

THE BROOKINGS INSTITUTION

SOUTHEAST ASIA AND THE UNITED STATES:
REMARKS BY NATIONAL SECURITY ADVISOR SUSAN RICE
AND SINGAPORE FOREIGN MINISTER K. SHANMUGAM

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Introduction:

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Keynote Remarks:

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Concluding Remarks:

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P R O C E E D I N G S

MR. TALBOTT: Good afternoon, everybody. I'm Strobe Talbott, and it's my great pleasure to welcome you here to Brookings on a lovely fall afternoon. My colleague and the Master of Ceremonies of this event, Richard Bush has already told you the reason for a slight delay, and we all appreciate your patience. Your patience will be rewarded I assure you of that.

We are very, very fortunate to have, K. Shanmugam, the Minister of Law and the Minister of Foreign Affairs, of the State of Singapore, with us today. And very shortly we will have Susan Rice, President Obama's National Security Advisor. One might add, is also a former colleague of ours here at the Brookings Institution, she spent about eight years as a Senior Fellow in our Foreign Policy Program. And she will arrive, we hope, in time to catch at least some of the wisdom that we are going to hear from the Minister.

The event today, is not only a chance to hear from two very important statesmen -- a statesman and a stateswoman, I should say, but it's also a chance for us to announce formally the creation of Lee Kuan Yew Chair in Southeast Asian Studies, here at the Brookings Institution. This has been made possible by a fairly broad and diverse set of supporters of the Brookings Institution who felt, as we do, that it's very important that we have that region of the world, Southeast Asia represented by a Senior Fellow here at the Institution.

The Chair, this is somewhat of an innovation on our part as we deal with what is a very coherent region, but also one with a diversity of countries, is going to rotate. So we are going to have a new expert with new areas of expertise serving in the Chair for two or three years.

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The Chair is housed in our Center for East Asia Policy Studies led by Richard Bush, and the Inaugural Holder of the Chair is Joseph Liow, who is here in the front row, and has already started work, has already proved to be a terrific addition to the Brookings Community. Professor Liow has also been an Associate Dean at the Rajaratnam School International Studies at Nanyang Technological University in Singapore.

His areas of expertise include Muslim politics and civil society in Southeast Asia and also the dynamics of international politics in the ASEAN region, and we are very, very glad to have him with us.

The Minister is going to open the program, with some remarks. Susan will arrive during those remarks, and then she and Joseph will join the Minister for a discussion.

So with that, and once again, with thanks for your patience, I turn the microphone over to our distinguished guest. (Applause)

MR. SHANMUGAM: Thanks, Strobe; and Excellences, ladies and gentlemen. Modern East Asia, including Southeast Asia is what it is today because of the crucial role the United States played in underwriting security in Asia-Pacific. The U.S. provided security and stability that helped to stem the tide of communism, the 7th Fleet kept the sea lanes open. The U.S. generously opened its markets to the region, and that sustained economic growth and prosperity of many Asian countries.

In turn, that created conditions that allowed East Asia, beginning with Japan, to seize opportunity to uplift their people's lives, and China is a most recent example of that. Success of countries in the region created a dynamism which has also created new challenges and opportunities, and let me add, while the U.S. did all of it, the

U.S. was also a prime beneficiary of this process. So it was the United States' enlightened self interest to do it, which is one of the things that our Former Prime Minister, Mr. Lee Kuan Yew has consistently said in every fora possible.

We'll now look at the new opportunities and challenges. China is the world's second-largest economy as well as an economic and strategic competitor for influence in East Asia. The U.S. and China have to find an equilibrium that both can accept. How a rising China and a preponderant United States will structure a new relationship is of crucial importance to the region.

As a region in which both U.S. and Chinese interests are at stake, Southeast Asia finds itself the center of these complexities. At the same time political transitions are underway in almost every Southeast Asian country. The context for the transition defers from country to country, these are not just routine electoral changes, but deep systemic changes which are likely to have lasting long-term impact.

For instance, post de Rato Indonesia has done well especially under President SBY, and there are high expectations for the next President, Jokowi to keep this up.

The Thai Government is trying to earn legitimacy, and faces the challenge of regaining domestic and international confidence for the country. The government engagement in Myanmar is grappling with the pace of political change in conjunction with the economic development and the influx of investments.

