

Ambassador Teplitz's Remarks to the Pathfinder Indian Ocean Security Conference November 10, 2020

Thank you very much and good afternoon. Excellencies, distinguished panelists, participants, Foreign Secretary, I'm very pleased to be able to join everyone at the opening of this conference to discuss the complexities of security in the Indian Ocean region, particularly at this moment after Secretary Pompeo's successful visit to India, Sri Lanka and Maldives, and the announcement of U.S. intentions to establish an embassy in Maldives.

I want to recognize the Pathfinder Foundation and conference co-chairs Ambassador Goonetilleke and Ambassador Menon for gathering us for this important conversation and I appreciate the opportunity to briefly discuss in these opening remarks the concept of a free and open Indo-Pacific and how that contributes to enhanced security for all nations.

The Indian Ocean's geostrategic importance is clear. It is a vital lifeline for the world's trade with major sea lanes that carry half of the world's container ships; a third of the world's bulk cargo traffic; and two-thirds of the world's oil shipments. It is, however, not immune to the challenges afflicting other regions and of course has challenges unique to itself. These include navigational security, human and wildlife trafficking, narcotics trafficking, environmental degradation, and illegal fishing. These are some of the issues that other speakers have raised and I hope that panelists will have a chance to delve into some of these challenges in their discussions.

The Indo-Pacific also harbors some of the fastest growing economies in the world but also has the greatest demand for economic growth as youth populations swell. It is a complex region and the challenges are equally complex.

So I suggest that we look to fundamental principles and international norms that our nations share and that are essential for the prosperity for all in thinking about a framework for addressing some of these challenges. Key among them, of course, is ensuring the freedom of the seas and skies in accordance with the Law of the Sea and the Convention on International Civil Aviation. We need to insulate sovereign nations from external coercion, promote market-based economics, an open investment climate, fair and reciprocal trade consistent with international law, and principles of fair competition. We need to support good governance, rule of law and respect for civil liberties and human rights. These are shared values and policies that have underpinned the dynamic growth and burgeoning prosperity of this region for decades.

The United States has a goal in this region and that is to support a free and open space in which sovereign and independent nations and diverse cultures can prosper side by side. And importantly, that these nations can exist together peacefully to achieve this vision and this goal.

As Secretary Pompeo said during his recent visit to Sri Lanka, this is not a vision that is about imposing America's will on Sri Lanka or any other partner in the region. In fact it's quite the opposite. As a friend and partner, the United States seeks to promote an inclusive approach to national sovereignty, independence, and sustainable development. This is a call to rally around principles rather than a request to make an alliance. Nonetheless, cooperation with partners and regional institutions is at the center of this approach. No country can shape the future of the region in isolation and no vision for the region is complete without a robust network of sovereign countries cooperating to secure their collective interests.

Therefore, all of our initiatives in the Indo-Pacific are open platforms for new and expanded collaboration.

The United States provides more than half a billion dollars in security assistance to the Indo-Pacific region to strengthen maritime security and maritime domain awareness, to support humanitarian assistance and disaster relief, to fund peacekeeping and to counter transnational threats. We also hold military exercises in the Indo-Pacific that are planned and executed with allies, friends and partners to build trusting relationships, increase interoperability and expand partner capability and capacity so that we're all better able to respond to the challenges posed by the region. Our Bay of Bengal Initiative, as an example, helps countries build the capabilities and information sharing networks necessary to effectively address some of these security challenges and national disasters.

Our objective is to protect the maritime domain, maintain freedom of navigation and other lawful uses of the sea so that all nations can access and benefit from the maritime commons in accordance with the Law of the Sea Convention.

We also work with our partners in the International Civil Aviation Organization to assure that the freedoms of the air established in the Convention on International Civil Aviation are respected.

And because maritime security is inextricably linked to economic security, I want to say a few words about the economic components of our vision.

The United States believes that the role of government is to enable free enterprise while protecting individual rights and empowering people. We do this by improving market access and competitiveness, by facilitating business to business ties, and promoting free, fair and reciprocal trade.

I want to echo Foreign Secretary Colombage and make the same observation about the region. Developing countries in the Indo-Pacific need at least 1.7 trillion if not trillions more dollars in infrastructure investment every year. The second thing I will say about this is that no government has this much money. And third, there is 70 trillion stockpiled in the world's financial centers. The United States has a goal to help steer more of this capital to the Indo-Pacific region and to ensure the funds go to sustainable projects that bring a genuine return on investment.

Secretary Pompeo highlighted during his visit to Colombo that every country will need the power of private industry to regain its economic footing after this pandemic. The United States looks forward to working with our partners to achieve a post-pandemic recovery. Already U.S. foreign direct investment in the region is substantial. It has more than doubled in the past decade reaching close to a trillion dollars. American investment creates jobs and not debt, with U.S. investment supporting over five million jobs in the region.

American foreign assistance and U.S.-supported institutions such as the Asian Development Bank have made foundational contributions to the region's growth and prosperity for decades. In keeping with our vision for the Indo-Pacific in recent years the U.S. government has provided about \$2 billion annually in assistance. This has included new initiatives that spur private investment in the infrastructure, energy, and digital economy sectors.

We're also committed to expanding private sector participation as an alternative to state-dominated financing that impinges on national sovereignty and local autonomy, that saddles economies with debilitating debt and encourages corrupt practices. American companies are transparent, they are reliable, and they're accountable to the law including the U.S. Foreign Corrupt Practices Act.

Sustainable economic development is ultimately strongly rooted in good governance, and the United States support citizen-responsive governance and light tough regulation that fosters entrepreneurship and the efficient allocation of capital. And we support institutions that promote transparency, fairness, and the sanctity of contracts.

We're also steadfast in our efforts to champion human rights, religious freedom, and democratic ideals as enshrined in international instruments such as the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights. We urge all nations to join us in upholding these commitments.

To be sustainable, economies must be open, transparent, and rules-based. Infrastructure must not just be built but also maintained. Public contracts should be transparent to high standards and ensure high quality projects that last — a goal established by the G20. Anything less risks corruption and poor construction as corners are cut.

As Secretary Pompeo has also noted, only if countries make themselves welcoming to private investment will those trillions of dollars get off the sidelines, into their economies and into productive enterprises that bring jobs and prosperity to their people. For that to happen Indo-Pacific leaders must prioritize transparency, anti-corruption, and responsible financing.

In closing, I hope that today's conference will explore and expand upon these norms and shared principles to lay out a vision of a free and open Indo-Pacific region in which all states and their people can prosper. We must champion the values that have served the Indo-Pacific so well including respect for the sovereignty and national independence; free, fair, and reciprocal trade based on open investment and transparent agreements and connectivity; and adherence to international law including freedom of navigation and overflight. These are values we have in common. Values that are codified in international covenants to which we have shared commitments, and it's around these norms and principles that we can build trust between and among our countries.

Thank you very much for the time this morning and I look forward to learning more from the panel discussions throughout the event.

Thank you.