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Fireside Chat with Jake Sullivan

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MR. SEVASTOPULO: Good afternoon, everyone. Jake, great to see you. How do you feel being out of Washington? Is it a good feeling?

MR. SULLIVAN: It's a very good feeling. (Laughter.)

MR. SEVASTOPULO: So would you forgive me if I bring you back there just for two minutes? (Laughs.)

MR. SULLIVAN: I guess that comes with the territory.

MR. SEVASTOPULO: You know, it's no secret that President Biden is under a lot of pressure from Democrats and Democratic donors to drop out of the race. I know you can't talk about the campaign, so I won't ask you that. But what I would like to know is: Are you seeing any impact on how U.S. adversaries are viewing the U.S.? Any sign that they might be about to do something because of all the distraction in Washington?

MR. SULLIVAN: Well, first of all, you know, we had the NATO Summit last week. Anja was kind enough to talk about what we tried to do with respect to U.S. allies.

And if you look at the outcome of that summit, it was a display of unity and purpose and dynamism, and yes, burden sharing, the likes of which we have not seen in a long time. And it was unity around Ukraine. It was unity about the threat from Russia. And it was unity around the threat from China, where there was a very important statement in that communiqué about the ways in which China represents a challenge to the transatlantic community.

And I think what our adversaries saw from that was the United States, under President Biden's leadership, pulling together and mobilizing the most powerful alliance in the history of the world. And not just celebrating 75 years, but really setting up the Alliance for the future in a profound way.

And so, we are going to continue day in, day out driving towards a ceasefire and hostage deal in Gaza, continuing to support Ukraine on the battlefield, and working on the full range of initiatives that we have underway while sending a message to our adversaries that if they want to mess with the United States and our allies, they're going to have a very rude awakening about what's in store for them.

MR. SEVASTOPULO: And just to be clear, U.S. intelligence hasn't picked up any signs that some of these adversaries may be about to mess with America?

MR. SULLIVAN: Well, look, it's an election year. And what we all know very well and what has been discussed here at the forum this year and in years past is that our adversaries do look at American elections as points to try to influence, to try to undermine confidence in our democracy, to try to put their thumb on the scale.

And the Director of National Intelligence released a report last week indicating they're back at that this year too. And we're clear-eyed about that. And we are doing a lot to push back against it, to ensure the sanctity of our elections, to ensure the safety of our voting system. So we will keep doing that.

But in terms of some other special kind of threat from countries for this moment, we don't see anything like that. But we do see our adversaries, in many different respects, challenging American interests, undermining American partners and allies. And, you know, we have a full suite of activities underway, in coordination with those allies, to push back on that.

MR. SEVASTOPULO: Let's talk about the Middle East and Gaza. Prime Minister Netanyahu is coming to Washington, I believe on Monday. It's also no secret that his relationship with President Biden could be better. So what message is President Biden going to deliver to Bibi when they meet on Monday?

MR. SULLIVAN: The overriding focus of the meeting between President Biden and Prime Minister Netanyahu is going to be about the ceasefire and hostage deal. Several weeks ago, the President went out and said to the world: There is a blueprint, a pathway to get the hostages home, a ceasefire in place, humanitarian assistance surged into Gaza, and then a platform to build greater peace and stability across the Middle East. That was at the end of May.

Over the course of June, he built global support for that, getting U.N. Security Council endorsement, getting G7 endorsement, getting the countries of the region to speak out on it, and securing Israel's commitment to it.

We now also have Hamas's commitment to the broad framework the President laid out. But there are details to be worked through, because this is a complicated piece of business to try to execute a ceasefire in a circumstance like this, with respect to Israel's military presence, with respect to humanitarian assistance flows, and with respect to what the long-term disposition of the Gaza Strip is going to be.

So the President will focus his energy, with Prime Minister Netanyahu, on what it is going to take working together, the U.S. and Israel, and then the U.S. working with the other guarantors, the other mediators in this process, to get this deal done in the coming weeks.

And as you heard from Secretary Blinken earlier today, we believe there is an opportunity to get it done. We are mindful that there remain obstacles in the way. And let's use next week to try to clear through those obstacles and get to a deal.

MR. SEVASTOPULO: So, Tony Blinken said you're at the 10-yard line, which as an Irishman, I had to try and work out what that meant. (Laughter.) But I think I'm there.