ASEAN has managed to keep the peace among states members for the past 40-odd years, but it faces new challenges, social, economic, strategic, political. The foundation of any new East Asian equilibrium and architecture will be dependent on the evolving U.S.-China dynamics characterized by competitive cooperation. How the

historical and deep-rooted tensions within China and Japan are managed will also be critical. How the U.S.-Japan alliance endures, will be a crucial question in the current East Asian system. If India, under Prime Minister Narendra Modi revitalizes, India will also be part of the new equation.

There is broad consensus across East Asia about the need for a workable architecture to preserve stability for growth. The debate over a new East Asian architecture reflects the strengths and rivalries that it sees to mitigate. In the continued search for this new architecture, no country really wants to go to war, hence there is a broad recognition of the need for continued presence of the U.S. in the region, not just militarily, but also economically, because the U.S. presence anchors stability, and 40 percent of the world's GDP is likely to be in this region in the coming years; within, the next 8 to 10 years.

So U.S. prosperity and success is also very closely tied to stability in East Asia. Having a broad consensus about the need for a workable architecture identifies the problem but does not prescribe a solution. No one really knows how the final architecture might look like, if indeed there's going to be a final architecture.

There are many significant regional fora, APAC, APT, the RF, the ACD -- Welcome, Dr. Rice -- the EAS, NSU, would the final architecture be more open in one of multiple overlapping frameworks reflecting the complex, diversity of the region? Or would it be focused or formed by one or two countries?

This will be one of the factors, which may significantly influence the regional architecture, and therefore the global architecture in the 21st Century. There are many crises. Middle East, other regions which demand America's bandwidth, but there is no region in the world where American is challenged -- or is likely to be challenged -- as

seriously as in East Asia.

And the U.S. understands the importance of remaining engaged in Asia-Pacific. We welcome the continued -- concrete implementation of the U.S. rebalance to Asia. The rebalance cannot only be military; it has to be economic as well. In East Asia including Southeast Asia economics is strategic. It is crucial for the U.S. to secure the TPP. That is strategically important and an anchor of the U.S. economic strategy in Asia.

And the TPP is not the only trade agreement being looked at. There are other regional FTAs negotiated which do not include the U.S. There is good progress from the regional comprehensive economic partnership that started three years after the TPP. Discussions about an Asia-Pacific-wide FTA or FTAAP are being taken forward in APAC.

China has proposed to significant upgrading in the ASEAN China FTA. In this context, and again, reminding ourselves that the bulk of the world's economic growth and prosperity is going to be centered in the Asia-Pacific. If the TPP does not succeed, then America will be significantly disadvantaged in the world's most dynamic trading region. And there will be profound implications on U.S. influence in the region, and indeed on U.S. prestige.

There are many questions, many issues which will have a deep impact on the U.S., on Asia, and indeed the rest of the world. It is therefore extremely timely that this Chair is being launched. Our hope and wish is that Brookings Institution through the work of the Lee Kuan Yew Chair for Southeast Asian Studies can play an important role in increasing awareness and understanding of these issues. Thank you. (Applause)

MR. BUSH: Thank you very much, Minister, for those very stimulating remarks. You have demonstrated something that I learned a long time ago. That the

best source of sound advice that the United States can possibly get about its role in East Asia and the world, is from our friends in Singapore. Thank you.

Without further ado, it's my pleasure to introduce who need no introduction, so I won't take your time or her time, but just to say please join me in welcoming a good friend of Brookings, and the Assistant to the President for National Security Affairs, Dr. Susan Rice. (Applause)

MS. RICE: Good afternoon, everyone. It's great to be back at Brookings. This was my place for six years, and since my mother and I both worked here so long, it really has the feel of home. And this is also where I met so many gracious and insightful colleagues whom I still turn to for guidance and support. And of course when I was working here, it was the last time that I actually got seven hours of sleep at night, so I'm more than a little nostalgic.

Strobe, I want to thank you, and Martin, who is not able to be here today, for inviting me to participate. Thank you, also, very much, Richard. I'm honored to be here with Foreign Minister Shanmugam.

