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PEKING UNIVERSITY**

**SHARED CHALLENGES AND
COOPERATION FOR
KOREA, CHINA, AND THE UNITED STATES**

**KEYNOTE ADDRESS
DANIEL R. RUSSEL, ASSISTANT SECRETARY OF STATE**

*The Brookings Institution, Falk Auditorium
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Washington, D.C.

Tuesday, December 16, 2014

Introduction:

STROBE TALBOTT
President
The Brookings Institution

IN-KOOK PARK
President
Korea Foundation for Advanced Studies

QINGGUO JIA
Dean, School of International Studies
Peking University

Keynote Address:

DANIEL R. RUSSEL
Assistant Secretary, Bureau of East Asian and Pacific Affairs
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PANEL 1: EMERGING CHALLENGES TO THE INTERNATIONAL ORDER AND U.S.-CHINA RELATIONS:

Moderator:

QINGGUO JIA
Dean, School of International Studies
Peking University

Panelists:

THOMAS WRIGHT
Fellow and Director, Project on International Order and Strategy
The Brookings Institution

JAE HO CHUNG
Professor, Department of International Relations
Seoul National University

QINGMING ZHANG
Director, Department of Diplomacy, School of International Studies
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Discussants:

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Director, China Policy Institute and Professor, Department of Political Science
Ajou University

FENG ZHU

Professor and Executive Director, China Center for Collaborative Studies of the
South China Sea, Nanjing University

PANEL 2: KOREA AND THE MAJOR POWERS:

Moderator:

IN-KOOK PARK
President
Korea Foundation for Advanced Studies

Panelists:

JUNG-HOON LEE
Professor, Graduate School of International Studies
Yonsei University

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Discussants:

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CHEOL HEE PARK
Professor, Graduate School of International Studies
Seoul National University

QINGMING ZHANG
Director, Department of Diplomacy, School of International Studies
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PANEL 3: THE REGIONAL ECONOMIC FUTURE:

Moderator:

BARRY BOSWORTH
Senior Fellow and the Robert V. Roosa Chair
The Brookings Institution

Panelists:

DAVID DOLLAR
Senior Fellow, John L. Thornton China Center
The Brookings Institution

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Discussants:

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Closing Remarks:

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KEY NOTE ADDRESS

PROCEEDINGS

STROBETALBOTT: My name is Strobe Talbott, and I have the honor to work for the scholars of the Brookings Institution. And it's a particular pleasure to welcome all of you to a discussion on the issues and the interests that are of extreme importance to many countries in the world, but particularly to the three who are being featured here this morning. And that's the United States of America, the Republic of Korea, and the People's Republic of China.

The Brookings Center on East Asia Policy is proud in this event, and in other events, to work very closely with the Korea Foundation for Advanced Studies and the School of International Studies at Peking University. We're grateful for the leadership, and of course, the participation of Ambassador Park In-kook, the president of the KFAS and his board chair, Yeom Jae Ho. We're also very pleased to have with us a good friend, and an old friend, Jia Qingguo, the dean of the School at Beida, whom we regard as a Brookings alumnus, because he participated in our center's Visiting Fellows Program, as did several other of our guests today.

This event is in the category of what is often called Track II diplomacy, since it brings together scholars and experts who are intimately knowledgeable of their government's policies and who can, therefore, supplement the exchanges of diplomats and officials.

I'm sure that today's conference, which we call a triologue, because it's a three-way dialogue, can contribute in that fashion to the cause of peace and prosperity in a very important region of the world. And it can also stimulate, inform, and elevate public debate on the risks and opportunities that policymakers in Washington, Seoul, and Beijing are dealing with.

To get us started, we have a distinguished American official, who is very much involved in policymaking here in Washington, and also in the stewardship of U.S. relations with the Republic of Korea, the People's Republic of China, and other important nations in that region. Danny Russell, whom I've had the honor of knowing and working with for many years, is assistant secretary of state for East Asia and Pacific Affairs. He recently, just within the last couple of weeks, returned from travels with President Obama to China, Burma, and Australia. He is going to provide us with an overview of U.S. interests and policies in the region.

