Admiral Wu, Chiefs of Navy and Heads of Delegations, ladies and gentlemen. Let me begin by echoing Admiral Greenert’s welcome to Pakistan as a permanent W.P.N.S. observer. I also applaud and thank the W.P.N.S. members for approving the Code for Unplanned Encounters at Sea, or CUES. This is an important step forward to reduce tensions at sea in the region.

And a big thanks to China for bringing us all together. Your Navy’s global involvement in areas such as counter-piracy operations in the Gulf of Aden, the U.N. efforts to remove chemical weapons from Syria in the Eastern Mediterranean, the massive multilateral search for the missing Malaysian airliner in the southern Indian Ocean, and participation in regional multinational exercises such as RIMPAC, all underscore the expanding reach of the P.L.A. Navy – a positive reach, I might add – that enhances maritime cooperation on the high seas.

Today, maritime cooperation is more vital than ever before. For centuries, the world’s oceans kept us apart, but in this increasingly globalized world, they are the pathways that bring us together.

More than ever, freedom of the seas is the minimum condition necessary for global prosperity to flourish. This applies to the United States, a maritime nation and a Pacific nation, and it applies to each country represented here at W.P.N.S.

As the world’s economic center of gravity shifts rapidly toward the Pacific, we also note the increasing risks in the region – some man-made, some natural – but all capable of disrupting stability and impacting our collective prosperity.

For instance, it was just four years ago that a Republic of Korea Navy corvette, the Cheonan, was sunk by a North Korean torpedo. The unacceptable loss of life and the real potential for dramatic escalation should compel all of us to increase our cooperative efforts in the maritime environment.

Today we see increasing tensions over rocks and shoals, and over sovereignty. The only acceptable way for responsible nations to resolve these issues is through diplomacy. The United States strongly opposes coercion or intimidation as means to resolve territorial disputes, and we support the use of well-established international dispute resolution mechanisms.

We also cannot forget the typhoons, volcanoes, earthquakes and tsunamis that plague this region. If Mother Nature can dish it out, it’s on the menu here in the Pacific.

These are some of the reasons why the United States is rebalancing to the Pacific, and why it’s imperative that we work together to build trust and confidence to solve our collective maritime challenges.
So let’s talk briefly about how we do this.

First is the importance of dialogue. Finding common ground on these challenges, with a forum to bluntly, but respectfully, discuss our differences is what makes W.P.N.S. so powerful.

At the ASEAN Defense Ministers meeting which U.S. Secretary of Defense Hagel recently hosted in Hawaii, his message was clear – when we work together, we can accomplish great things.

Of course, it’s not lost on me that long held historical differences complicate any dialogue at all. As Secretary Hagel has often said, we should be informed by history, not held captive to it. We must put old differences aside and work toward the larger goal of maintaining the security and stability that is so fundamental to peace and shared prosperity in the 21st century. We must avoid unilateral actions that only serve to increase mistrust and tension and, instead, work together in multilateral venues to resolve disputes.

Dialogue matters.

Last month I spoke at the Jakarta International Defense Dialogue and two weeks ago I was in Canberra for the Australia Strategic Policy Institute, both to talk about what the U.S. Pacific Fleet is up to. Just the other day I spoke at the Asia Pacific Center for Security Studies in Hawaii and was pleased to see representatives from nations throughout the Pacific, including several from China’s Maritime Safety Administration. I was energized by the questions I was asked and, as I’ve often said, I learned as much from the participants as they learned from me.

Whether it is high level government talks, track II dialogues, study at academic centers of excellence, or Navy-to-Navy talks, the information we share, and the relationships we build, go a long way to build trust between us.

While dialogue is important, I think all mariners in this room also appreciate the simple value in getting our navies underway and working together on the high seas. It’s important for all of us to learn to work together in peace so we can effectively respond together in crisis. CUES will help.

Today, the U.S. conducts exercises and training events with more than 20 allies, partners and friends in the region as we work toward those ends. Consider CARAT. The name says it all, Cooperative Afloat Readiness and Training exercise where we focus on enhancing regional cooperation, building friendships, and strengthening professional skills. We started these in 1994 with only 6 nations, now it’s expanded to 12 nations. This year, for example, we’re excited about our opportunity during CARAT Indonesia to dive on the USS HOUSTON, a U.S. Navy cruiser lost in Indonesian waters during World War II. It’s a tremendous opportunity to work and learn together with the Indonesian Navy.

We just completed a Naval Engagement Activity with Vietnam, where the Vietnamese Navy welcomed one of our most capable ships, the USS JOHN S. MCCAIN, to Da Nang.

Pacific Partnership 2014 will be conducted this summer. This multilateral mission will unify the efforts of partner nation militaries, civilian agencies and non-governmental organizations to strengthen the collective ability of the international community to deliver humanitarian
assistance and disaster relief. We are grateful that this year, Japan will provide the primary mission platform. The success of Pacific Partnership over the last decade is one reason nations were well prepared to respond following the landfall of Typhoon Yolanda/Haiyan in the Philippines last November.

In July, RIMPAC 2014 will occur in the waters off Hawaii. It’s the world’s largest maritime exercise, designed to expand cooperation, improve safety, and increase transparency between all participating navies. This year will be the biggest RIMPAC in the exercise’s 43-year history, with 23 participating nations — and we’re pleased that China and Brunei will be participating for the first time. China will send two destroyers, an oiler and a hospital ship, and we will welcome them warmly to Hawaii.

We fully recognize the importance of building operational relationships with our allies, partners and friends, and how valuable a cooperative approach can be to sharing the workload and leveraging the capability of more than one nation.

Today, we see two vivid examples of this. For more than a month now, there has been a multilateral effort to locate missing Malaysian Air Flight 370. I want to express my personal condolences to all those here in China, in Malaysia and all nations, including the United States, who had loved ones on that flight and are dealing with this tragedy.

And last week, the U.S. Navy joined many of you to offer our assistance to the Republic of Korea as they contend with the recovery effort for their ferry disaster. To our close ally, my condolences on this terrible tragedy.

We can never know where the next disaster will strike, but I trust that nations in this room will be able, and willing, to lend a hand. While friction among nations can escalate into crisis, I hope that the relationships we establish here in Qingdao will allow for dialogue and lead to crisis off-ramps, so that peaceful solutions can be found to vexing problems.

For more than 70 years, the U.S. Pacific Fleet has been a persistent presence in this region. We know through experience that you can’t surge trust, and so we will continue to seek out opportunities to work with our five bilateral ally nations in this region, and with partners and friends throughout the Indo-Asia-Pacific, to help maintain security, stability and prosperity.

I believe the forward presence of our U.S. Navy and Marine Corps team protects the interconnected global system of trade and underwrites the strength of the U.S., Asian and Pacific nation economies. That is why I believe all of our national interests are intertwined, and that the only responsible way forward is to find ways to work more closely together to assure our secure and prosperous future.

There are three great ships that sail on the high seas — friendship, partnership and leadership. W.P.N.S. is the engine of those ships. Thank you.