The question I have is: Have you reached agreement so far in terms of a transition from a, kind of, interim, temporary ceasefire to a permanent ceasefire? Or is that something that will have to be ironed out once you get into the first ceasefire?

MR. SULLIVAN: Well, President Biden laid this out in pretty clear terms when he spoke about the deal publicly. This is a deal that proceeds in three phases. To go from phase one to phase two requires a discussion — indirect discussion between Israel and Hamas over the conditions for phase two. One of the central conditions would be how you do the remaining hostage and prisoner swap as part of phase two, but other conditions as well.

And as President Biden said, those are going to be difficult talks. They're going to require a lot of give and take, a lot of back and forth. And while the initial phase is six weeks, the President said that one of the terms of this framework is that if the parties are at the table with the mediators, continuing to make progress, that that first phase could be extended until they do reach agreement and move into phase two.

So, most of that is understood by both Israel and Hamas. There are some technical details to be worked out about the phase one to phase two sequence. That's one of the issues that we have to work through in the end game. And it's one of the things that President Biden will have the chance to talk to the Prime Minister about next week.

MR. SEVASTOPULO: How optimistic are you that you'll get there?

MR. SULLIVAN: You know, I have learned the hard way never to use the word "optimism" in the same sentence as "the Middle East." (Laughter.) And so, what I will say is that I think we have our best opportunity now that we have had, since the last brief hostage deal in November, to get to an outcome. It is there for the taking. The broad framework is well understood and broadly agreed.

And so, the real issue is: Can we work through the politics on both sides, the psychology on both sides, and frankly, the practicalities of executing something as complex as a ceasefire in a circumstance like this. I believe the answer to those questions is yes. And we are determined to make it yes. So, we're not going to rest until we have this thing in place, and sooner rather than later.

MR. SEVASTOPULO: When the President meets Bibi on Monday, is he going to see a copy or get a readout on what Bibi intends to say to Congress in his speech on Wednesday?

And as you will remember better than me, the last time Bibi spoke to Congress, it wasn't very flattering towards the Obama-Biden administration. How concerned are you that Bibi will say something on Wednesday that would disrupt the progress towards getting over that finishing line?

MR. SULLIVAN: Well, last week we had two senior Israeli officials in town for discussions on Lebanon and Iran. We had Ron Dermer and Tzachi Hanegbi, the Minister of Strategic Affairs and the National Security Advisor for Israel. And they gave us a broad preview of what the Prime Minister is intending to say in his speech. They said he's intending to reinforce a set of themes and arguments that are not at odds or in contradiction to our policy, American policy.

But they're going to keep working that speech until the very last minute, just like we do on our side. I doubt we will see an actual copy of the remarks right before he goes up. But I do expect the Prime Minister will lay out for the President in pretty specific terms what he intends to say.

And politics and speeches are always unpredictable. But our expectation is that his speech will be one that doesn't look like 2015, it looks like what it should in the circumstances of today — and that is how the U.S. and Israel are trying together to face down a terrorist threat, to coordinate together on the regional challenges that both of our countries are facing, and how we're continuing to work towards a ceasefire and hostage deal.

Whether that happens or not, I'll stay tuned, you'll stay tuned. We'll see. But I expect to have constructive conversations with the Israeli government in the days leading up to the speech.

MR. SEVASTOPULO: So you're not going to give us a detailed preview yourself today?

MR. SULLIVAN: I will definitely leave that to the Israelis.

MR. SEVASTOPULO: All right.

I want to ask you about Evan Gershkovich. The President issued a statement this morning condemning his 16-year prison sentence for the crime of committing journalism. Does the fact that he's been sentenced, does that actually make it easier to get a prisoner swap deal?

MR. SULLIVAN: Look, one of the President's highest priorities — not just since Evan was taken, but even before Evan was taken, when Paul Whelan, you know, was in prison and has been for five and a half years, stretching back to the previous administration — has been to get all of our American citizens home, not just from Russia, but from countries around the world.

And the record of this administration, I have to say, is quite remarkable. You had Roger Carstens out here a couple of days ago at the forum. Close to 50 Americans that we have brought home, either hostages or unjustly detained people. And we have done that through difficult decisions, through hard diplomacy, and through the President making this a relentless priority. And that goes for Evan Gershkovich. And uniquely in his case — because as you said, he has been taken into prison and convicted for the crime of committing journalism for something that we care passionately about in this country — this is something the President will not rest until we get him home.

