

Keynote Address
Ambassador Daniel J. Kritenbrink
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REMARKS: [1,500 words, 12 minutes]

Good morning ladies and gentlemen. Thank you to the Asian Economic Forum, the American Chamber of Commerce, Fulbright University Vietnam, and the Vietnam Chamber of Commerce and Industry for your support in organizing today's event.

Ladies and gentlemen, Dr. Vũ Tiến Lộc (*voo tian lope*), Ambassador Phạm Quang Vinh (*fam quang vin*), Ambassador Nguyen Hoang Long (*nweeun hwang long*), Ambassador Harish, U.S. Department of Commerce Acting Assistant Secretary Ian Steff, distinguished members of the diplomatic corps, and all guests here today: please accept my warmest welcome to the Asian Economic Forum.

It is fitting we are joined today by so many private sector representatives. The private sector has an opportunity to play a pivotal role in financing the growth and development needs of the Indo-Pacific's rising economies.

PRESIDENT GEORGE H.W. BUSH

Before I proceed with the main portion of my remarks, I'd like to pause to remember the life and legacy of President George Herbert Walker Bush, the 41st President of the United States. President Trump noted, "President Bush led a great American life, one that combined and personified two of our Nation's greatest virtues: an entrepreneurial spirit and a commitment to public service. Our country will greatly miss his inspiring example." It is a sad time for my nation and the world. We lost a great leader.

INDO-PACIFIC STRATEGY

The Indo-Pacific encompasses more than half the Earth's surface and more than half the human family. Two-thirds of global trade happens here, and its economic potential and strategic importance are growing by the day.

The United States has a long tradition of partnership in the Indo-Pacific, and we continue to deepen our engagement. Advancing the President's vision for free and open Indo-Pacific is a whole-of-government effort built on clear values:

America seeks partnership, not domination, in the Indo-Pacific where:

- Independent nations boldly pursue their own interests, respecting neighbors as equals;
- Societies, beliefs, and traditions flourish side-by-side; and
- Individuals exercise liberty, pursue their dreams, and chart their own destinies.

This vision is built on principles that are widely shared throughout the region:

- Ensuring the freedom of the seas and skies;
- Insulating sovereign nations from external coercion;
- Promoting market economics, open investment climates, fair and reciprocal trade; and
- Supporting good governance and respect for individual rights.

The United States' commitment to the Indo-Pacific has never been stronger. The United States provided over half a billion dollars in security assistance to the region in 2018. That included \$385 million in Foreign Military Financing, more than the prior three years combined. The United States is building partners' capabilities in maritime domain awareness and peacekeeping.

Over the past two years, American businesses have announced more than 1,500 new projects and more than \$61 billion in new investments across this region. The United States' total investment in the Indo-Pacific is now more than \$1.4 trillion — more than China's, Japan's, and South Korea's combined.

In July, Secretary Pompeo launched new flagship initiatives in infrastructure, energy, and digital economy. The United States is already identifying avenues of cooperation with allies and partners in these sectors crucial to future economic growth in the Indo-Pacific.

With the passage of the BUILD Act in October, the U.S. is now establishing a new International Development Finance Corporation with a **\$60 billion** investment portfolio capacity, the authority to make equity investments, and the ability to conduct feasibility studies.

Our vision for a free and open Indo-Pacific excludes no nation. We welcome the contributions of other countries to regional development, so long as it adheres to the highest standards the people of the region demand, including transparency, rule of law, and sustainable financing.

Development and infrastructure assistance should be treated with the same scrutiny as anyone treats their own personal finances. Rule of thumb: If it sounds too good to be true, it probably is. Infrastructure loans with opaque terms for projects of questionable economic justification too often have come with strings attached and lead to unsustainable debt.

As Vice President Pence laid out at the APEC CEO Summit last month: The United States offers a better option. We don't drown our partners in a sea of debt. We don't coerce or compromise a nation's independence. The United States deals openly and fairly. When you partner with us, we partner with you, and we all prosper.

PRIVATE SECTOR

According to the Asian Development Bank, developing countries in the Indo-Pacific need **\$1.7 trillion** in infrastructure investment every year, or **\$26 trillion by 2030**.

No government has this amount of money. Countries that rely on state-dominated funding for development will come up short by crowding out the high-quality private-sector investment their economies need most.

The United States aims to unleash the power of the private sector, which can access the **\$70 trillion in private capital** located in the world's financial centers.

