dialogue in Washington to discuss a common approach to key issues—from countering Daesh to fighting violent extremism to alleviating suffering and providing humanitarian assistance in Iraq and Syria.

We will also participate in a trilateral women's empowerment meeting in July in Washington that will invite civil society and business to the table.

At Japan's invitation, our trilateral development experts will also meet to coordinate our initiatives in the Lower Mekong and beyond, as well as put together a humanitarian assistance and disaster response working group to test our collective readiness on a range of natural disaster scenarios.

Our three nations are intensely focused on maritime issues, especially China's assertive and provocative behavior in the South China Sea that is challenging the principles of international law and the peaceful settlements of disputes, freedom of navigation, overflight, and other lawful uses of the sea, and unimpeded lawful commerce. Our security and prosperity depend on upholding these principles.

Taken together, these outcomes show that the statecraft of our leaders has paved the way for an early harvest of renewed trilateral cooperation on many of the world's most important issues.

We have also deepened our commitment to the U.S.-Australia-Japan Trilateral Strategic Dialogue, a model engagement for the region since it was first established in 2002. Senior officials and working groups meet regularly to coordinate defense, non-proliferation, security assistance, and development policies. President Obama and his Australian and Japanese counterparts held a Trilateral Strategic Dialogue meeting in November 2014.

Last year, Secretary Kerry hosted the inaugural U.S.-Japan-India Trilateral Ministerial dialogue, where our three countries agreed to work together to maintain maritime security through greater collaboration, as the U.S. and India welcomed Japan's participation in the 2015 MALABAR exercise.

Our bilateral, trilateral, and multilateral relationships are not aimed at any particular country. They are not exclusive. We welcome any kind of flexible geometry of collaboration among countries that share important goals, including steps toward greater China-Korea-Japan cooperation and the growing unity of the ASEAN community.

We are building interconnected relationships not just among countries but also people. Under the leadership of President Obama, we have expanded educational and exchange networks—creating the YSEALI community, now 67,000 strong, to connect dynamic young people throughout ASEAN to the United States and to each other. One of the highlights for President Obama, Secretary Kerry, and myself as we travel throughout the region is spending time with these young people. I have been deeply impressed by their sophistication, ingenuity, and global perspective.

## CONCLUSION

We intend to continue our leadership on each and every one of those efforts, but in order to fully seize the opportunities at hand, we need to make sure that our efforts are resourced in accordance with our interests. Sustained U.S. commitment, not just through words but resources, is essential to help build a more mature security and economic architecture to promote stability and prosperity.

I am grateful to this Committee's Asia subcommittee for hosting Assistant Secretary Russel Last week to discuss the President's \$1.5 billion FY 2017 budget request for East Asia and the Pacific.

FY 2017's budget provides additional diplomatic, public diplomacy, consular, development and security assistance resources needed to unlock significant strategic and economic opportunities for the United States in this dynamic region. This funding allows us to maintain a strong presence as a preeminent trade and investment partner, security guarantor, and supporter of democracy, human rights, and good governance throughout the region.

Mr. Chairman, this all represents a small but important slice of the efforts we are currently undertaking from Seoul to Sydney. This record highlights just some of these key relationships as examples of what we have accomplished and what more is possible in the coming years.

Our intensive engagement in Asia has helped foster an increasingly broadly accepted vision for the future of the region, and for our role in it. A vision wherein countries come to each other's aid in times of disaster or crisis. Where borders are respected and countries cooperate to prevent small disputes from growing larger. Where disagreements are settled openly, peacefully, and in accordance with the rule of law. Where diversification of trade and investment flows allow countries to pursue their interests freely. And where the human rights of each and every person are fully respected.



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This is our vision for the future of the Asia-Pacific, one of increased freedom, opportunity, and prosperity for all.

Thank you for the opportunity to speak with you today and I look forward to taking your questions.

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