President Obama and I had the privilege of meeting with Prime Minister Lee at the White House a few months ago, to affirm the excellent partnership between Singapore and the United States, and I think it's fitting that Brookings new Chair in Southeast Asian Studies is named for Singapore's Founding Father, a man who has played such a key role in shaping the region's growth, Lee Kuan Yew.

In many ways, Singapore embodies the arc of development that nations across Southeast Asia are achieving. The people of Southeast Asia are increasingly connected to each other and to the global economy. Entrenched dictatorships have given way to new democracies, and throughout the region citizens are playing a greater

role in their government and civil life.

As President Obama said in Malaysia earlier this year, "Perhaps no region on earth has changed so dramatically during the past several decades. With this change comes growing influence, and greater opportunities to engage on the world's stage. Asia's rise in global affairs is due in no small part to Southeast Asia's contributions. That's why the nations of Southeast Asia are and will remain a central focus of America's reliance to Asia.

We see the nations of Southeast Asia as equal partners in our mission to advance a vision that promotes growth and development, bolsters the security of nations, strengthens democratic governance and advances human rights for all people."

President Obama will continue this work when he visits the region again in November, including stops in China, to participate in APEC. Burma for the East Asia Summit, and Australia for the G20 Meeting.

Southeast Asia and its markets are critical to America prosperity. Together ASEAN comprises the seventh largest economy in the world, and the fourth largest trading partner for the United States. ASEAN nations draw more U.S. investment than any single country in Asia, and with some of the fastest-growing economies in the world, ASEAN will only become more important to our economic future.

That's why we are committed to completing the Trans-Pacific partnership. One-third of TPP participants are from ASEAN, including members like Singapore, Vietnam and Malaysia, for whom the high standard agreement means making serious, new commitments.

But this agreement will deliver tremendous benefits to all our economies, and we are committed to helping our partners meet TPP's requirements, and realizing the

opportunities for greater trade and investment that come with it. We are working to deepen our trade and investment ties to the region. That's why in June, Secretary Pritzker led a delegation of American businesses, and American business leaders to the Philippines, Vietnam and Burma to explore new commercial opportunities.

U.S. Trade Ambassador Froman met with all of his ASEAN counterparts in Burma last month. Together, we are promoting growth that's broad-based and sustainable, so that economies can compete on an equal footing and prosperity is shared among citizens at every level of society.

Equally, Southeast Asia plays a vital role in maintaining peace and stability throughout Asia. We have longstanding alliances with Thailand and the Philippines, as well as an important security partnership with Singapore.

In April, President Obama and President Aquino announce a new enhanced Defense Cooperation Agreement that will strengthen cooperation between our militaries. We are also enhancing our security cooperation with nations like Malaysia and Vietnam, including by improving their capacity to contribute to maritime security.

We continue to work with nations in the region on challenges that none of us can meet alone. This includes address borderless threats, like climate change. Responding to humanitarian crises, like last year's super typhoon. Countering violent extremism and peacefully resolving maritime disputes among neighbors.

To support cooperative solutions to these challenges, the United States has made historic investments to strengthen the region's institutions including ASEAN. President Obama hosted the first U.S.ASEAN Leaders' Meeting in 2009, and it's now an annual event.

The President sent out first Resident Ambassador to ASEAN and the

Senate just confirmed Nina Hachigian to fill the post in the coming years. This increased engagement with ASEAN has already delivered substantial benefits, including improved coordination in responding in humanitarian disasters. Growing investment and developing the region's infrastructure, and green energy resources. And rapidly expanding cooperation on maritime securing and safety.

We are also working with governments, institutions and people to strengthen the democratic foundations of the regions, and to fortify protections for human rights. We've seen significant successes as in Indonesia, which demonstrated the strength of its democracy through successful elections and peaceful arbitration.

President Obama is looking very much forward to meeting with President Elect, Widodo, in November. We've seen hopeful steps as well in Burma, but significant challenges remain, as we continue to work with the government and people as they pursue their democratic transition.

Unfortunately, we've also seen troubling setbacks, as in Thailand. We remain committed to our alliance with Thailand, and with the Thai people, but we want to see the country return soonest, to an inclusive and democratic government.