So, Danny, welcome back to Brookings, and thanks for giving us the view from Washington and the view from Track I diplomacy. (Applause)

SECRETARY RUSSEL: Well, Strobe, thank you very much for the introduction. I have had the honor of working for you at the State Department. In fact, I vividly remember as a young officer, getting the bad news that after 10 years serving overseas I had to come back to Washington; but the good news that I was being brought back to work for the then-Undersecretary of State, Peter Tarnoff, and then later Tom Pickering. So thank you very much

for all you've done, Strobe, as a diplomat, as a journalist, and as a thinker, particularly in this great institution.

It's an honor to be at Brookings, an iconic forum in the U.S. foreign policy arena development and thanks to Jonathan Pollack and others. I see Richard Bush and a lot of very familiar faces here.

I also want to say thank you to Ambassador Park and to Dean Jia, whom I know well, and underscore the importance that we place and the administration places on the role of think tanks, of scholars. You're very important contributors to the policy dialogue, to our formation, and to the implementation of our policy, not only in Washington but in the Republic of Korea and in the People's Republic of China and elsewhere. And in that vein, I'm pleased to participate with KFAS with the Peking University School of International Studies.

Many years ago -- many now -- when I worked for Senator and then Ambassador Mike Mansfield, I frequently heard him pronounce that the next century, the 21st century, will be the Century of the Pacific. And I remember thinking at the time that it sounded a little hyperbolic. Fortunately, I kept my mouth shut because now we all accept how prescient those remarks were and he was.

Mansfield, I know, was profoundly interested in the affairs of Northeast Asia because he believed, as President Obama and Secretary Kerry believe, that America's well-being and security, economic future and prosperity, are all deeply affected by developments in the region. And the Obama administration has placed tremendous importance on Northeast Asia, on our relations with China, our relations with the Republic of Korea, and we, too, understand the tremendous impact that the relationships and the policies in Northeast Asia have on the United States and have on the world.

Since 1997, when Mansfield left the Senate and took up his ambassadorial post in Tokyo, and certainly, since January of 2009 when President Obama came into office, the pace of change in Northeast Asia has been extraordinary. While it's stable relative to certain other parts of the world, as the invitation of this conference mentioned, that cannot and must not be cause for complacency. The stakes for the global economy for the regional and world stability are simply much too high for that. So the individual and the collective challenge for Chinese, for Koreans, for Americans, for others, is to help build an inclusive, stable, and sustainable regional order.

The question is in Northeast Asia, what will be the tents of that order, and how can we build from that to create a base from which we can help preserve the peace, advance human dignity, promote prosperity and opportunity in the wider region, and ultimately in the world? That's the question. Let me know what you come up with.

The fact is, our countries have a tremendous ability to shape that future. We are major world economies. We are home to some of the world's most innovative companies. We're home to great thinkers. We're home to imaginative and efficient manufacturers, thanks, in part, to

our investment in each other. Thanks, in part, to our tight financial and supply chain links. Just think apple iPhone. Just think Samsung Galaxy. Just think Lenovo ThinkPad.

But we're not only linked by investment capital, we're linked by human capital. Over 40 percent of international students in the United States come from Northeast Asia. Likewise, China has risen to be the fifth most popular destination for American students studying overseas, and last year saw significant increases in American students in Japan and Korea.

So the blending of our cultures and the sharing of knowledge is seen from everything from food to film to sports to music to this very conference. Now, I know international relations isn't quite Gangnam style, but this conference is not going to break YouTube, even though you've clearly got a good audience, but I do hope, and I do believe that working together you'll be just as creative as Psy. You'll be able to create a thought wave that will help drive the kind of future that we're trying to build. And I know I'm setting the bar pretty high with "Gangnam style," but I know Jonathan organizes a good conference.

