

**Kurt Campbell, Assistant Secretary of State
For East Asian and Pacific Affairs**

Press Roundtable

Hanoi, Vietnam

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Assistant Secretary Campbell: It's terrific to be back in Vietnam. I've had the pleasure and great opportunity to come during periodic visits over the course of the last 20 years. I was with then Secretary of State Christopher when we reestablished diplomatic relations in 1995, and then when I was in the Pentagon in 1996 I helped design an effort that would lead to greater mil-to-mil contacts between the United States and Vietnam that transcended just simply the issues associated with remains recovery.

I think the purpose of this visit was to engage in detailed discussions with Vietnamese colleagues about a variety of issues. I think we wanted to explain to them various aspects of what we call the pivot about how the United States is stepping up its game in the Asia Pacific region as we wind down from consequential engagements in the Middle East and South Asia, and they wanted to hear in detail the multi-faceted steps in terms of strengthening our bilateral security partnerships, engaging in more trade and other financial interactions with the key players, a stronger, multilateral engagement in terms of the ASEAN regional forum, the East Asia Summit, the U.S.-ASEAN meetings, and also steps to diversify our military posture in the Asia Pacific region.

I think we underscored quite clearly to our Vietnamese colleagues, and I had a chance to meet with a variety of players in the party, in the foreign ministry, in the defense ministry, the central government offices, the strong desire of the United States to have a better relationship with Vietnam. I think over the course of the last several years we've worked closely together on a range of issues. We're currently deeply engaged on the transpacific partnership and a variety of other steps.

We did make clear that for the United States and Vietnam to go to the next level it will require some significant steps on the part of Vietnam to address both individual cases of concerns, human rights concerns, but also more systemic challenges associated with freedom of expression, freedom of organization. We were able to communicate I think quite directly what some of the things we would like to see in terms of improvements in this regard.

I think we were very pleased by the reception we had today. I think they very much want the United States deeply involved in Asia. They appreciate the steps that we have taken in terms of a

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clear message on wanting to see the rule of law apply in a variety of circumstances including in areas relating to maritime security.

We made very clear that in addition to wanting a closer relationship with a number of key states in Asia that we believe that a good relationship between the United States and China is essential and that we are working hard to ensure that the upcoming visit of Vice President Xi Jinping to Washington is a successful one, and that we recognize that every country in Asia desires a better relationship with China. We understand that, we support that. We think that's an essential feature of the maintenance of peace and stability. It's also the case that all countries in Asia want the United States around and believe that the U.S. presence assists in a whole host of circumstances in terms of increasing communication and dialogue. I think we were able to convey directly today to Vietnam how we supported the strong relationship between Vietnam and China and that we saw no circumstance where there should be a zero-sum set of circumstances involving the United States, Vietnam and China.

I think with that I'll open it up and be happy to take any particular questions.

Media: You kind of laid out what the U.S. wants to see from Vietnam in terms of human rights improvements before the U.S. would consider a deeper relationship, but what were some issues of the Vietnamese telling you that they want to see from the U.S. before they're happy to move towards a closer military wider strategic partnership?

Assistant Secretary Campbell: I'm trying to go back through my mind what particular issues came up in our discussions.

I think it would be fair to say that overall, they are satisfied with our engagement. I think they would like us to consider Vietnam's status in terms of a country in the earlier stages of development when we reflect on their role, for instance, in the transpacific partnership. I think we've had to be fairly clear what our expectations will be on a variety of issues in terms of export restrictions, labor related issues, and also the issues related to beef, and that we will have high expectations going forward.

But overall I think what we primarily heard was an appreciation for a strong American role. They I think believe that the decision of the United States to join, for instance, the East Asia Summit was a wise move and they are looking forward to closer consultations with us on a whole host of these institutions like the ASEAN Regional Forum. So I think most of

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all, what we heard today was a desire to continue the process of closer ties, consultation. Clearly the Deputy Prime Minister's coming next week. They want to make sure that visit is successful. But what we mostly heard was an appreciation for the American role and a desire to work closely together and to understand some of the challenges that they faced in terms of dealing directly or quickly with some of the requests that we made of them, whether it's on economic issues or issues associated with broader societal challenges.

Media: [Inaudible] wanted to come to strategic relations [inaudible]. So what are the plans of such relations that the U.S. [expects], and what are [inaudible] in discussions between the two sides?

Assistant Secretary Campbell: I think today we talked about a variety of issues, but it is clear that the focus in the current environment is to see if we can strengthen our economic relationship. That's going to be central in 2012. Also we had to be clear about the fact that in certain areas in terms of human rights and again, broader freedoms and systemic challenges, that the United States wants to see more progress in these areas, and we are disappointed with some setbacks. And we believe that progress in these areas will be essential to have the appropriate level of support in the United States that will sustain a deeper engagement between our two countries.