We are also building partnerships directly with the people of the region. We are doing this through programs, like the Lower Mekong Initiative, which helps strengthens communities' ability to provide for their own health care, educate their children and protect the environment. In Cambodia, USAID is working with local authorities to improve school enrolment among young children.

In Indonesia the Millennium Challenge Corporation is helping villages raise incomes while reducing their independence on fossil fuels. And through President Obama's Young Southeast Asian Leaders Initiative, we are helping young people across

the region build their skills and connect to the resources they need to serve their communities, create new businesses and become the next-generation of leaders.

President Obama very much enjoyed hosting a remarkable Town Hall with many of these young leaders in Malaysia in April. They were entrepreneurs and activists, and advocates, all of them impressive and thoughtful, and each determined to forge a brighter future. They wanted to know not just how they could become stronger leaders, but how to bridge the gaps of culture and language and belief, in order to unite a region as diverse as Southeast Asia so that it can achieve its full potential.

And that's a goal we share, because Southeast Asia is brimming with enormous potential, it's also facing serious questions about how to adapt, as several major powers become more active in the region. China's rise, Japan's reemergence, India's revival, and of course America's rebalance. These dynamics are real, and they converge squarely in Southeast Asia. But these trends ought to be an opportunity for greater cooperation not just competition.

Southeast Asia nations should not have to choose sides among major powers, particularly when it comes to the United States and China. Preserving the independence and sovereignty of all our partners in the region, is at the heart of our policy in Southeast Asia. To be sure, America's relationship with China is important to the future of both our nations, to the region and to the world.

I just traveled to China a couple of weeks ago and met with their senior leaders. In November President Obama will meet again with President Xi, to continue deepening our cooperation on major regional and global challenges. Building a relationship that allows us to work together on shared interests, and to talk frankly about areas where we disagree, including human rights.

At the same time, we continue to build stronger bilateral relationships with the nations of Southeast Asia, and to work together as equals in multilateral fora so that individual nations can preserve their independence while fostering a group dynamic that reinforces collective norms and prevents large states from pressuring small ones. That's another reason we focused on strengthening Asia's regional institutions, like the East Asia Summit.

We want to build and reinforce habits that encourage collaboration. To establish a common set of rights, as well as responsibilities, that ultimately ensures a level playing field for all. All of the challenges that are discussed today, requires sustained attention, and even in the press of world events, ongoing conflicts in the Middle East, heightened tensions with Russia over Ukraine, and Ebola epidemic ravaging West Africa, the United States commitment to Asia, and to Southeast Asia in particular remains a top priority.

The United States is a pacific nation, our shared future is as certain as our shared past, and the people of the United States and the people of Southeast Asia share a common vision for that future. A future where our daughters and sons can go to school and reach confidently for their dreams.

Where anyone can start a business and have a fair shot to succeed, where fundamental rights can never be restricted or denied. That's what we've been building towards over the last five years. That's why we've worked so closely together in pursuit of shared goals, whether we are securing the sea lanes of the pacific or delivering relief in the wake of national disasters.

With each year, the ties between our peoples grow stronger. And as we continue to work together toward our shared future, the United States will remain a

reliable partner and a true friend to all the people of the region. Thank you all very much. (Applause).

MR. BUSH: Thank you very much, Susan. I think we all appreciated -- appreciate the fact that you have a few other pressing issues on your mind, and we appreciate your taking, first time to be with us today, and the vision you reflect in the statement you made. Thanks, very much.

And now it's my great pleasure to invite my new colleague, Joseph Liow, the first holder of the Lee Kuan Yew Chair to the podium for a few remarks.

MR. LIOW: Minister Shanmugam, President Strobe Talbott, colleagues, ladies and gentlemen. It is a great honor and pleasure for me to stand here and the inaugural Lee Kuan Yew Chair, in Southeast Asian Studies. This is undoubtedly and exciting time to be in Washington, D.C., issues are flying thick and fast, as the global order we are all familiar with is confronted by forces that are chipping at it.

This to me, is patently evident from the many discussions and debates that are taking place right here in this town, some of which I've had the pleasure of participating in. Now as an academic I'm entirely convinced that intellectual capital must be brought to bear on many of these issues as we consider appropriate responses. It is also my conviction that Southeast Asia must have a voice in these discussions. Of all the reasons that our previous have already highlighted.