To your specific question, we are going to make every effort we can to get to the point where Russia agrees to release Evan and Paul, that we get them home and we get them home safe. And we would like to see that happen today or tomorrow or the next day.

But I can't handicap right now, sitting here on stage, what is likely to happen or what the psychology of the Russian mind is on the question of the conviction and how it plays into any negotiations.

All I can tell you is we are laser-focused on this; we are determined to make it happen. And I will consider it one of the most important things between now and the end of the

year, and especially now at the end of the month, for us to try to get something done where we can get him home. (Applause.)

MR. SEVASTOPULO: Let's shift to Ukraine, if we might.

You know, the White House and the administration had to work incredibly hard to get Congress to provide the big funding package a few months ago. If Donald Trump and J.D. Vance are elected, Ukraine is going to face a much tougher audience in Washington. How do you — notwithstanding the very successful NATO Summit, how do you convince American allies and partners around the world that the U.S. has staying power for Ukraine?

And then, just as a follow-on, do the Europeans need to do way more than even what they're doing now? Because as someone said earlier this week — I think it was the Estonian head of the foreign service in Europe — the "house is on fire."

MR. SULLIVAN: Well, first of all, the Europeans are doing a lot more than I think Americans give them credit for. When you calculate their contribution to Ukraine in terms of military assistance, economic assistance, humanitarian assistance, and other forms, they are combined doing considerably more than the United States.

Now, the United States is vital to this war effort. Our munitions, our capabilities, the sheer magnitude of what we can supply is essential. But I do think we have to give a hat tip to Europe for having stepped up in this conflict in a way that we have not seen from Europe since the end of the Cold War. And that is because of a recognition of what a vital interest it is for Ukraine to succeed here for European security. And you heard that in the earlier panel from my Estonian colleague, my German colleague, and others.

Now, I can't predict the future, and I certainly can't speak for the policy of anyone else other than the administration that I currently serve.

What I can say, and you've heard it from bipartisan — from senators of both parties — is there is strong bipartisan support in this country, Democrats and Republicans, to the tune of more than 70 votes in the Senate, to the tune of more than 300 votes in the House for continued support for Ukraine.

And so, all I can say is that that reservoir of support, which actually reflects a deep and abiding support among the American people — I've sat here in conversations in Aspen over the last two years when people said, "Oh, America is going to get tired of this thing. The American people going to stop paying attention." Poll after poll shows the American people still care, still support funding Ukraine, still support the notion that it is

our duty-bound obligation to continue to help Ukraine fight for its freedom and its sovereignty and its territorial integrity.

And what I would advocate is just that all of that underlying groundswell, that reservoir of support for Ukraine is going to endure no matter what happens in our politics. And I hope that that shines through in continued American support for Ukraine going forward.

What we can do right now is make sure we're putting the architecture in place for that support to continue effectively.

President Biden stood with President Zelenskyy in Italy, at the G7, and signed a bilateral security agreement, which said we are going to help Ukraine in the current fight, and we are also going to help ensure that, in the future, Ukraine can defend itself and deter any future aggression.

And then, at the NATO Summit, he brought 20 leaders together up on stage, who had also signed these bilateral security agreements, and said, "We are going to do this together." And NATO, institutionally, is going to play a critical role in helping be the backbone of that support on a long-term, enduring basis.

I can't predict what happens this fall, next year. What I can tell you is putting that architecture in place, I think, gives us the best possibility of ensuring that Ukraine has the support that it doesn't just need, but fundamentally deserves from its partners in the West. And I'm going to do everything I can to see to it that that remains enduring.

MR. SEVASTOPULO: But just to press a little bit, do you think they need some — in Europe — some kind of an insurance policy? You said American leadership is vital. Let's say American leadership recedes a little bit. What do they start to — what do they need to start doing now to prepare for that potential outcome?

MR. SULLIVAN: Well, first of all, I mean, it's what they are doing. They're building up their domestic capacity — something we are helping them with. And if you look at Ukraine's ingenuity, its manufacturing prowess as a significant defense manufacturer over decades, and the actual efforts it's undertaken, its ability to grow native capacity to help defend itself is real, and it is growing month on month.

Secondly, as we were just talking about with the Europeans, you now have 18 European countries, heading up towards 30 — that have signed these bilateral security agreements to themselves — make long-term commitments. And then you have the NATO institutional role that was defined at the most recent summit, which will carry through for years into the future, through multiple administrations.