Media: You mentioned individual [inaudible]. Can you go into a little bit more detail --

Assistant Secretary Campbell: I think I'll just say we did mention individual cases, both political people and religious figures as well.

Media: What are the security issues, security [inaudible] of the strategic relation between the two countries?

Assistant Secretary Campbell: I think as you know there is a prohibition currently on the provision of certain defense articles between the United States and Vietnam. And there are some fledgling interactions between our two militaries. I think our desire is to take this process in a step by step manner. So what we would like to see in the first instance is a greater exchange of views and dialogue between our two military establishments, to build trust and confidence over the next phase. Then we would very much like to see some of these changes that I'm talking about in terms of human rights so that we will be able to see a more fulsome relationship between our two sides.

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Media: In Thailand Senator McCain had asked for a laundry list of weapons and systems. He mentioned big ticket items. Can you, I wonder if you can talk about some of these discussions. Are we talking about fighter jets, submarines?

Assistant Secretary Campbell: If I can say, we worked very closely with Senator McCain before he left on his trip to Thailand and to Burma, Myanmar, and to Vietnam. Because of my travel schedule I haven't actually talked to him since he's returned. I left almost immediately after he got back.

On this particular trip I'm a foreign administrative official, State Department official. So in fact we did not get into any details in terms of specific arms sales. In fact primarily what we talked about were the general overarching areas of cooperation and dialogue between our two countries. WE talked a lot about coordination in advance of major international forum. We talked about the South China Sea, we talked about various issues associated with common pursuits, but we did not discuss in detail or at all issue associated with military sales.

Media: Can you generally tell us from previous discussions what the Vietnamese are asking for?

Assistant Secretary Campbell: Again, in my discussions with them, they have stated that they would like to expand mil-to-mil cooperation between the United States and China, but much of that begins at an earlier stage with a deeper dialogue on strategic issues.

I am actually not aware of the kinds of detailed discussions about arms sales. I have not had a chance to talk with Senator McCain since he's returned, as I suggested. Most of our discussions are about a desire for a closer dialogue and a range of security issues.

Media: I'd like to ask about North Korea. I know there was a statement today by North Korea's National Defense commission saying that they would consider resuming talks with South Korea with a couple of conditions, one of them being that the U.S. and South Korea stop having military exercises.

I'd like to know first of all what is the U.S. response? Also, if you think this represents a kind of back-tracking or a sort of change in the shift of the tone of the North Koreans in terms of whether or not they're willing to negotiate with South Korea?

Assistant Secretary Campbell: I have been here obviously in meetings so I'm not aware particularly of this message from the

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North Korean News Agency, so I'm not going to comment on it directly.

I will say that it is the view of the United States that we believe the door is open diplomatically with North Korea. We've laid out clearly what our expectations are. And we've communicated directly to them that our expectation will be that if they want a better relationship with the international community, that they will need to establish better ties between the North and the South. We've stood very closely by our South Korean allies and colleagues in this regard and communicated that directly to North Korea. We discussed this in detail yesterday when I was in Seoul.

I don't know the particulars about this particular news story. But we would like to see closer discussions between the two sides and steps to reduce tensions.

Media: Can you be more specific on what is the cost as well as whether you would have [inaudible]?

Assistant Secretary Campbell: There was appreciation expressed for the effort underway to clean up the dioxin at Da Nang, at the air base, and I think a recognition that this was a very valuable program that had generated goodwill in Vietnam and I think a desire for that to continue, and if appropriate, that program be expanded at some point in the future. I'm going to take that message back to the State Department and to our interlocutors on Capitol Hill to see what might be appropriate going forward.

Media: How well your discussion with Vietnam about mutual agreement?

Assistant Secretary Campbell: About the 1-2-3 Agreement?

Media: Yes.

Assistant Secretary Campbell: Again, just so you all understand, for several of these issues there are specific technical teams that are involved and our primary role is sort of a more general set of discussions. So we, I think we are very engaged in technical talks between our two sides about the 1-2-3 Agreement, and I think we've made some progress and that progress is consistent with our larger non-proliferation goals. I think I would just leave it at that, with a recognition that another technical team will be coming to Vietnam in the near future.

Media: Do you expect any specific time when the two sides can reach some agreement on the remaining issues [inaudible]?

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Assistant Secretary Campbell: All I can say -- I don't know if there is a particular timeframe. We have made clear over the course of the last few years our desire to see some specific steps taken and we will continue to underscore these points in our conversations with our Vietnamese interlocutors. I tried to make clear to all of them that we talk about this not as some sort of punishment or something that's aimed at the Vietnamese people. We truly want to see Vietnam succeed and we believe that some of these reforms will in fact lead to a stronger society and a more effective engagement between our two countries.