So given our commonalities, it's natural that we seek opportunities to collaborate. Strobe called this a triadialogue. Well, trilateral or plural-lateral groups of nations working together increasingly are an important force in global policymaking. By definition, they're more inclusive than bilateral partnerships, and in practice, I can attest that they're much more nimble than large membership international organizations.

For example, the U.S.-Australia-Japan trilateral security dialogue, which is more than a decade old, is an arrangement that just last month in Brisbane saw President Obama host a trilateral meeting with Prime Minister Abbott, Prime Minister Abe. It showed that the three nations are moving beyond regional issues to jointly confront global challenges, to kick starting the world economy, to battling ISIL and Ebola, to humanitarian and disaster assistance, to strategies on development that can transform societies. And the trilateral collective of the Republic of Korea, Japan, and the U.S. is another grouping that does extremely important work.

President Obama hosted a trilateral meeting in March in The Hague, where he and President Park and Prime Minister Abbe consulted on the North Korean threat and other concerns. Those groupings are based on shared values, like democracy, human rights, and respect for international law, and they're based also on shared interests, both in the Pacific and across the globe. And the group that I'll be joining tomorrow -- I head to New Delhi -- is a periodic U.S.-Japan-India trilateral consultation.

So these are just a few examples that attest to the possibility of plural-lateral, multilateral engagement. They attest to the utility of a flexible geometry involving Northeast Asian countries with the United States.

So in that vein, we welcomed President Park's call last month for a resumption of the trilateral foreign ministers meeting among China, the Republic of Korea, and Japan, and I think there's a widespread hope and expectation that after the meeting of the three foreign ministers, a meeting of the leaders will also resume, and that would be a very good sign for peace

and stability in Northeast Asia.

Regardless of format, I think we can all see the critical importance of communications among the major players in Northeast Asia -- China, the Republic of Korea, Japan, as well as with the United States, because we need to build on areas where our interests converge and manage the issues and the areas where our interests may conflict. Our collaboration to counter Ebola, as I mentioned, is a good example. So is the crisis management mechanisms that China and Japan agreed to in principle last month in Beijing, which we hope will become operational soon. Conversely, last year, the abrupt declaration of an Air Defense Identification Zone in the East China Sea was an object lesson in how not to handle a sensitive issue pertaining to overlapping national interests.

The coming year, 2015, presents us with a particularly sensitive set of issues, the anniversaries we'll mark. It's the 70th anniversary of the end of World War II. It's the 50th anniversary of normalization between Seoul and Tokyo. 1945 saw the creation of the U.N. It saw the dropping of the atomic bomb in Hiroshima and Nagasaki. The United States' occupation of Japan. Korea's independence and also its division. And Nationalist China's decision to recognize Mongolia as an independent country, a country I'd note that next year also celebrates 25 years of democracy.

Navigating all these anniversaries, working through these remembrances, this is going to require restraint. It's going to require good judgment. It's going to require political and diplomatic skill. And frankly, I welcome your advice and your counsel from this conference on not just how to handle the anniversaries but how to build on them as well. Because the record of the past seven years in Northeast Asia has been one of extraordinary progress and as I've said before, progress in 2015, particularly in the relationship between Tokyo and Seoul and the relationship between Tokyo and Beijing, can turn what are historical millstones into historical milestones.

This is not a theoretical proposition. China, South Korea, Japan are major players in the region's security and economy. All three are increasingly active and influential players on the global stage. Far from Asia for the Asians, it's now Asia for the world. We can't afford to have the three major countries in Northeast Asia operating in anything less than a fully cooperative manner with themselves and with us, let alone working across purposes.