So you put those pieces together, and then you add to that the fact that a country fighting for its freedom, for its territory, for its sovereignty also will carry with it a motivation and a morale that has them standing up to say, "We are going to make sure that the end game of this is one in which we prevail and we do not fail."

I think that, for me, this is the combination of factors that Ukraine needs to pull off. That's what I can do. That's what we can do day in, day out. That's what we're trying to do every day we have the opportunity to do it.

And I'm grateful to have the partnership of European countries who have stepped up. And I'm grateful to be working hand in hand with Ukrainians who are thinking about their long-term security as something that's about a partnership with the West but is also about investing in their own core sources of strength and growing those over time.

MR. SEVASTOPULO: One last question on Ukraine. Right now, there are extreme limitations on how Ukraine can use U.S. weapons to fire into Russia. Over the course of the war, you know, the U.S. position has changed on F-16s, ATACMS, and other weapons where, initially, you weren't pushing them for Ukraine, but ultimately came around to that idea or decided the timing was appropriate.

Are there circumstances under which the U.S. would say to Ukraine, "You can use U.S. weapons towards a much deeper part of Russia?" Or is that totally off the cards because of potential escalation?

MR. SULLIVAN: Well, the President was asked this question at the NATO Summit, in the press conference following it. And what he basically said is: We constantly look at the situation — what Ukraine needs, what we can offer — and we make our judgments accordingly.

And as the war has evolved, our support has evolved, the capacities we provided have evolved, and the parameters under which we provided them have evolved.

And so, I can't give you a definitive answer to that question for the future. What I can tell you is that the President's current position is that circumstances changed. Russia actually launched a new offensive directly across the border towards Kharkiv. And common sense dictated that Ukraine had to be able to fire back against that offensive. And so, the President said, "Yes, of course, go ahead." But thus far, his policy on long-range strike into Russia has not changed.

MR. SEVASTOPULO: I want to segue from that into Ukraine, Russia, and China. Have you seen any evidence that China has dialed back the supply of dual-use items that

while they in themselves may not be lethal weapons, they're being used in lethal ways on the battlefield?

So any evidence that they're reducing that? And if not, when is the U.S. going to go to the next level in terms of sanctions and do something, like sanction Chinese banks, that would have real teeth?

MR. SULLIVAN: We have seen them respond when we go to them to say, "Here's a bank that's facilitating a transaction. That is of concern to us." We have seen them respond to that.

But writ large, the picture is not pretty. China continues to be a major supplier of dual-use items to Russia's war machine. And dual-use items is kind of an abstract term; it's a good Washington term. What it means: It's the implements, it's the instruments that go into the weapons that are killing Ukrainians and oppressing Ukraine. And we think China should stop because we think it is profoundly outside of the bounds of decent conduct by nation-states. And China should not be on team Russia when it comes to the war in Ukraine.

So there are targeted ways in which they are responsive. But the larger picture continues to travel in the wrong direction, from my perspective, and we have made no bones about that; we've been quite public and transparent about it. And we, of course, say that directly to them in dialogue as well, and so do our European partners. And the NATO Summit made a very strong statement on this issue publicly, which I would reinforce here.

In terms of next steps, what we have shown over time is that we have been prepared to tighten the screws, to apply sanctions against specific entities and individuals, including in China, as well as in other countries. And that pattern will continue as we go forward. I don't have any announcements to make sitting here, but I think you can expect to see additional sanctions measures as we watch this picture continue to evolve in the coming weeks.

MR. SEVASTOPULO: But you've been naming and shaming them for quite some time now, you know, probably more than a year, if not more. If they haven't changed course by now, aren't you getting very close to a point where you need to ratchet up the sanctions — again, not just targeting Chinese defense entities, but actually financial institutions or something where it would really hurt in Beijing?

MR. SULLIVAN: Well, first of all, Demetri, the President authorized a nearly unprecedented power for the Secretary of the Treasury, working with the rest of the administration, to sanction banks, Chinese banks, as well as banks from any other

country that are facilitating these transactions for Russia's war machine. We have put that in place. We didn't put that in place so that it could just sit there. We put that in place so that when we find a bank that we feel falls within that sanctions regime, we can do something about it.

