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TRANSCRIPT

Press Briefing

“Previewing the Quad Leaders Summit and the High-Level Week of UNGA 79”

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FEATURING

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Samuel Cestari: Hi, everybody. And thank you for joining the CSIS press briefing previewing the upcoming Quad leaders' summit, set to take place on September 21st, and the high-level week at the 79th session of the U.N. General Assembly, which will begin Tuesday, September 24th. Today, five CSIS experts will share their expectations and perspectives on key themes in context for these two gatherings.

Just a couple of housekeeping notes before we get started. Each of our speakers will offer several minutes of introductory remarks, after which we'll turn to your questions. We'll also be distributing a transcript of today's call a few hours after its conclusion. The transcript will also be made available on CSIS.org.

So with that, why don't we go ahead and get started? I'll turn first to Jon Alterman, CSIS senior vice president, Zbigniew Brzezinski chair in global security and geostrategy, and director of the Middle East Program. Jon, over to you.

Jon B. Alterman: Thank you very much, Sam. The more I talk to people around the world the more I get a sense of profound anxiety about the shape of the U.S. election. I think the perception that President Trump is unpredictable has the effect of freezing adversaries who are uncertain of its actions, but it also freezes allies who have become uncertain of U.S. support. What that does is it prompts allies to hedge against abandonment and to de-emphasize collective action. And these meetings coming up, for many people around the world, are really an inflection point for how they will think about their security concepts in the future.

Will this be one where they will be working in concert with the United States, relying on the United States? Will it be one where the United States will leave them to their own? Or will it be one where they might have the United States? And I think that for each of those outcomes it prompts a different set of other relationships. It affects their entire diplomatic strategy. And there is this moment of watching and waiting.

For most U.S. partners, what they've told me is they're really desperate for a Harris win. They don't have confidence that Harris will win. They don't really have a sense for U.S. politics and how they play out. The Electoral College system confuses them to no end. Their hope is that some level of U.S. internationalism, in some variety, returns to being a relative constant in international affairs. To me, that overlooks the fact that Trump's ideas about internationalism, his skepticism of internationalism, what some have called isolation, have deep roots in U.S. history.

These ideas, shrunk in the face of things like World War II, the Cold War, where you had broad organizing principles for the way the U.S. approached

the world that were able to beat these ideas of America first, beat those ideas back. It's not clear to me, if the internationalists are to win, what that organizing principle would be right now. And to me, I think there's probably a little bit of overconfidence among European partners and others that if Trump is to lose, then this idea of American isolationism will go away.

I think the other thing to pay attention to with UNGA is, while President Biden will be there, he will be there as a lame duck. I don't expect either President Trump or Vice President Harris to show – and there's a way in which the U.N. becomes almost prematurely like a sideshow. It's not the main event, because the people who are going to decide the future of the way the U.S. engages in the world don't think being at the U.N., engaging with the U.N., will either help them, and it certainly won't help them get elected by the American public.

I think two other things are going on at the U.N., particularly with regard to Middle East issues, that are worth paying attention. The first is the new Iranian president who was elected in July, Masoud Pezeshkian, will be there. He will be trying to show a different side to Iran. He will be trying to show that Iranians really want to engage, want to open up, want to reassure the world.

He says that he wants to reengage in nuclear negotiations, diminish the pressure on Iran. The reality is he's constrained by both sides. He's constrained by an Iranian leadership, the unelected leadership in Iran, which is very skeptical of Western intentions, which is very skeptical that an agreement will get Iran any permanent benefits, as indeed the JCPOA was reneged upon once the Obama administration left office.

And the people who really call the shots in Iran believe that U.S. hostility is not a variable, it's a constant, and that the whole issue of the nuclear program is just a way to use other means to weaken Iran. So he has skepticism on that side.

Of course, on the U.S. side, there is so much skepticism in Congress, skepticism in the government. There are such a long list of Iranian acts of malfeasance, which extend from Gaza through the Houthis shelling the Red Sea and into meddling in Iraq and elsewhere. And then there's the whole issue of human-rights issues, treatment of women in Iran and so forth, that even if Pezeshkian were deeply committed to really changing this relationship, he's starting from a very difficult point both vis-à-vis the people who really hold power in Iran and vis-à-vis the powers outside in Iran who are growing quite alarmed at Iranian behavior.

