

RELEASE IN FULL

From: Sullivan, Jacob J <SullivanJJ@state.gov>
Sent: Wednesday, July 20, 2011 7:27 AM
To: H
Subject: Fw: AP (Matt): Clinton urges India to expand influence

This is Matt Lee's take on your speech

----- Original Message -----

From: Adler, Caroline E
Sent: Wednesday, July 20, 2011 07:20 AM
To: stratcomm; Sullivan, Jacob J; Abedin, Huma; Fuchs, Michael H; Rooney, Megan
Subject: AP (Matt): Clinton urges India to expand influence

AP: Clinton urges India to expand influence

By MATTHEW LEE ,
07.20.11, 06:46 AM EDT

CHENNAI, India -- U.S. Secretary of State Hillary Rodham Clinton on Wednesday challenged India to expand its traditional sphere of interest from South Asia to neighboring regions to compete with increasing Chinese assertiveness.

Clinton sought to nudge India to project its influence eastward, toward China's backyard in Southeast Asia and the Pacific Rim, as well as boost engagement in Central Asia, on China's western flank. She said the U.S. and India shared values that made them powerful partners in promoting security, democracy and development in these areas.

She reassured India that the United States would not abandon Afghanistan or allow it to become a haven for terrorism again, and made clear that the U.S. has a vital ongoing stake in ensuring stability in India's archrival, Pakistan. But India should play a constructive role, too, she said.

"Our interests align and our values converge," she said in a speech in India's southeastern port of Chennai.

Clinton, the first U.S. secretary of state to visit India's fourth largest city, a growing manufacturing hub, chose the venue because U.S. officials believe it is a natural jumping-off point for a greater Indian role in East Asia. As a major export center, Chennai will be key to creating "a new silk road" to help Central Asia develop.

With its democratic traditions, India can "inspire others to follow a similar path of openness and tolerance," Clinton said.

"India's leadership has the potential to positively shape the future of the Asia-Pacific," she said. "We think that America and India share a fundamentally similar vision for the future of this region."

From Chennai, Clinton will travel Thursday to Indonesia for a regional security conference, where she is expected to renew U.S. concerns about Chinese aggressiveness with its neighbors, particularly in the South China Sea, where there are numerous territorial disputes.

Last year, Clinton raised Beijing's ire by saying that maritime security in the South China Sea, over which China claims sovereignty, was a U.S. national security interest. She made the matter a central point of her participation in the East Asia Summit hosted by Vietnam.

In her speech Wednesday, Clinton said India could play an important role in helping to promote maritime security beyond its own waters.

"The United States has always been a Pacific power because of our very great blessing of geography, and India, straddling the waters from the Indian to Pacific Oceans, is with us a steward of these waterways," she said. "We are both deeply invested in shaping the future of the rapidly changing region they connect."

She called for the two nations to help small Southeast Asian nations build a cooperative mechanism for dealing with disputes. China is vehemently opposed to such an initiative, preferring to deal with each country on its own.

India and China are uneasy neighbors that fought a war in 1962, although there have been recent improvements. Clinton stressed that cordial relations between India, China and the United States were important.

"This will not always be easy," she said. But she added that "if we want to address, manage or solve some of the most pressing issues of the 21st century, India, China and the United States will have to coordinate our efforts."

In Central Asia, Clinton said it was in India's interest to spend time and resources on developing regional infrastructure, including pipeline, energy, road and rail projects, that will boost commerce. At the same time, she said it was important to eliminate archaic trade barriers to the benefit of Indian businesses.

"Helping people see regional neighbors as potential customers rather than adversaries is an important first step toward building a broad-based constituency for peace and profitable coexistence," she said.

A "new silk road" should be created to help Afghanistan recover from decades of war without becoming a permanent recipient of outside aid, Clinton said. This, in turn, would improve living standards and help stamp out poverty, which is a main cause of extremism, she said.

Clinton allowed that the role she was asking India to play is ambitious.

"Yes, it is an ambitious agenda, but we can afford to be ambitious," she said. "This is not a time when any of us can afford to look inward at the expense of looking outward. This is a time to seize the opportunities of the 21st century and it is a time to lead."

----- Original Message -----

From: Adler, Caroline E

Sent: Wednesday, July 20, 2011 06:37 AM

To: stratcomm; Sullivan, Jacob J; Abedin, Huma; Fuchs, Michael H; Rooney, Megan

Subject: Press rxn to speech

"Speech was much more substantive than we expected."

"Lots to chew on."

We'll try and get wire clips shortly.