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Issue 1. Economic Cooperation: Quantitative Easing Policy, Revaluation of the Yuan, U.S. Dollar as International Reserve Currency

United States	China
<ul style="list-style-type: none"> ● November 12, 2010 President Obama's Press Conference after G20 Meetings (<u>Obama's Press Conference After G20 Meetings in Seoul, South Korea</u>) Quote: "We agreed that exchange rates must reflect economic realities. Just as the major advanced economies need to keep working to preserve stability among reserve currencies, emerging economies need to allow for currencies that are market-driven. This is something that I raised yesterday with President Hu of China, and we will continue to closely watch the appreciation of China's currency. All of us need to avoid actions that perpetuate imbalances and give countries an undue advantage over one another." ● November 20, 2010 President Obama's Press Conference after NATO Summit (<u>Press Conference of the President after NATO Summit</u>) Quote: "The currency issue plays into this. And there's going to be an ongoing debate about making sure that surplus countries are not artificially devaluing their currencies in a way that inhibits not only our growth but a world economic growth." 	<ul style="list-style-type: none"> ● November 8, 2010 People's Daily Online Editorial (<u>"Dropping dollar" not helpful to world economic recovery</u>) Quote: "There is a concern that the Fed will realize the monetization of U.S. budget deficit via the large-scale treasury purchase plan and eventually shift the burden of economic adjustment to dollar holders around the world." "The United States has not addressed the core of the problem — the excessively relaxed monetary and financial environment." "The policy choices in the United States have anyhow revealed vital defects in the current international monetary system." ● November 9, 2010 China Daily Editorial (<u>Unknown consequences</u>) Quote: "The Fed's move to print more money will bring a flood of liquidity to the global economy, especially to emerging economies, and drive inflation expectations to dangerous levels." "It is now quite obvious that the current international system cannot afford doing nothing about the latest US attempt to revive its economy with the help of the central bank's printing press." ● November 12, 2010 Global Times Editorial (<u>US forces world to donate blood</u>) Quote: "US seems determined to equate economic globalization to the globalization of American interests." "Beyond being a regular currency, the US dollar also serves as a blood transfusion for the nation's economy." "The fundamental reason behind US recklessness is the lack of a global restrictive mechanism." "The global financial system is in urgent need of democracy. It is hard to say how the US dollar is going to be replaced." "The more arbitrary the US dollar appears, the more fierce global resistance will get."



Issue 2. Asia-Pacific Region: President Obama's Asia Trip, Maritime Disputes in East Asia

United States	China
<ul style="list-style-type: none"> ● November 5, 2010 State Department Daily Press Briefing (State Department Daily Press Briefing) Quote: "We urge good relations between China and Japan. We believe they benefit everyone in the region and we hope that they resolve any outstanding differences through appropriate diplomatic channels." ● November 6, 2010 National Security Advisor Donilon's White House Press Briefing Donilon (Press Briefing on the President's Visit to India Aboard Air Force One en route Ramstein, Germany) Quote: [Asian countries] "also expect the United States as a principal power in Asia to conduct a positive and constructive relationship with China. We think that's in our interest, and also in our responsibilities in the region." "Chinese expressly recognize the security contribution, the contribution to prosperity and stability that the United States presence brings there." "We intend to play more intensively because, again, we believe — and we did our analysis at the outset of the administration — that our interests required more intensive engagement in this region, by the way, including with China." ● November 8, 2010 President Obama's Remarks to the Joint Session of the Indian Parliament (Remarks by the President to the Joint Session of the Indian Parliament in New Delhi, India) Quote: "As two global leaders, the United States and India can partner for global security — especially as India serves on the Security Council over the next two years. Indeed, the just and sustainable international order that America seeks includes a United Nations that is efficient, effective, credible and legitimate. That is why I can say today, in the years ahead, I look forward to a reformed United Nations Security Council that includes India as a permanent member." 	<ul style="list-style-type: none"> ● November 2, 2010 Foreign Ministry Spokesperson Ma Zhaoxu's Remarks (Foreign Ministry Spokesman Ma Zhaoxu) Quote: "It has to be pointed out that the Diaoyu Island is a matter between China and Japan. It is extremely erroneous for the US to repeatedly claim that the Diaoyu Island falls within the scope of the US-Japan Treaty of Mutual Cooperation and Security." ● November 3, 2010 Global Times Editorial (Asia should not be bound by a few islands) Quote: "The US vow to stick a hand into the already troubled situations around China only makes the mess even more difficult." "The biggest beneficiary of a troubled East Asian region is the US, which wishes to diminish China's healthy ties with its neighbors and to realize its goal of leadership in the western Pacific." "China should at least try to avoid developing a situation that caters more to US interests than to Asia's" ● November 4, 2010 People's Daily Online Editorial (Why US reasserts 'leading role' in Asia-Pacific region) Quote: "The United States' intention to 'play a leading role' in the Asia Pacific region will complicate the situation in the region. On one hand, as the most powerful country playing a hand in the Asia Pacific region, the United States has participated in regional affairs more actively, which may further promote regional cooperation. On the other hand, the United States' high-profile 'return' to the Asia-Pacific region is motivated by its own interests and may be taken undue advantage of, which will bring new problems to the region." ● November 8, 2010 Global Times Editorial (US making waves in South China Sea) Quote: "The speculation of the US over the issue of free navigation in South China Sea is in the name of a public good but for the sake of private interests. The US has no justifiable reasons to interfere the South China Sea by simply using the free navigation issue."