So I think we'll see an effort to really change the music, but I'm not sure how much success he will have, certainly before the next election, even after the

U.S. election. I think our – there's been so much trust that has broken down in the last six years that it's going to be very hard to get to the place that he talks about wanting to get to.

The final thing I want to talk about is just how much the world is preoccupied with the war in Gaza and frustrated that the U.N. has not been more effective trying to end the war in Gaza. It is really important to remember there's not a single conflict around the world that has literally billions of people feeling a very deep emotional connection to this conflict on both sides. And the U.N. has really not been able to play a very effective role in terms of reducing the amount of conflict, in terms of improving humanitarian conditions in Gaza, in terms of establishing confidence for what a political framework might look like following the conflict.

In many ways, it's a reminder that the U.N. system is not very good at resolving conflicts when a member of the – or, permanent member of the U.N. Security Council is deeply involved. It's partly why the U.N. isn't very effective on Ukraine. It's the U.S. relationship with Israel that I think constrains the U.N.'s ability to play the more active role that many members would like the U.N. to play moving this conflict toward a resolution.

But as the world gathers in New York and talks about the role of the U.N., talks about the role of international cooperation, the persistent inability to use U.N. structures to make more of a difference in this conflict, which is very, very much on the minds of billions of people around the world, I think is going to be a sober undertone to the week's discussions. Thank you very much.

Mr. Cestari: Jon, thank you. Next we have Kathryn Paik, senior fellow with the CSIS Australia chair. Kathryn, over to you.

Kathryn Paik: Thanks, Sam.

Yeah, I'll talk a bit about the upcoming Quad summit. As has been announced, President Biden will be hosting the three other Quad leaders in Delaware for the fourth annual Quad leaders' summit this coming Saturday. You know, the fact that the Quad summit meeting is, in and of itself, a very significant event, just the fact that it's happening. If we look at the tempo of meetings over the past four years, the six leader-level meetings for in-person annual summit every year since 2021, eight foreign ministerial meetings, this is really quite impressive.

The initial proposition for this grouping was that the four major Indo-Pacific maritime democracies could find a way to better coordinate and align efforts in a way that really strengthened the region. So part of the purpose of this summit next weekend will be to try to try to showcase that, in many ways, the

Quad has done just that. Additionally, the White House is pushing another theme with this summit, and that's the enduring nature of the Quad. So I'd expect with all of this in mind, we will see some foot-stomping of past and ongoing initiatives, as well as some new announcements. So I'll step through each of these points in a little more detail.

Firstly, on the meeting itself, we will have three major world leaders flying across the world for the summit. In Prime Minister Albanese's case, he did not come to the recent NATO-IP4 summit, which some had questioned. But his government has already come out with a pretty forceful statement on his attendance to the Quad summit. So this is clearly a priority for him and the Australian government.

This year's summit was supposed to be hosted by India, but due to scheduling difficulties and the availability of timing it was decided to do it instead on the sidelines of UNGA. Also most likely a factor here is now that President Biden is not running for reelection, he could consider hosting this summit here in Delaware as a capstone event for him, a way to see through one of his major foreign policy endeavors. And it should be noted that there was no issue from India on switching dates. As has been announced, they will be hosting next year.

On deliverables, the administration has already forecasted the areas we are likely to see announcements, including health security, humanitarian assistance, disaster relief, maritime security, infrastructure, critical and emerging technology, climate, and cybersecurity. Some specific areas I'm watching for: There's a lot of chatter on health, specifically on cancer and on some version of Biden's Cancer Moonshot Initiative. During COVID, the Quad demonstrated a strong ability to work together to deliver vaccines across the Indo-Pacific, and health is something that the Quad has always seen as a cornerstone, as a soft power mandate. The Quad will be looking for a serious way to continue to capitalize on the technological expertise of these four countries and coordinate on cancer research and treatment, another major health concern for the region.