So, again, I don't have a prediction today, but I will just tell you that we have over time put the tools together to be able to respond to this kind of behavior, and we will respond to this kind of behavior.

MR. SEVASTOPULO: Let's switch to, kind of, China proper. I mean, over the last three years, until this year, before San Francisco when President Biden met Xi Jinping, your allies and some partners in Europe and the Indo-Pacific were quietly and privately concerned that the U.S. and China were potentially on a course towards conflict over Taiwan. How much did you worry about that possibility during the first three years? And how do you assess that risk today?

MR. SULLIVAN: I mean, war over Taiwan, war across the Taiwan Strait would be absolutely calamitous for the world — for Taiwan, for China, for the United States, for everyone.

So, yes, I have worried about it. And I believe that it has to be a fundamental object of American policy to ensure that never happens; that we deter China and dissuade China from ever launching an aggressive war against Taiwan to try to take the island.

And so, we have methodically worked over the course of the past three years to make clear that we would like to see the maintenance of peace and stability across the Taiwan Strait and that we do not want to see unilateral changes to the status quo from either side. And when we have seen the undermining of peace and stability and actions China has taken, we have taken responsive actions for our part, and we will continue to do that.

So this remains a paramount priority of U.S. policy. The maintenance of peace and stability across the Taiwan Strait is essential to the maintenance of peace and stability in the world.

MR. SEVASTOPULO: So, I mean, if you look at what you've done with alliances, I mean, you've had incredible success in the Indo-Pacific, getting the Europeans to realize that the Indo-Pacific theater and the Euro-Atlantic theater are linked, getting allies to work with each other — you know, Philippines, Australia, Japan, et cetera. Japan and South Korea.

But when you look at Chinese military assets in the western Pacific and in the theater where a conflict over Taiwan will be fought, China way surpasses the U.S.

So my question is — and this is kind of getting back to that old pivot question, which I know nobody likes: Does the U.S. really need to ramp up its military presence in the western Pacific and, you know, around the South China Sea, et cetera, just to boost deterrence, to avoid that conflict that, as you say, would be a catastrophe for the world?

MR. SULLIVAN: Well, if you actually look at what we've done with respect to our alliance system, our alliance infrastructure in the Indo-Pacific, we're not trying to create an Asian NATO. But what we have done is created links among our allies in a way that has not really been a historical feature of U.S. policy towards Asia. It's been very much a bilateral alliance-driven mentality.

Here, we are looking to strengthen the bilateral alliances but also to strengthen the partnerships between allies — U.S., Japan, Korea; U.S., Japan, Philippines; U.S., Australia, UK; U.S., Australia, Japan, et cetera. That feature has a diplomatic component. It has a technology component. It has an economic component. And yes, Demetri, it absolutely has a military capability component.

So, our presence and capabilities on Japan, our work through the Enhanced Defense Cooperation Agreement with the Philippines, our work through the Camp David trilat, the provision of nuclear submarines to Australia through AUKUS — the combination of these activities will have a material impact on the physical presence and distribution of force of the United States and our allies across the region, not to start a war but to prevent a war.

You are already seeing some of that. You will see more of that in the years ahead. And I consider that, honestly, one of the great successes of this administration, and it is one that we can build strength from strength in the years ahead.

MR. SEVASTOPULO: I mean, obviously in the Indo-Pacific, Taiwan, North Korea, you have some really dangerous potential flashpoints. But arguably right now, the most dangerous place is the Second Thomas Shoal. You've got this rusty World War Two-era ship, the Sierra Madre, sitting there. You've got some Filipino troops stationed on that ship. And the Chinese are trying to — and sometimes successfully — blocking resupply missions.

The Philippines is your oldest mutual defense treaty ally in the Indo-Pacific. Short of invoking that treaty, which no one has talked about so far, are there more things the U.S. can do? Within the administration, I hear some people saying, "Actually, the U.S.

should start providing naval escorts for the Philippine supply ships." What do you think about that? Is that going too far?

MR. SULLIVAN: Well, first of all, just on the point of the mutual defense treaty, we'd made clear that it applies to public vessels in the South China Sea. And so, China well understands our view of the application of the mutual defense treaty, should that line get crossed. That's an important point. We believe it is a stabilizing point. It is one we have reinforced publicly and very much reinforced directly to the PRC. And the Philippines understands and appreciates that.