One important way to support good relations among neighbors is support for the well-established regional order. That includes utilizing APEC. That includes using the East Asia Summit and other ASEAN-centered fora. And, of course, that regional order is built on the strong foundation of U.S. alliances and U.S. security partnerships that have kept the region safe and stable. This architecture in the system that the U.S. has championed, has fostered trade and investment, economic and political linkages, educational and technological exchange, and rapid development enriching countries across the region. It's helped lift hundreds of millions of people out of poverty. And as each country in Northeast Asia has developed and found its social and economic and political footing -- first Japan and then the Republic of Korea -- it has paid back the system in spades and worked to further strengthen that system and expand benefits.

Now it's China's turn. Just look at the period from Richard Nixon's historic visit to the normalization of relations 35 years ago, to China's accession to the WTO, to the achievements of Sunnylands, to the accomplishments of President Obama's visit in Beijing just last month. For decades, the United States has supported China's peaceful rise. We've worked to avoid strategic rivalry and to narrow or at a minimum to manage our differences.

But China's rise is by no means the only significant development in the region. The entire Asia-Pacific is changing. India is not just looking east; India is now acting east. ASEAN is becoming more integrated. Indonesia's democracy is flourishing. Burma's reformers are pushing and pushing ahead. America's rebalance is continuing and our alliances are modernizing, growing stronger, growing more capable. This is all to the good. But the shifting regional dynamics generate tensions as well -- tensions that pose potentially serious risks to stability and prosperity to all of us.

Let me ask. Is the construction of manmade outposts and the continual encroachment of ships and planes and oil rigs, is that going to be the way that Asians deal with maritime boundary disputes? Will ASEAN's longstanding effort to negotiate the basic code of conduct in the South China Sea require another decade of diplomacy? The sharpening of tensions over the maritime boundaries in the region underscore the importance of maintaining a regional system based on adherence to rules, not adhesion to rocks. A system where claims are based on international law, not a sense of entitlement or muscle. A system based on interdependence and peaceful dispute management and resolution.

But while changing dynamisms drive some of the tensions, the greatest threat to the region is a chronic one -- North Korea, the dangerous outlier in Asia. The good news is that North Korea is an area where the U.S. and the rest of Northeast Asia cooperate closely. We do so because of the risks posed to all of us by the DPRK's pursuit of nuclear weapons and intercontinental ballistic missiles. We do so because of the risks posed by North Korea's rejection of its international obligations, its broken promises, and its sudden provocations.

I just gave a speech last week at an institution that will go unmentioned, addressing North Korea's illegal programs, its nuclear program, and its abominable human rights record. I won't reprise the whole policy laydown. You're familiar with it. But I would mention something that happened at the event, namely the very first question I got from the audience was basically, "Hey, China's the problem here, right? I mean, isn't the problem that China is preventing progress on North Korea?" I gave an eloquent answer that can be probably boiled down to simply no. The fact is that China has sent unmistakable signals of its concern and indeed its displeasure with North Korea's policies. President Xi's decision to visit Seoul before he had gone to Pyongyang or ever met with Kim Jong Un speaks very loudly.

Now, of course, the U.S. and some of our partners believe that there's much more that China can do to apply pressure, and I can attest that China believes there's a lot more that the U.S. can do to engage diplomatically. But overall, I see a very broad alignment in strategic interests, in strategy, and a strong commitment to cooperation. Beijing, Seoul, Washington,

Tokyo are united, and Russia as well on denuclearization of the Korean Peninsula. And at the same time we pursue a free and whole and nuclear weapons-free Korean Peninsula, we are working with our Northeast Asian partners in many other ways because each of us has a significant role to play in addressing the myriad and significant ongoing challenge we face in the world.

In a still-sluggish global economy, we are the engines of growth. Working within APEC and the G20, we're poised to do even more. Implementing the Korea-U.S. Free Trade Agreement (KORUS FTA), negotiating a Bilateral Investment Treaty with China, finishing the Trans-Pacific Partnership (TPP) with Japan and others, all of these will provide a huge lift to the global economy. China's FTAs, Korea's FTAs, trade proposals like RCEP, these are all an important part of the conversation as well.