On maritime security, I'd expect a mention of the Indo-Pacific Maritime Domain Awareness Initiative, IPMDA, both detailing progress thus far and also how the Quad will build upon the success to continue to empower countries to monitor and protect their exclusive economic zones. We could see mention of further joint cooperation maybe in the South China Sea. And also there's been some talk about expanding IPMDA a little bit further into the Indian Ocean.

On infrastructure, I'd note that ICT and cable specifically have been a top priority for the Albanese government. Especially in the Pacific, there's a lot of bilateral and multilateral work already happening in this domain with

Australia at the center. So the Quad is likely looking at ways to capitalize on the extent of work going on bilaterally and trilaterally to build upon these efforts, and Australia will likely be pushing hard on that endeavor.

We also might see something on the Quad Fellowship Initiative, which has been expanded to at least two Southeast Asian partners. This fellowship has been an example of Quad efforts to bolster people-to-people ties, another key component of the soft power mantra of the Quad, and there's a lot of potential to build on here. Currently the United States is the sole destination for fellowship participants, but we could see that expanded to other Quad countries.

Lastly, just in wrapping up, I'd say that it's important to remember that the Quad itself is – in the U.S. system is one of those rare initiatives that is pretty – has pretty extensive bipartisan support. It's bridged multiple administrations from both parties. Both former President Trump initially elevated the Quad to the foreign ministerial, and President Biden then raised it to the leader level. Earlier this year, we saw the House passing the Strengthening the Quad Act, and it also has strong support in the Senate and I expect it to pass there as well. So this circles back to one of my first points, which is that from a U.S. perspective the primary purpose of this summit is really to further institutionalize the Quad in the U.S. system and reinforce its enduring nature into the next administration, as well as likely reassure other Quad partners of the enduring nature of the Quad within the U.S. system.

So I'll leave it there and pass it on to my other colleagues.

Mr. Cestari: Kathryn, thank you.

Next we have Richard Rossow, senior adviser and CSIS chair in U.S.-India policy studies. Rick, over to you.

Richard M. Rossow: Thanks. I'll pull on one of the threads following up on Kathryn's comments, which is a deeper dive on India. What does India want to see out of its engagements, since the other members of the Quad are all treaty partners? India kind of stands out in that regard. I'm going to focus a little bit more on the strategic tech angle, which has really been overall, you know, kind of a major focus of the Quad since it's been a bit shy on moving into overt security cooperation.

You know, first, strategic tech, you know, for India, you've got a lot of the same issues that you will probably hear from other Quad members that's really been sort of driving the idea of convergence of these four countries. They all want to reduce their dependence on China and just generally reduce dependence on any one country on the heels of COVID and some of the supply chain constraints that we saw during that period.

India also has two other critical drivers when it thinks about trying to work with Quad members and companies from the Quad countries to try to improve some of these investments they might attract in strategic technology.

The first is job creation. You know, India, when Modi first came to office 10 years ago, announced this big Make in India program trying to rebalance the economy to have a bit stronger manufacturing component. Ten years ago, manufacturing was about 14 percent of GDP, and Modi set the target about moving to 25 percent of GDP by the year 2025 to provide low- and medium-skilled employment for people that were, hopefully, going to be leaving farms by that point. So job creation's a big deal for India. I'll point out that India still is stuck at about 14 percent of GDP from manufacturing. So, so far a lot of the initiatives they've tried, including engagement through the Quad, haven't yielded a lot of fruit.

The second issue is balance of trade. India has a trade deficit that varies between 8 percent and 12 percent of GDP, which puts it about 3 or 4 percent – three or four times larger than the U.S. trade deficit, so not dissimilar to the United States. Of course, we all want to see jobs and balance of trade, but India in terms of sheer numbers and percent of economy has a much steeper hill to climb. So, hopefully, the Quad for India on this point can really attract some of these technology investments that otherwise had been going to China and other markets.

The challenge India faces in this, of course, is that generally countries don't tend to leapfrog to the top of the list in terms of the robustness and level of sophistication of manufacturing. India wasn't necessarily competitive even with its own neighbor Bangladesh, for instance, on textile manufacturing, and suddenly hopes that it can be more competitive against Taiwan in semiconductor manufacturing. A lot of the infrastructure and manufacturing level constraints India faces make that leap extremely difficult. But you know, having partners with the United States, with Japan, with Australia – the access to minerals, the access to investors – they are hoping they can do something that would be pretty uncommon in human history, which is moving from, you know, relatively lower on the list of robustness in manufacturing up to the higher end.