Secondly, we have tried to consult very closely with the Philippines, because these are decisions they should lead on: how to most effectively reprovision this ship so that the sailors on board have the food and water and other provisions they need to continue to fulfill their mission. And we will do what is necessary with the Philippines to see to it that that happens.

But in terms of specific concepts of operations or the exact way in which the United States would be engaged, our preference is to have the maintenance of the status quo there, the capacity of the Philippines to do these resupplies. We will continue to support the Philippines and stand behind them as they take steps to be able to ensure that.

And I will be very cautious about speaking about hypotheticals should we have to get to it, because the most important thing right now is to see de-escalation and to see the ability of the Philippines to do resupplies. We believe that is achievable, and we're going to drive to make that happen.

MR. SEVASTOPULO: About a year and a half ago, a little bit north of here, a Chinese spy balloon crossed the U.S. You remember that?

MR. SULLIVAN: Sorry you had to remind me of that. (Laughter.) It was like a month of balloons.

MR. SEVASTOPULO: A month of balloons. And I was desperately looking forward to writing a story about the FBI report about what you found when you salvaged the pieces of balloon off the coast of South Carolina. Why was a report never put out?

MR. SULLIVAN: So, first of all, the ability of the United States, because of the way we took the balloon down — which was over water, rather than over land — to exploit it, to actually be able to take critical components off the ocean floor, look at the technology, look at the capabilities, and learn from that, learn about basically what is China up to with this thing, what capabilities do they have — that was a pretty good opportunity for the United States. And that's pretty sensitive too.

And so, this was not a White House-directed decision. But the intelligence community, the FBI made a judgment that the best way forward would be for us to take those lessons, apply them, share them as necessary with others, but not make a big public show of it.

MR. SEVASTOPULO: When you saw what it was and when you examined and analyzed everything, was it more sensitive than you had thought it would be?

MR. SULLIVAN: It was interesting. (Laughter.)

MR. SEVASTOPULO: Someone buy Jake beers in the bar tonight, please. (Laughter.)

I want to pivot to India. I know you've put a huge amount of effort in deepening U.S. relations with India. India is not going to abandon its relationship with Russia. We know that. But how concerned were you when Prime Minister Modi met President Putin, essentially at the same time that President Biden was hosting the NATO leaders in Washington?

MR. SULLIVAN: I think the biggest question for me is: Do we see tangible evidence that India is deepening its military and technology relationship with Russia or not. And I did not see out of that visit tangible evidence that it was, in fact, deepening; that I didn't see deliverables in that space.

MR. SEVASTOPULO: So you didn't think the bear hug was significant then?

MR. SULLIVAN: Well, Modi has a certain way, of course, of greeting world leaders. I've seen it up close and personal, actually.

Look, we never want to see countries that we care about, who are partners and friends of ours, show up in Moscow and hug Putin. Of course, we don't. I'm not going to sit here and tell people otherwise.

But in terms of our relationship with India, you know, we see enormous opportunity on technology, on economics, and in the statecraft and geopolitics of the wider Indo-Pacific region. And we want to deepen that relationship as equals, as two sovereign countries who also have relationships with other countries. And India has a historic relationship with Russia that they're not going to cut off.

But we do believe that we want to continue to have a deep dialogue with India about the specifics and the nature of that relationship and whether it evolves over time, particularly, Demetri, because Russia is getting closer and closer to China, and as the junior partner to China, is not necessarily going to be a great and reliable friend to India

in a future contingency or crisis. That's not something India needs to hear from Jake Sullivan, but it is a fact in the world. And it's something that we take into account as we have our strategic dialogue with India.

MR. SEVASTOPULO: About a year ago, CIA Director Bill Burns and Director of National Intelligence Avril Haines went to India and raised concerns with the Indian government about suspicions that the Indian government may have been involved in the assassination of a Sikh activist in Vancouver and what turned out to be a thwarted assassination plot in New York, also against a Sikh activist.

Have you received — you know, we're a year on — have you received satisfactory explanations from India about what happened or didn't happen?

MR. SULLIVAN: So, first of all, we were very transparent about this publicly with the Congress, with others. And obviously, that was a carefully executed plan. I sat down with Bill and Avril. I said we are going to go in the following order and actually talk to the Indians about what our expectations are in light of what we have learned, and we are going to work through until we see an outcome that we think is satisfactory.