Media: Do the changes that are happening in Myanmar have any impact on U.S.-Vietnam policy?

Assistant Secretary Campbell: That's a very good question. I think Vietnam had been very encouraging in the past about our engagement strategy with Myanmar and there were periods last year when we had made remarkably little success in our engagement, that it was Vietnam who quietly urged us to continue to talk directly to the government and who provided some interesting and useful information about the way forward.

I think all countries in ASEAN appreciate the fact that the United States and other countries are working closely with the new government and that this issue is no longer a sticking point in diplomacy between the United States and ASEAN. But beyond that, it's not clear whether the internal dynamics in Burma, Myanmar, are affecting dynamics inside Vietnam. I don't know the answer to that.

Media: [Inaudible] the U.S. policy [inaudible]. What is the [development goals] [inaudible]?

Assistant Secretary Campbell: Let me just say that clearly the United States is seeking to develop stronger relations with a number of states. Probably at the top of that list are our security partners, but there are a number of leading states in which the United States has worked much more closely in recent years. I think in that group would be India. India is becoming a much more active participant in the diplomacy of the Asian Pacific region. But also I think it would be fair to say that Vietnam is increasingly critical not only as a leading nation with respect to ASEAN but a key country in a variety of trade and economic engagements like the transpacific partnership.

So overall, we think that a key country for the United States to work closely with over the course of the next few decades is Vietnam, so that's one of the reasons why in our discussions today we talked about a variety of foundations for this relationship. The economic relationship, the people-to-people

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interactions, the kind of consultations that will be necessary to advance our common concerns in multilateral fora. More trust and confidence between our two military organizations, and a number of other steps that will lead to sort of deeper contacts between our two sides.

Media: When the U.S. [inaudible] ASEAN, so the U.S. has [inaudible]. So in that [inaudible]?

Assistant Secretary Campbell: First of all, we have a very intense diplomacy with China and we have worked closely with China over the course of the last several years in a variety of circumstances. We have a deep dialogue on a range of regional issues, multilateral concerns, and global issues.

We have talked with China about issues relating to the South China Sea, maritime security and the like.

I think we have made clear our determination that while the United States is seeking a stronger role in the Asia Pacific region, that we also believe it is essential to have a strong relationship between the United States and China and that's exactly what we're trying to do.

We've tried to communicate directly that we support China's strong relationship with ASEAN. We encourage that. We understand one of the key relationships for China in ASEAN is the relationship between China and Vietnam.

Media: About the South China Sea. Since the middle of last year when Vietnam signed an agreement with China, the Vietnamese government publicly anyway has been claiming it's all quiet on the eastern front, if you like, that everything is normalized, they're best of friends, no problems now. But meanwhile recently a couple of senior U.S. military figures have given interviews saying they think there is a risk of escalation and violent incidents getting out of control in the South China Sea. What's your own view? Do you think there has actually been a genuine tactical shift in China? Between China and Vietnam in the South China Sea? Or do you think the risk of a flare-up are still there?

Assistant Secretary Campbell: Let me just say that the United States has first, at the 2010 ASEAN Regional Forum and then the following year in 2011, put out what we think is a very clear set of guidelines for how we see the circumstances in terms of wanting the maintenance of peace and stability, freedom of navigation, clear legal procedures for how to deal with disputes based on law of the sea and other kinds of provisions.

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We have strongly supported diplomacy and we see currently a collaborative process that is underway between ASEAN and China. We are watching that closely. We encourage those steps going forward.

I think we're always watchful for signs of increasing tensions in the South China Sea and elsewhere, and we encourage all parties to maintain a cool head when it comes to these particular issues. I think kill probably just leave it at that.

Media: Vietnam's official stance is that there are no political prisoners in the country. I just wonder when we can begin to have conversations about political prisoners and about human rights. Are you seeing in your discussions any kind of nuance on that? How do you even approach a discussion when that's often their stance?

Assistant Secretary Campbell: In my conversations, I don't think we have disagreements that are procedural. I think we make clear that we do believe there are political prisoners and that there are prisoners of conscience and that there are people held for extralegal reasons. We've made clear that we think these steps are antithetical to creating an environment that advances a closer relationship with the United States.

So we're clear about it, we're specific about it, we don't shy away from the discussions, and we find that in certain circumstances Vietnam addresses some of those cases. Sometimes they try to explain their particular views on the enormous progress that Vietnam has made in recent decades. We try to do this with respect, with a deep appreciation for the goodwill of the Vietnamese people and government, and a desire to create the conditions for a better relationship going forward.

Media: Is the lack of progression those areas, will that bleed into economic? It seems like on the trade and economics part the U.S. wants more from Vietnam, wants to enhance that relationship.