I'll wrap up by just saying that, you know, obviously, the Quad has focused a lot on nonmilitary issues. But the thing that, you know, it doesn't have military components hanging overhead isn't exactly true either. You know, it was born out of military cooperation, the navies working together after the 2004 tsunami. They do have an overt working group now in humanitarian assistance/disaster relief, which, of course, a lot of the first responders, when you've got a major crisis, tend to be our militaries. They have the Malabar

naval exercise, which they say is not Quad, although it happens to involve the same four countries.

And I'd say on security, you know, for the Quad to move beyond technology and health care, if it's going to go deeper on security, a lot of that depends on China as the pacing threat. You know, the recent attacks on Australian divers, battling India in the mountains of the Himalayas, pressuring U.S. allies like Philippines with some of the resupply missions, you know, if these things start to – continue to escalate, and we think they will, you know, I suppose that that's probably the pacing threat that'll force the Quad to start thinking differently about the kinds of things that it's working on.

So I'll wrap it up there and let me hand it back over to the other speakers.

Mr. Cestari: Rick, thank you.

I'd like to quickly mention that if you want to ask a question, please press one and then zero. After our next two speakers, we'll turn to your questions and answer them as best we can.

Our next speaker is Nicholas Szechenyi, senior fellow with the CSIS Japan Chair and deputy director for Asia. Nick, the floor is yours.

Nicholas Szechenyi: Thanks, Sam. And thanks to all for joining us.

I'm just going to comment briefly on the Quad summit from Japan's perspective. Prime Minister Fumio Kishida will be making a trip to Delaware for the Quad summit and then make a brief stop at the UNGA before returning to Japan, because this will be his last trip overseas as prime minister in advance of a leadership election in the ruling Liberal Democratic Party.

Last month Kishida announced that he would not run for reelection. And that has opened up a very wide-open contest to succeed him. And so I think one of his prime motivations in making this trip is to put a stamp on his legacy in foreign affairs, which is quite profound, with respect to bilateral agenda-setting with the United States, but also networking with likeminded partners such as Australia and India. And this is the first Quad leaders' summit since he hosted the last meeting in Hiroshima in May of '23. And I think Japan is sincerely committed to advancing the very comprehensive agenda that Kathryn outlined for you earlier.

And the reason Japan is so attached to the Quad is because it understands that in order to shape the regional environment in the Indo-Pacific and to manage a range of challenges, it has to coordinate more closely with other partners. So the networking dimension to regional strategy, or so-called unilateralism, is really fundamental to Japan's foreign-policy strategy under

what it calls the free and open Indo-Pacific, which is basically a commitment to support stability and future prosperity in the Indo-Pacific and to provide public goods for the developing world. And Japan is very proud of the Quad's history in that respect.

Also important to point out that, in addition to advancing the Quad agenda, Japan has also been very committed to strengthening bilateral ties with the other three members. Just this summer you saw so-called 2+2 meetings, so meetings of defense and foreign ministers, with the U.S. in July, with India in August, and with Australia just earlier this month; just a range of, first of all, alignment on strategic challenges, but also cooperation across diplomatic and security issues.

I think the common thread for Japan and the common language, or the catch phrase, if you will, that you hear from Japanese leaders and see in their strategic documents is a commitment to preserve a free and open international order based on the rule of law. (Laughs.) That really rolls off the tongue. But fundamentally that's about establishing rules and norms for the region across a range of issue areas.

I think for Kishida personally, who's sort of announced an updated version of this free and open Indo-Pacific strategy during his tenure as prime minister, the Quad is really important in signaling a message to the to the developing world that this collection of maritime democracies can provide a compelling package of development support and other initiatives across a range of issue areas that will really benefit, again, the future stability and prosperity of the region. So Kishida, of course, is traveling to Delaware to bid farewell to his colleagues but also to signal Japan's sustained leadership in the Quad, which will remain a centerpiece of regional strategy for Japan and likely the other partners.