Only if countries welcome private investment will those trillions of dollars get off the sidelines, into their economies, and build productive enterprises that create jobs and prosperity.

Indeed, the U.S. private sector's record in the Indo-Pacific is more substantial than often recognized. We conducted \$1.8 trillion in two-way trade with Indo-Pacific nations in 2017.

The United States is the largest source of investment in the region, and the cumulative value of U.S. foreign direct investment reached \$940 billion last year—more than double 2007.

We are proud of the U.S. private sector's strong track record in the Indo-Pacific. With American companies, citizens around the world know that what you see is what you get: honest contracts, honest terms, and no need for off-the-books mischief.

U.S. money creates the conditions to allow the private-sector to invest. No government spending can ever match it. The United States is less concerned with the origin of financing than how it is spent.

American companies are hiring and training workers in the Indo-Pacific, holding themselves to the highest standards. They don't serve a distant capital; they bring benefits directly the region.

BILATERAL RELATIONSHIP

So how are we operationalizing the President's vision for a free and open Indo-Pacific here in Vietnam? Our bilateral priorities perfectly complement this vision.

The United States is committed to supporting the development of a strong, prosperous, and independent Vietnam that contributes to international security, engages in free, fair, and reciprocal trade, and respects human rights and the rule of law.

President Trump chose the APEC CEO Summit in Danang last year to deliver America's vision for a free and open Indo-Pacific because Vietnam represents one of the United States' most important bilateral partnerships.

It is up to Vietnam to chart a path that embraces the market-oriented reforms and private-sector solutions we believe will help it integrate into the global economy and contribute to its long-term economic security.

To do this, we are working with Vietnam to open its markets for U.S. products and services, and level the playing field for foreign investments.

Continued cooperation on these issues will help us build trust, strengthen the bilateral partnership, and promote mutual prosperity.

Secretary Pompeo called the U.S. private sector America's strongest asset. He is right. When I speak with investors and business people in Vietnam, I am optimistic about the opportunities here:

Opportunities to invest in clean energy solutions.

Opportunities to leverage and leapfrog technology to build smarter cities and infrastructure.

Opportunities to develop educational partnerships that encourage innovation and foster entrepreneurship.

For the U.S. Mission in Vietnam, our efforts are already targeted toward empowering private sector-led development and creating opportunities for U.S. businesses.

My colleagues in the Economic Section of the U.S. Embassy and Consulate here in Ho Chi Minh City engage with Vietnam to simplify the regulatory environment and reduce barriers to trade and investment.

The Foreign Agricultural Service and the Commercial Service help U.S. exporters enter the Vietnamese market and sell U.S. products.

USAID provides development assistance for market-oriented reform and trade facilitation.

On security, the United States is working to enhance Vietnam's military capabilities so it can play a more active role in advancing its own interests. We believe a strong Vietnam will be able to partner with the United States in contributing to regional security.

On trade, the United States is looking at ways to reduce the trade deficit and promote fair and reciprocal trade between our two countries. We are committed to growing U.S. exports, as well as leveling the playing field for U.S. investors. We believe the U.S. private sector should be the partner of choice for a prosperous Vietnam. The United States remains firmly committed to the idea that a free and open Indo-Pacific deserves a free and open Internet.

We have identified energy as a priority sector of opportunity for U.S. exports and investment in Vietnam. This includes power generation, oil and gas exploration, Liquid Natural Gas imports, wind, and solar. Under the banner of EDGE Vietnam, multiple U.S. Government agencies have provided millions of dollars of technical assistance to identify market opportunities and suggest regulatory reforms to facilitate these investments.

Addressing war legacy issues is a foundational element of our relations. The United States is committed to contributing to dioxin remediation at Bien Hoa Airbase.

With respect to human rights, the United States always has and will continue to stand up for its values, even when we disagree with Vietnam.

The United States is growing its people-to-people ties through educational exchanges. The opening of Fulbright University Vietnam is a great start. The U.S. Government is also working closely with Vietnam to improve English language capacity around the country, and to help students who want to study in the United States. And we're already thinking about ways we can commemorate the 25th anniversary of the re-establishment of relations in 2020.

When America partners with Vietnam to improve transparency, adhere to international standards, and adopt market-oriented reforms, we do so because we believe that, given a level playing field, American businesses can compete, and that benefits both our countries.

If we get it right, we can create economic opportunity, grow trade and investment, and advance our mutual prosperity.

I look forward to hearing from our panelists today.

Thank you.