- **November 8, 2010 U.S. Secretary of State Hillary Clinton's Interview with *The Australian*** ([Interview With Greg Sheridan of The Australian](#))

Quote: "And when China first told us at a meeting of the Strategic and Economic Dialogue that they viewed the South China Sea as a core interest, I immediately responded and said we don't agree with that." "So if they were in the process of extending their efforts to claim and control to the detriment of international law, freedom of navigation, maritime security, the claims by their neighbors, that was a concerning matter." "And I think you just have to be constantly making clear that, speaking for the United States, we support the peaceful rise and the economic success of China, but in so doing, we expect China to be a responsible member of the international community whose actions are in accordance with their size and stature and in the context of the international rules of the road."

- **November 13, 2010 President Obama and Japanese Prime Minister Kan's Remarks in Yokohama, Japan** ([Remarks by President Obama and Prime Minister Kan of Japan in Statements to the Press in Yokohama, Japan](#))

Quote: "The commitment of the United States to the defense of Japan is unshakeable. Our alliances, bases, and forward presence are essential not only to Japan's security, but as Prime Minister noted, they help us ensure stability and address regional challenges across Northeast Asia." "I reiterated our longstanding view that Japan stands as a model of the kind of country we would want to see as a permanent member of the Security Council and I look forward to a reformed Security Council that includes Japan as a permanent member."

- **November 15, 2010 State Department Daily Press Briefing** ([State Department Daily Press Briefing](#))

Quote: "There's a reform process underway, and we will continue to work within the reform process at the UN on Security Council reform. Our focus is making the Security Council effective and efficient. And as we have stated publicly, we believe that, as we go forward with reform, it's hard to imagine a viable Security Council in the future without the participation of India."

- **November 9, 2010 Foreign Ministry Spokesperson Ma Zhaoxu's Remarks** ([Foreign Ministry Spokesperson Hong Lei's Regular Press Conference](#))

Quote: "We maintain that priority should be given to increasing developing countries' representativeness at the Security Council so that they can play a bigger role there. Attaching importance to India's status in international affairs, China understands and supports India's aspiration to play a bigger role at the UN and will stay in contact and consultation with other UN member states including India on the UN and Security Council reform."

- **November 10, 2010 *Global Times* Editorial** ([Beware of US 'smart power' in Asia](#))

Quote: "In Asia, however, US foreign policy basically encourages disagreements among Asian countries, especially by rallying Asian countries against China. The US then collects the fruit." "As the major target of US smart power China has to be on guard. It will not only watch to prevent the US from messing up Asia, but also prevent the US from sticking its hands into China."