Now, the U.S. and China, as is well known, are the world's greatest admitters of greenhouse gases, but our recent action on climate change on targets show that we're determined to address it. So do President Obama and President Abe's pledges to the South Korean-hosted Global Green Climate Fund of \$3 billion and \$1.5 billion, respectively. And our countries' R&D and manufacturing capabilities will keep us at the forefront of the clean energy economy. We each have public health and infectious disease expertise and tremendous experience from the Bird Flu and from the SARS, and that helps ensure that our nations are key contributors to dealing with Ebola response and it's certain that we'll need to do more in the future. And we're major providers of humanitarian assistance and disaster relief from Syria to Iraq to the Philippines after Super Typhoon Haiyan.

We're also tackling the closely interrelated issues of food security, water security, energy security. Challenges, for example, in the Mekong River Basin. Challenges in the Pacific Islands. Challenges in Africa. Our expertise, our capital, our efforts are needed to meet all of these challenges.

I want to save some time for questions so I'll stop here. But my basic point is this. Whether it is plural-lateral or trilateral or multilateral, the fact is we have entered the age of networks. Essentially, we have no choice but to interact and to collaborate. The major Northeast Asian powers and the United States need each other as much as the rest of the world needs us, and needs us to work together. Needs us to jumpstart the global economy, to preserve regional stability, to enhance global security and protect the global environment.

So if I can channel my former boss, Mike Mansfield, U.S.-Northeast Asia relations are the most important plural-lateral relations in the world bar none. You know that. That's why you're having this conference. Keep up the good work, and I very much look forward to hearing not just your questions, but in due course, your conclusions.

Thank you very much. (Applause)

JONATHAN POLLACK: Danny, on behalf of all of us, thank you very, very much for your really very wide ranging remarks. I loved your appeal for flexible geometry. It's

what we know intuitively, but you have to practice it every day.

Assistant Secretary Russel has volunteered to take some questions, so I will recognize them as hands go up. Please keep them brief and identify yourself as well, beginning, yes, in the back.

QUESTION: Joe Bosco, formerly with the Defense Department. As the person who asked the question last week about China's role in North Korea, I wonder if you could elaborate on what seems to be a suggestion of moral equivalence -- that China thinks we need to do more and we think China needs to do more. In the same speech last week, you said we'd bent over backwards to solve the North Korea issue. Do you think China has bent over backwards or come anywhere near what the U.S. has done?

SECRETARY RUSSEL: Well, I consider myself blessed, Joe, to get two questions from you in two consecutive speeches. Thank you very much. And it's roughly the same question.

I think the constructive and the useful way to look at this is in terms of common objectives, and a iterative process to reconcile our strategies for getting there. The U.S., with the Republic of Korea, is cooperating with China on the challenge of the Korean Peninsula. We're cooperating as well with other partners, including Japan.

We, the United States, have experimented with bilateral negotiations with North Korea. I, myself, was part of the negotiating team led by Bob Gallucci, that ultimately reached an agreed framework. As is well known, North Korea cheated on that deal. They welched on that deal. We have the distinguished Bob Einhorn in the room. Bob is the architect of an important agreement with the North Koreans on missiles that fell apart because the North Koreans will not honor their obligations. We've tried quadrilateral talks and certainly we've tried six-party talks.

And I just heard my friend and former boss and predecessor Chris Hill give a talk on his new book, *Outpost*, in which he describes the efforts and the frustrations of reaching an agreement with the North Koreans only to see it unravel as they start negotiating again from scratch and consider commitments the way that famously Italians considered red lights, as merely a suggestion.