In the coming months and years, the Lee Kuan Yew Chair will aim to do this through a series of activities, such as seminars and talks, for most, however, the Chair intends to hold to Brookings' proud tradition of publishing informed analytical research on policy questions of our time, especially as they relate to Southeast Asia. So do stay tuned.

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I should also mention that the current Chair is making a contribution to another rich Brookings' tradition. I've joined your soccer team, the Bookies, although after last week's game, perhaps the team will better served if I just stuck to my day job.

The Chair has been named after a truly remarkable man. While much has been said Lee Kuan Yew's role in building the Singapore of today, as a student of international politics I have been far more interested in his contributions in matters of foreign affairs. In this area, I've found his reading and articulation of international developments, from a Southeast Asian perspective, and the implication is not only for Singapore, but the region in the world, truly unmatched.

I'm also especially pleased that Brookings is home to Lee Kuan Yew Chair. I can think of no better place. Brookings' emphasis on rigorous, analytical independent research with impact, I believe, provides an excellent arena for scholarship to engage with policy.

I've only been here one-and-a-half months, and I can already feel the intellectual energy and verve of this Institution. It will be remiss of me not to also mention how grateful I am to the supporters of this Chair, all of whom share a common objective of improving relations between Southeast Asia and the U.S. This of course, includes the donors, but also my senior Brookings colleagues, especially Strobe, Martin Indyk and Richard Bush.

Finally I would also like on record, my gratitude to three people from back home. My bosses from the Rajaratnam School International Studies, Dean Barry Desker; and Chairman, Eddie Teo; and Ambassador Chan Heng Chee, also a member of the Governing Board of RSIS. I'm grateful to them, not only for releasing me to take up this position, but for giving me the unstinting support and confidence.

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Thank you all, for joining us this afternoon for the launch. (Applause)

MR. BUSH: Previous speakers have, I think, identified both the opportunities and the risk involved with Southeast Asia today, and for the rest of the region. There are the opportunities to build a wide-based prosperity, benefits, and all the people of the region. There are the opportunities to create a stable and inclusive political order, and there is the possibility that Southeast Asia will be one of two important venues for a constructive response to the revival of China, as a great power.

That's what we can hope for, that's what we can work toward. But I think that we also understand that there are risks involved, there is the risk that the economies of Southeast Asia will not make that transition to advance the economy status that Singapore has made. There is the risk that political systems in the region will transition, unfortunately, from political development to political decay and instability, and there is the risk that the response to China's rise will be marked by either an overreaction, or an under-reaction.

There is, as Minister Shanmugam has indicated, a crucial role for the United States to play. We have played a crucial role in the past several decades, I believe we have a crucial role to play now. I think it's fair to say Brookings and an Institution for a certain period of time, fail to keep proper attention on Southeast Asia, and that was our mistake. It's also fair to say that we have, with the establishment of the Lee Kuan Yew Chair, initiated our own policy of rebalancing.

We are giving the region the credit it deserves. And I think our role in helping to shape the U.S. policy is to be a source of sound, objective, analytical work based on in-depth research, and that is what we intend to do. To inform discussions both within government and in society more broadly.

Having the Lee Kuan Yew Chair permits us to do that on a sustained and flexible basis. And we are very fortunate to have Joseph Liow as the first holder of the Chair. He has made an important contribution already in the brief seven weeks since his arrival.

In closing, I would say that in addition to the United States playing whatever role it did in the building of Southeast Asia, statesmen like Minister Mentor, Lee Kuan Yew, also played the role. He, I believe, as clearly as anyone, saw both the opportunities that existed for Southeast Asia to build a vibrant region. He also understood the risk involved in the geopolitics of the region.

So I think there was no better person for us to name our Chair after. It does impose a sense of responsibility on us, and we will do our best to meet that. I, too, would like to recognize the leadership of Strobe Talbott and Martin Indyk in this regard.

That brings our program to an end. Thank you for your attention. We have a small reception through these doors here, but before we head to the reception, please join me in thanking our other -- our previous speakers. Minister Shanmugam, Susan Rice in absentia, and Joseph Liow. (Applause)

So please join us next door. Thank you very much.

* * * * *

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I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

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