I don't think that there's a lot of value in talking about the nature of that conversation publicly. It is sensitive. It is something we are working through. The story in my view has not yet been completely written; we need to keep working through it. But we have had a constructive dialogue with India on this issue. And we have made very clear where we stand on it and what we would like to see. And it's been respectful, and it has been effective, in my view, mostly because it is taking place behind closed doors.

MR. SEVASTOPULO: We're just about out of time. I'd love to ask you things about how you've maintained your boyish looks with such a hard job. But I'm not going to do that.

I'm going to ask one of the Rising Leaders if they have a question for you, and then we will end on that.

Who would like to — the gentleman over there on the left.

AUDIENCE MEMBER: Thanks so much. My name is Philip Davis (ph), and I'm with the Department of State, and I'm a Rising Leader.

I was wondering if you can talk a little bit about increasing partnerships and alliances with the African continent as well as South America, as well. We talked a little bit yesterday at a panel that there should be more visitation and such like that from the

government to South America. So just wondering if you can talk about increasing those ties as well. Thank you.

MR. SULLIVAN: So, just taking a step back — first of all, fantastic question. Thank you for it.

When we think about the nature of geopolitics in the world today, we have two strategic facts: one, intense competition with other great powers; two, massive challenges that require the mobilization of a significant number of partners from across the world to meet them. And both of those things are true at the same time. And sometimes those very competitors have to be part of the cooperative solution to a challenge; take China and climate change as an example.

But another major feature of the international system right now is that the rest of the world is saying to the United States, to China, to Europe, to others: What is your value proposition to us? Where do we fit into the picture? And how is it that we can work together in partnership to address the needs of our people and to solve these problems that afflict us all?

And so, a central feature of the Biden administration's strategy has been to redefine the American and the Western value proposition to the developing world to meet the priorities that they care about, not just our list of interests in those countries.

So what do they care about? They care about infrastructure, infrastructure. Health, digital, physical, energy infrastructure.

We have been out of the game in a substantial way on that for a long time. The President put together the Partnership for Global Infrastructure with the G7. A lot of people kind of rolled their eyes and said, "Where's this going to go?"

We just met at the G7 in Italy last year. We have mobilized an enormous amount of money and have a lot of wins on the board. And we are adding to those wins year in, year out. And that's particularly focused on Africa and the Americas.

Second, the mobilization of investment of private capital, leveraged by political risk insurance or currency risk, or small amounts of public dollars that can just bring capital in off the sidelines to do so much for economic growth, for a climate transition, and for technology.

And here, just this week, I met with the foreign ministers of multiple countries in the Americas through something called the Americas Partnership for Economic Prosperity. Sounds like another one of those things. We now have a billion-dollar angel investor

network for small entrepreneurs in the Americas to be able to unlock their potential. And that's just one of a number of other initiatives we have underway. These do not make the headlines. They don't really get asked about at the Aspen Strategy Forum.

But to me, they're not just central to a better, safer world and to who we are as the United States of America trying to help leave that world. They're also central to geopolitical competition. Because our ability not to treat other countries as proxy battlegrounds, but as partners, rests on our ability to bring something to that partnership.

And I could go on all day. The panel before us on technology — the United States has an enormous opportunity right now when it comes to the deployment of artificial intelligence and advanced technology to help solve problems and to help give other countries the tools they need to deliver for their people. Huge opportunity.

And one of the things that I want to put in a plug for at the end is for the people in the audience who work in finance or who work on Capitol Hill. Because we need two things. We need Capitol Hill to say: Yeah, we have an \$880 billion defense budget. And that may not even be enough, but we're not putting enough just raw dollars into this aspect of American statecraft. And it is profoundly in our interest.

And we're not talking hundreds of billions. We're talking about relatively small amounts of money that can unlock huge amounts of money. And that's my message to the finance community.

It is imperative that our private sector see and partner with us in the opportunity to deliver high-standard, high-quality investment in the developing world, in the Global South, in Africa, in Latin America, and Southeast Asia. It's profoundly in their interest and it's profoundly in ours. And there's a patriotic element to this as well.

I think we were supposed to end a while ago, and now I'm on a sermon. I apologize. But I really do feel passionately about this issue. And I thank you for giving me the opportunity to talk about it. (Applause.)

MR. SEVASTOPULO: By going long, you've just proved that you have Irish heritage.

But I'd like everyone to please join me in thanking Jake Sullivan for sitting with us today. (Applause.) Thank you, Jake.