- **November 11, 2010 *Global Times* Editorial** ([China needs to mitigate external friction](#))

Quote: "The China containment policies raised by some US think tanks mainly focus on two areas. One is to establish an anti-China coalition surrounding China. The other is to infiltrate from the inside, especially by brainwashing the younger generation and nurturing an appreciation of Western values." "The basic goal is to make sure China does not become a challenger or an enemy. The highest goal is to overrun China with US and Western values, overthrowing the ruling power." "The biggest player to affect China's rise is still the US. But China will determine the future of Sino-US relations using its own will and beliefs."

- **November 12, 2010 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference** ([Foreign Minister Spokesperson Hong Lei's Regular Press Conference](#))

Quote: "The US being a major country in the Asia-Pacific region, we hope its role in the region contribute to regional peace, stability and development. On China's relations with Asian neighbors, I have already expounded on China's position. We hope that the main theme of China's current relationship with Asian countries features good-neighborly mutual trust, harmonious co-existence, mutually beneficial cooperation and common development."



- **November 15, 2010 Administrator of USAID Shah's Remarks at State Department FPC Briefing** ([Readout of President Obama's Trip to India](#))

Quote: "I think much — this is much more about how to expand India's role in some of these global institutions and in some of the Asian institutions. And we expressed clearly our support for that. But we do not see that growing role as coming at the expense of China. Indeed, we welcome China's growing role itself. And I think Secretary Clinton, in her trip through Asia last week and the week before, repeatedly made clear that we do not seek to contain China."

- **November 17, 2010 Assistant Secretary of State Blake's Remarks** ([Hearings of the Asia, the Pacific, and the Global Environment of the House Foreign Affairs Committee](#))

Quote: "Central Asia, as you say, lies at a very critical strategic crossroads, bordering Afghanistan, China, Russia and Iran, which is why the United States wants to continue to expand our engagement and our cooperation with this critical region." "We don't see ourselves in competition for influence with any other country, nor do we accept that the five Central Asian countries constitute an exclusive zone of interests for any country. To the contrary, we want to cooperate more with Russia, China and others to address the critical challenges and produce some more durable stability and more reliable partners for everyone."

- **November 16, 2010 People's Daily Online Editorial** ([China issues lurk behind Obama's visit to Asia](#))

Quote: "On the whole, the aim of Obama's visit to Asia was to implement his 'Returning to Asia' policy, and what lies behind this policy is that the United States is worried about China's rise in Asia. US accelerated its strategic layout in the region, while using the 'Cheonan Incident' to strengthen its relationship with South Korea, using the 'Diaoyu Island Dispute' between China and Japan to strengthen its relationship with Japan, and the 'South China Sea Issue' to strengthen its relationship with Vietnam. Both China and the United States are playing games in the Asian and Pacific regions. However, as Clinton said, both China and the United States should not play a 'zero sum game'."



Issue 3. North Korea: North Korea's Shelling of Yeonpyeong Island, China's Role on the Korean Peninsula, U.S.-South Korea Joint Military Exercises