I'll stop there. Thank you.

Mr. Cestari: Nick, thank you.

After our next speaker, we will turn to your questions. So if you want to ask a question, please press one and then zero to join the queue.

Our next speaker is Gracelin Baskaran, director of the CSIS Project on Critical Mineral Security and senior fellow with the Energy Security and Climate Change Program. Gracelin, over to you.

Gracelin Baskaran: Thanks, Sam.

So one of the things that we've been seeing in recent years is a scaling up of Quad collaboration to reduce reliance on China for key minerals required for

national, technological, and energy security. In October 2022, Washington announced a plan to launch the \$1 billion fund to invest in companies in Quad countries. We've seen the Quad Critical and Emerging Technology Working Group. And we've seen quite a few bilateral and trilateral agreements. Bilateral between Japan and the United States, the trilateral agreement between India, Japan, and Australia through the Supply Chain Resilience Initiative.

So quickly to run through this, I'll go through the comparative advantages of the Quad countries and why collaboration is really critical, before going into five areas of strategic cooperation. So the biggest challenge that we have in the United States, it is very difficult to mine. S&P found that it takes an average of nearly 29 years to build a new mine in the U.S., which is the second-longest in the world behind only Zambia, which has really hampered our attempt to boost output of key minerals needed for the energy transition. The permitting process alone can take seven to 10 years, and we've seen also an acceleration of litigation in minerals projects given the tension often between mining companies and indigenous communities. So this is where Quad countries play a critical role from a United States perspective, but also for theirs.

So Australia – you know, mining is between 1 and 2 percent of GDP in the U.S. and Canada. But it's 15 percent of Australia's GDP. And that's twice the share of 2018 and three times the share of 2000. And as a massive producer of key minerals, it's the biggest producer of bauxite, aluminum, rutile, tantalum, Second-biggest producer of uranium, which is important because we committed to tripling nuclear power capacity at COP last year, and lithium. Third-biggest producer iron ore and zinc, and I can kind of go on.

And the biggest challenge that we have is that the vast majority of those minerals are still going to China for processing, which then opens us up for geopolitical disruptions. And Australia is also a critical source of human capital development. It's not a secret that the world is facing a global shortage in the workforce for mining, but four of the top seven programs in the world for mine engineering are in Australia, and a lot of that talent needs to be exported to meet our needs.

When I look at Japan, I see a comparative advantage with its technological capabilities, efficient processing, and advanced manufacturing, rather than an abundance of critical minerals in and of itself. So almost all of the ore that uses, particularly to manufacture, are coming from other countries. So there's a few factors with Japan's comparative advantage. Again, one is expertise in processing and technology. For example, Japan has mineral resources – or, minimal resources of rare earth, but highly efficient in processing and refining. It also excels in smelting and refining commodities like copper, zinc, and aluminum.

Moving on to India, India is actually key for both critical mineral supply and demand. Historically, China has consumed about half of the world's base metals. However, when you look at a collapsing real estate market, high levels of local government debt, high unemployment, and slowing growth rates, you really see why countries are looking to diversify mineral offtake. China's economic growth over the last quarter was the worst in five. And the IMF recently noted that China is a significant fiscal risk, and they're tilted to the downside.

But India has the largest population, rising incomes, positive growth outlook. IMF has called the world's fastest-growing major economy, and in July upgraded its growth forecast. However, India is highly coal dependent still, and this is why the demand for critical minerals for the clean energy transition is pretty clear. India also has aggressive domestic industrial policy ambitions in defense, technology, and energy, a skilled workforce, and growing technological capabilities.

So kind of turning quickly over to collaboration, one of the primary goals of Quad collaboration is to build that diversified and resilient supply chain, which are the bedrock of national technological and energy security. And what's evident from kind of the country-by-country analysis that I just presented is that Quad countries have complementary comparative advantages. And particularly, you know, if you want to create the entire supply chain from mine to market, that collaboration is important. And particularly for the U.S. I mean, we're lagging on production and processing.