We're not giving up, because our objective, and I venture, although diplomats aren't supposed to do this, to speak for the Chinese in saying this is a shared objective, is to find a peaceful path to halt, rollback, and ultimately eliminate North Korea's nuclear and nuclear missile program and ambition. Of course we want to do this peacefully. The fact is, the simple and unfortunate fact is that that's not what North Korea wants. North Korea is laboring under the illusion that it can simultaneously pursue and solicit economic growth and assistance from the international community while also preserving an ongoing program. That can't be done. And I venture to say that not only do leaders in Seoul and Tokyo share that view, but leaders in Beijing as well.

So we are embarked on a continual effort to sharpen the choice faced by North Korea's leaders. The only path to the security and the prosperity that North Korea claims to seek is a path of denuclearization, beginning with a freeze and that halfway must run through negotiations. Now, we make, on the basis of experience, a distinction between talk and negotiations. Negotiations have to begin from an agreed premise that we are putting the issue of concern on the table; that we are entering into an effort to reach binding outcomes. That has chronically been North Korea's problem. The willingness to put forward significant benefits to North Korea for honoring its obligations is not in question. That has not been a problem for us. Now, the Chinese, in their recipe, may use more dialogue and less pressure, but fundamentally we're both trying to bake the same cake. It's a peacefully, denuclearized Korean Peninsula.

QUESTION: Thanks so much, Secretary Russel. Chris Nelson, Nelson Report. If I could follow on Joe's question. Are we hearing a hint at least of the possibility that the U.S. is thinking or rethinking what seems to be a policy of no bilaterals with the North Koreans unless denuclearization is the agreed upon outcome? Just a second ago you said the talks have to agree that in a sense whatever the outcomes are will be binding. Is that a nuance? Am I reading too much into that? Are we trying to look for a way to break in a sense this deadlock on bilaterals as long as denuclearization is the only goal that we will agree to talk with them about? Thanks.

SECRETARY RUSSEL: No, I don't think that's an accurate recharacterization of what I said or what I meant to say at least.

The United States has never had, or at least in most administrations, we have been willing to speak directly to North Korea. Certainly, the Obama administration has never hesitated to talk directly to the DPRK. We believe though, that given the stake that the Republic of Korea, first and foremost, has in the future of the Korean Peninsula, that any process with the DPRK must include the Republic of Korea. I believe that relations between Washington and Seoul are better than at any time, certainly in my professional lifetime, and I've served in Seoul and worked the Korea issue for going on 30 years. It's something that we are all very proud of. We place tremendous importance on synchronizing and consulting with the Republic of Korea. We listen very carefully to the thinking and the initiatives coming out of President Park's Blue House.

We also recognize that China, for a variety of reasons, has a tremendous influence to bring to bear and a significant role to play, as does Japan, as does Russia. And so the short answer is no. We are not of the view that the pathway to a denuclearized peninsula is through bilateral U.S.-DPRK negotiations. The negotiations that we seek must be, I believe, based on the significant agreements already reached and captured in the 2005 joint statement of the six-party talks.

DR. POLLACK: Thank you very, very much for those clarifications. I think everyone appreciates that. Yes, in the back of the room over there.

QUESTION: (Inaudible), Saif Foundation. Sir, let me play a little devil's advocate. Since nobody from Peking University wants to stand up, let me see if I can play the

devil's advocate on that. The negotiation of the United States is often -- it's like the Wild, Wild West; the big gangster who goes around armed to the T and raids a village and shoots at whoever shows up to oppose him.

SECRETARY RUSSEL: I haven't seen that movie.

QUESTION: I saw them a long time ago and I'm really amazed that the United States still seems to behave like that on an international forum. So isn't there a need for the United States to also reduce its warmongering that it does all over the world while saying we want peace, but yes, the military option is there. If you don't accept our proposal, we're going to kill you. So given that kind of situation, wouldn't you want to change some of your positions?

SECRETARY RUSSEL: Well, first of all, let me make clear that I came to this event unarmed. (Laughter)

Secondly, as the child of peaceniks, brought up going on Ban the Bomb marches and calling, agitating for world peace, I share your objective of a peaceful and a disarming world.