Assistant Secretary Campbell: Look, I don't want to get into questions associated with linkage and the like, but I think the general message that I've carried and Under Secretary Burns and others in the recent period is that without progress on these issues it's going to be difficult to create the kind of momentum and progress in U.S.-Vietnam relations that I think we all desire.

Media: If I can ask about Myanmar. There was a meeting yesterday between [inaudible] Foreign Minister and Secretary Clinton.

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Assistant Secretary Campbell: Yes, in Washington.

Media: Afterwards he mentioned that the U.S. should reconsider its sanctions on Myanmar. He said currently they're not good for the Burmese people. I wonder if you can respond to that.

Assistant Secretary Campbell: Let me just say that I think Secretary Clinton when she visited Burma on her historic trip in December made clear that we would match their steps with ours, and that we would work closely with the government on particular steps designed to recognize the reforms and steps that the government has taken.

We believe that, for instance, after the most recent release of political prisoners you will note that within about 12 hours the United States announced publicly, the President and Secretary of State, that we would be sending an ambassador back to Burma after many years. We have laid out very clearly to our interlocutors [inaudible] what particular steps we are prepared to take and we are frankly right now in very close consultation with the key senators -- Senator McConnell, Senator McCain, Senator Lieberman and others -- as they've returned from their recent visits to Burma.

Ultimately for many of these sanctions and some of the prohibitions on certain activities it will require a close dialogue and consultation between the executive branch and the legislative branch. Those discussions are underway. It is our full intent to match the remarkable steps that are taking place in Burma with steps from the United States as well.

So this process will be undertaken carefully and with appropriate consultation, but we are determined to match and support the process that's underway there now.

Media: Do you have a sense of if not when the sanctions will be completely lifted, any details about a timeline?

Assistant Secretary Campbell: I think it would be fair to say that we're looking at some specific steps over the course of the next few months. And we will be working closely with Capitol Hill on some of those specific issues as we go forward.

Media: A question concerning Myanmar. With the reforms undergoing in Myanmar, we see Myanmar as [inaudible] Vietnam to [inaudible] impact?

Assistant Secretary Campbell: Fifty years ago Burma was a leading country in Asia, had a remarkable agricultural economy, a wonderful university, enormous prospects. Today the country has

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just enormous problems and challenges. I think one of the reasons that the leadership has set off on this extraordinarily important process of reform is a recognition of just how far the country has fallen behind its compatriots at ASEAN and elsewhere.

I think the steps that it's taken are important. They're critical. They're necessary. They don't go far enough in certain areas, but we're very encouraged by the steps we've seen taken to date and we want to support that process going forward. I believe that those steps are very broadly welcomed not just in ASEAN but in Asia and globally.

But the challenges that the country faces -- economically, politically, at every level just cannot be underestimated.

Media: [Inaudible]?

Assistant Secretary Campbell: Thank you. Look, this has been a challenging period for the United States, obviously. We've faced some economic challenges. But I think by any measure the United States has grounds for optimism for our role in Asia going forward. There still is remarkable efficiencies and innovation potential in the United States.

I think there is a recognition that we want to play a deeper economic and commercial role in Asia and you saw that clearly at APEC that the President hosted in Hawaii and a number of steps more recently. The passage of the Korea Free Trade Agreement by some of the largest margins of a trade agreement in decades. So I believe that the United States is poised to play a stronger economic and commercial role in Asia. Clearly there will have to be a rebalancing of the kind of economic engagement we've seen between Asia and the United States. In the past it was primarily exports coming to the United States and what we will have to see is a situation where the United States saves more and Asia spends more, and particularly purchases that engages the United States through support of greater exports to Asia. That kind of rebalancing I think will be healthy and will help support a much stronger Asia Pacific region in the 21st Century.

Media: How the U.S. [inaudible] this [inaudible]. [Inaudible] President Obama lose, just in case, so will this policy continue?

Assistant Secretary Campbell: First of all, they encourage you in jobs like mine not to answer hypothetical questions, particularly hypothetical questions like that, so I'm not going to get into who's going to win or who's going to lose. I believe President Obama has done a terrific job and will be reelected.

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I will say, I would urge Asian friends to focus on a couple of things. One is that despite a polarized political debate in the United States on a range of issues, I think there is actually a very strong bipartisan core of support for American engagement in the Asian Pacific region. You can see that reflected through decades. Strong bilateral alliances, strong, robust economic engagement, forward deployed military and security commitments. These are bipartisan policies and I believe that they will be carried through not just in this and the next administration, but for decades to come.

So I'm confident that there is a deeper recognition in the United States that our role in Asia is inseparable from our own prosperity and security and that we will step up our game going forward. I think that's in the best interest of all involved.

Moderator: Thank you, Assistant Secretary Campbell.

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