So a quick couple areas for collaboration. First is resource sharing and joint exploration. Australia is one of the biggest producers of a variety of minerals – rare earths, lithium, nickel, cobalt. By partnering with Japan, the U.S., and India, Australia actually provides feedstock through long-term agreements, ensuring that these countries have a long-term stable supply for manufacturing. Joint exploration is also critical to develop new sources of critical minerals in underexplored regions. And this is particularly true for potential reserves in India. Fun fact of the day, 99 percent of all exploration fails. So pooling in that capital actually reduces the cost of exploration.

Second, Quad countries can collaborate on research and development and mining, processing, and recycling. Japan and the U.S. actually are advanced in battery technology. Australia has efficient minerals extraction techniques, because of that depth of mining expertise – as I cited earlier, four of those seven top engineering programs are in Australia. And recycling, urban mining, is led by Japan. And India is critical for manufacturing, but also increasing production. Third, these countries can cofinance processing facilities. And these are central to reducing dependence on Chinese-controlled supply chains. Again, Japan has expertise in refining rare earths.

The U.S. has investment in advanced recycling technology. And these are critical for building and upgrading these facilities.

Fourth, by developing a strategic mineral stockpile across Quad countries. You know, as China has rolled out restrictions on graphite, gallium, and germanium, and recently, antimony, stockpiling is becoming increasingly important to manage those disruptions. And finally, by sharing those best practices in mining technology, sustainability, environmental standards, it can optimize extraction and minimize ecological impacts through responsible mining.

So in conclusion, you know, what we see is by pooling their respective comparative advantages in extraction, refining, technology, and, importantly also, industrial human capital potential, we really can create those resilient supply chains. And that's why we've seen, I think, particularly over the last two to three years, critical minerals becoming central to Quad engagement. Thanks. Over to you.

Mr. Cestari: Perfect. Thank you, Gracelin. Really appreciate it. And thank you to all of our speakers for sharing your thoughts here today.

So at this point, why don't we open it up for questions? I'll turn it over to our operator, Colin, to open up the line. Colin, why don't we go ahead with our first question?

Operator: And that will be from the line of George Condon. Your line is open.

Q: Great. Thanks much.

I wanted to ask about the importance of this being Biden's last time at the U.N., and about a war we haven't talked about today. In his first, in '21, he announced the end of America first, and championed multilateralism. In his last two years, he said: Don't get tired on Ukraine. Don't abandon Ukraine. Do you expect a lot on Ukraine this year from him? Or has the U.N. tired of it and moved past that war, despite his past speeches?

Mr. Alterman: George, this is Jon Alterman. I wanted to take that.

So I worked for Senator Moynihan in the late 1980s, and then-Senator Biden was the ranking Democrat on the Senate Foreign Relations Committee. To me, the Ukraine war touches on everything President Biden feels deep in his bones about the way the United States should operate in the world. It touches on issues of the security of Europe and the importance of the security of Europe to the security of the United States. It touches on necessary deep cooperation between NATO allies and it touches on the potential threats to peace and security of an aggressive Russia.

Again, I think he feels this issue deep in his bones. He's very proud of the creativity the U.S. has demonstrated, mustering a wide variety of allies through overt and covert methods to support the Ukrainians. He's proud of the changing role of the CIA and American intelligence agencies in demonstrating what the Russians are doing and undermining Russian plans.

I think when he thinks about his presidency, unifying the world around resisting the Russian invasion of Ukraine is his core legacy. And I cannot imagine it will play a huge role in how he approaches the meetings in New York.

Mr. Cestari: Would anyone else like to take a stab at that one, or should we move on?

All right. I do just want to give one more opportunity for people to join the Q&A queue here. So I just want everyone to know you can press one and then zero to join the queue.

Well, it seems like we covered everything here then. If any questions come up, please do let us know. But this seems to be all the questions for right now.

I want to thank all of our speakers and participants for joining us for this timely call. Please feel free to reach out for anything we can do to help to be a resource, looking ahead to the Quad leaders' summit and UNGA 79. We're happy to help, so don't hesitate to reach out.

As mentioned at the top of the call, we'll have a transcript distributed to all of you and it'll be available on CSIS.org.

So with that, I hope everybody has a great rest of your day, and thanks for joining us.

(END.)