The good news is that the military presence of the United States in the Asia-Pacific region has been an extraordinary and an essential force for growth, for stability, and for peace. That's something for which we can all be proud and something for which we must all continue to work.

With respect to China, I'm also proud to point to the very significant strides that the Obama administration has made where the PRC, particularly under Xi Jinping, in improving and establishing a new level of military-to-military engagement dialogue and even cooperation. The PLA and the navy participated in the RIMPAC, the Pacific Rim exercise this year for the very first time. General Dempsey, the secretary of defense, visited Beijing and elsewhere in China, very successful, very important visits and Chinese military leaders have reciprocated.

And just last month when we were in Beijing, President Obama and President Xi announced two very significant agreements with regard to the notification of major military exercises and standards of conduct for our naval ships at sea.

This is very meaningful because as China's military capability continues to grow dramatically, if not exponentially; as China's interests continue to grow dramatically, if not exponentially; and as China finds itself abutting, if sometimes bumping up against the interests of its neighbors and the interests of the United States throughout the Indo-Pacific region, this kind of military-to-military communication, often in the form of hotlines and codes of conduct and confidence-building measures, represent essential ingredients to maintaining stability and maintaining security in the 21st century.

So I'll stay away from Wild West movies and leave it there.

DR. POLLACK: Yes, Jia Qingguo. Jia Qingguo, can you identify yourself?

QUESTION: Oh, okay. Jia Qingguo from Peking University.

That gentleman said he wanted to play the devil's advocate. First of all, Peking University professors are not devils. (Laughter) Secondly, we don't need an advocate.

I just have one question for you. That is, you know, there are many people who talk about China should support the U.S. in its efforts to fight ISIS. What exactly does the administration hope that China can play a role in this regard? Thank you.

SECRETARY RUSSEL: Well, thank you very much, Dean Jia. I'm appreciative of all the work that you, personally, and the institute does.

This was a topic, of course, of conversation between our two leaders when President Obama was recently in Beijing and certainly between our two systems. I've joined Secretary Kerry in meeting with State Councilor Yang and Foreign Minister Wang on this topic. And there are different ways of parsing it. But I think the issue goes beyond ISIL or ISIS. And it pertains to the common interest that both China and the United States have in preventing the spread of radical jihadism, the interest in protecting the global infrastructure of finance and transportation from being utilized and hijacked by terrorist groups. It's our interest in preventing violent extremists from -- particularly those returning from conflict zones in the Middle East -- from conducting operations from recruiting or from attacking us or our neighbors. And it also pertains to the objective that we share on the necessity of sharing information and on coordinating.

So the Chinese government has indicated more than once that it's not in the business of joining somebody else's coalition. That's fine. But in the areas where we have a common interest, and specifically in the regions, such as Afghanistan or Pakistan, where we share an interest in helping to maintain security and helping to create the indigenous capacity to defend against the threat of terrorism, we can, should, and are expanding our cooperation.

Now, China, as you know very well, is increasingly faced with the large expansion of overseas citizens throughout the Middle East. That gives China a new type of stake in the affairs of regions that perhaps 10 years ago or 20 years ago were of little concern to policymakers. China, in its western province and its western borders faces a threat from organizations like the East Turkestan Islamic Movement (ETIM). And so this is not a theoretical proposition for China, and it remains an area on which we want to cooperate.

So the formula for looking at this issue is not the U.S. as demander and China aiding us. The correct formula is the objective identification of common interests, the pooling of information and resources, and the identification of areas where coordinated, and in some cases, joint or collective action will prove to be most effective.

DR. POLLACK: There is a gentleman in the front row who has a question.

MR. TALBOTT: Danny, you mentioned that you're going to be going to New Delhi. Would you be good enough to just say a word about what you see as the role of a major South Asian country in East Asia, and since you emphasized the importance of regional structures, now that India is more participatory in the ASEAN Regional Forum, do you see further opportunities for India to play a constructive role in East Asia?

