

RELEASE IN FULL

**From:** Sullivan, Jacob J <SullivanJJ@state.gov>  
**Sent:** Wednesday, July 20, 2011 8:07 AM  
**To:** H  
**Subject:** Fw: Reuters (Andy): Clinton tells India: "It's time to lead"

From Andy Quinn

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

**From:** Adler, Caroline E  
**Sent:** Wednesday, July 20, 2011 08:02 AM  
**To:** stratcomm; Sullivan, Jacob J; Abedin, Huma; Fuchs, Michael H; Rooney, Megan  
**Subject:** Reuters (Andy): Clinton tells India: "It's time to lead"

Clinton tells India: "It's time to lead"  
 By Andrew Quinn | Reuters – 10 mins ago  
<http://news.yahoo.com/clinton-tells-india-time-lead-113004320.html>

CHENNAI, India (Reuters) - Secretary of State Hillary Clinton told India on Wednesday "it's time to lead", urging the government to do more to integrate economically with neighbors Afghanistan and Pakistan and take a more assertive role across the Asia-Pacific.

Clinton, delivering a speech in the southern port city of Chennai, said New Delhi should exercise political influence to match its fast-growing economic muscle.

"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," Clinton said.

U.S. officials billed Clinton's speech as a major address to outline Washington's vision for the U.S.-India partnership in the coming century.

President Barack Obama, on a visit to India last November, publicly backed New Delhi's bid for a permanent seat on the U.N. Security Council and U.S. officials

say they are looking to the world's largest democracy to become a more visible partner in facing global challenges. Clinton listed a range of areas where India and the United States are cooperating, ranging from working on clean energy technologies to addressing concerns over Iran's nuclear program.

But she said India could do more in two key areas: building a leadership role in

the Asia-Pacific region, where New Delhi already has a "Look East" policy, and using its thriving \$1.6 trillion economy to boost more fragile neighbors, including long-time foe Pakistan and Afghanistan.

In Asia, Clinton said India and the United States had aligning interests and values on everything from maritime security to democracy and human rights -- areas where Washington has at times clashed with Asia's other rising giant, China.

"Because India shares these values and interests, expanding our cooperation can produce benefits for each of us," Clinton said, adding both New Delhi and Washington could still have "a strong, constructive" relationship with Beijing. "This will not always be easy. There are important matters on which we all disagree, one with the others. But we do have significant areas of common interest," she said.

"India, China and the United States will have to coordinate our efforts."

India, and the United States are looking with concern at China's increasingly assertive role, not just in its backyard but also across the world where it can now combine economic and political might.

India and the United States, once on the opposite side of the Cold War divide, have boosted ties over the past decade, as New Delhi seeks a greater global role

but at the same time the country's very DNA is traditionally to avoid being seen

siding with one power or the other.

The United States, especially in light of challenges in Afghanistan and Pakistan, wants India to be an all-weather ally, but a large part of the political elite in India still regard Washington with suspicion, partly because of its reluctance to take its side on nuclear-armed rival Pakistan.

Clinton urged greater Indian participation in groups including the annual East Asia Summit, which Washington hopes will become the major regional forum for dealing with political and security issues, and the ASEAN Regional Forum which meets later this week in Bali, Indonesia.

Clinton said India should do more to support both political and economic progress in Afghanistan, where the Obama administration has begun drawing down troops.

India is Afghanistan's biggest regional aid donor, having pledged \$2 billion to help build roads and power lines in an attempt to secure influence in a country it considers crucial to its security.

"Drawing down our troops is not the same as leaving or disengaging," Clinton said -- but added that India should join in efforts to help Kabul build a strong economy, and an inclusive democracy, which may provide a bulwark against violent extremism.

"We will continue to encourage New Delhi's constructive role," Clinton said, recognizing that some in India have expressed concerns that Afghanistan's political reconciliation might be manipulated by outside forces such as Pakistan.

"Reconciliation -- achieving it and maintaining it -- will depend on the participation and support of Afghanistan's neighbors, including both Pakistan and India," Clinton said.

"We all need to be working together."

She said India could work with Pakistan and its other neighbors to "adopt new rules for the 21st Century" to bring down trade barriers and encourage regional projects such as a proposed natural gas pipeline stretching from Turkmenistan to India.

----- 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.