SECRETARY RUSSEL: Thank you, Strobe. Without a doubt, there is abundant space for India to play a greater and a constructive role in the affairs of all of East Asia, including, and in particularly, Southeast Asia. In the five years now that the U.S. has been participating in the East Asia Summit, I have worked as the senior official involved and I've participated at both the foreign minister's level and in the leaders' meeting in those discussions that have included the Indian leader in November. And I can attest that India brings an important perspective and important contribution to the discussion among the Asia-Pacific countries.

My consultations in the first instance are part of an ongoing dialogue that my colleague, Nisha Biswal, the assistant secretary for South Asia and I have with senior Indian foreign policymakers about what and how India can do and do more in terms of East Asia.

First and foremost, India, as the world's largest democracy, as an extraordinary pluralistic society that has an important tradition of tolerance and very strong institutions, is a voice that needs to be heard in East Asia. India has something to say and something to say based on its own experience, and whether the issue is democratization in Burma, Myanmar, or human rights in Cambodia, Vietnam, or the peaceful handling of border disputes, we want India's voice to be heard.

Secondly, India has extraordinary economic capacity, extraordinary unfulfilled economic capacity, both as a producer and as a market. So developing, whether it's the Silk Road or the New Silk Road or the New Silk Road Maritime Ban, there are abundant names for it. But developing partners for trade, expanding trade, removing barriers to trade, this is a project in which we very much want and need India's full participation. And India has an aggressive record in terms of U.N. and international peacekeeping, in terms of regional organizations and regional architecture. As I said, this is a voice that needs to be heard.

What is appealing to me and my colleagues is the fact that Prime Minister Modi has undertaken to build from what has been a look-east policy to an act-east policy. He has shown in word and deed his interest in involving India in the thinking and the affairs of the broader region, engaging in political terms, engaging in economic terms, engaging in the dialogue about future security arrangements. That's very much to be welcomed and something that I'm going to hear more about.

DR. POLLACK: We have time for one last question if it's brief. The gentleman, yes.

QUESTION: John Zang with CTI-TV of Taiwan. Mr. Secretary, Congress has voted to authorize the sale of four Perry class frigates to Taiwan, and the president is expected to sign it into law any day now. What is the significance of this? Are you concerned that this may

have any impact on U.S.-China relations, particularly the mil-to-mil exchanges? Thank you very much.

SECRETARY RUSSEL: Well, I'm not going to speak to a pending legislative issue other than to say that the United States under the Obama administration, follows the same policy as the preceding seven or eight administrations since normalization between Beijing and Washington. We have a one-China policy. We have a one-China policy based on our three joint communiqués.

We also have important unofficial relations with Taiwan, and in that regard, our policy is guided by not only the one-China policy but the Taiwan Relations Act, and so on. In that context, we remain committed to helping to ensure that Taiwan retains the ability to prevent coercion and defend itself, and that is a commitment that we take very seriously. It's an ongoing effort.

That said, the significant progress that the world has witnessed over the last five years in cross-Straits dialogue and cross-Straits agreement is something that we all value and welcome. So our policies and our goals aim at enhancing the stability across the straits and in the region. And the quality of the dialogue that we maintain with the mainland, the quality of the emerging dialogue between the defense establishment and the PLA, for example, and particularly the quality of dialogue between our leaders is a critical element in ensuring that there are no misunderstandings and no misapprehensions about U.S. actions and U.S. intentions. And so on that basis, I'm confident that the dialogue and the mill-mill cooperation between the U.S. and the PRC will continue on a very steady path.

DR. POLLACK: Danny, on behalf of everyone here at Brookings and, of course, the much larger audience, all of us are deeply appreciative of both the time that you've given to us this morning and the candor and openness with which you've addressed any number of questions when we never know exactly what questions will be forthcoming. Thank you so much. (Applause)