United States	China
<ul style="list-style-type: none"> ● November 22, 2010 State Department Daily Press Briefing (State Department Daily Press Briefing) Quote: "Well, we obviously rely on China, which has a significant relationship with North Korea, to send direct, clear, stern messages to Pyongyang and we would expect China to do that in the future as well" ● November 23, 2010 Special Representative for North Korea Policy Bosworth's Remarks (Special Representative for North Korea Policy Stephen W. Bosworth Remarks on North Korea at the Imperial Hotel) Quote: "Well, China also adheres to the joint statement of September '05 and I should think without question we are all prepared to keep moving forward in the implementation of that. But I'm not going to comment on what China might or might not do, certainly not before I talk to them about it." "We agreed on the essential need for us to continue coordination and consultation on this issue, the uranium enrichment program, and of course on the subject of how most appropriately and most desirably to bring about a resumption of the Six-Party process. We agree that a multilateral approach to the problems of North Korea remains essential and that we are both committed to the full implementation of the September 2005 joint statement including, in particular of course, the denuclearization of the Korean Peninsula." ● November 23, 2010 State Department Regular Press Briefing (State Department Daily Press Briefing) Quote: "We're going to work with China." "It's going to be a measured and unified response." "We are fully engaged with China as a Six-Party partner and are committed to working with them within that process." ● November 24, 2010 State Department Regular Press Briefing (State Department Daily Press Briefing) Quote: "China does have influence with North Korea and we would hope and expect that China will use that influence first to reduce tensions that have arisen as a result of North Korean provocations, and then secondly, continue to encourage North Korea to take affirmative steps to denuclearize." 	<ul style="list-style-type: none"> ● November 23, 2010 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference) Quote: "It is China's consistent and firm position to realize denuclearization of the Peninsula through dialogue and consultation. What is imperative now is to restart the Six-Party Talks as soon as possible. We hope that parties concerned make joint efforts to create conditions for the resumption of the Talks so as to bring the DPRK nuclear issue back to the track of dialogue and consultation." ● November 24, 2010 Global Times Editorial (Artillery dialogue a tragedy in NE Asia) Quote: "The strike also proves the failure of the hard-line policies of the Lee Myung-bak administration. A series of joint military exercises by South Korea and the US apparently also failed to deter the North." "The North tried to protect its own security in an inconceivable manner, whereas other countries' response was impotent." ● November 25, 2010 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference) Quote: "China and the US have maintained close communication on the situation on the Peninsula and related issues. China believes that under the current circumstances, parties concerned should do more to ease the situation and contribute to peace and stability on the Peninsula." "Under the current circumstances, it's imperative and important to resume the Six-Party Talks as soon as possible."



- **November 28, 2010 U.S. Secretary of State Hillary Clinton's Telephone Conversation with Chinese Vice Minister of Foreign Affairs Dai Bingguo** ([Dai Bingguo Holds Telephone Conversation with U.S. Secretary of State Hillary Clinton](#))

Quote: "U.S. and China share common interests in maintaining the Korean Peninsula's stability and that cooperation is of pivotal significance. The United States is willing to work together with China to keep peace and stability of the Korean Peninsula."

- **November 28, 2010 Chairman of Joint Chiefs of Staff Admiral Mullen's Interview with CNN 'Fareed Zakaria GPS'** ([CNN Fareed Zakaria GPS: Interview with Admiral Mullen](#))

Quote: "I actually agree with you on that [It is hard for China to push North Korea harder]. It's hard to know why China doesn't push harder. Clearly, I know that China has been very concerned as we have dealt with, and with making sure that the Korean people are — are supported as best they can." "If any country has influence in Pyongyang, it's — it's China."

- **November 29, 2010 White House Press Secretary Gibbs's Press Briefing** ([Press Briefing by Press Secretary Robert Gibbs](#))

Quote: "We continue to urge China to use its influence and persuasion with the North Koreans to address their behavior and to address the serious problems that arose last week." "Six-party talks cannot substitute for action by North Korea to comply with its obligations and to cease its destabilizing actions on the Korean Peninsula. To use a phrase we've used in other talks, these are not talks for talking sake. These are — these have to be met with a seriousness of all those involved about making progress on an issue. We continue, as I said earlier, to call on China to urge North Korea to stop the destabilization. But I think there has to be a seriousness on the part of the North Koreans to get back to these talks."

- **November 29, 2010 State Department Daily Press Briefing** ([State Department Daily Press Briefing](#))

Quote: "We will continue to consult with our partners in the Six-Party process. That said, we need to see North Korea cease its provocative behavior. That's our focus at the present time, and we will respond appropriately if North Korea ceases its military action against South Korea and takes other steps to ease tensions in the region." "I'll just say that our position is that discussions — there has to be some prospect that discussions will be constructive and have constructive discussions. The broad environment has to be taken into account."

- **November 25, 2010 *Global Times* Editorial** ([US-S.Korean alliance an inactive weapon](#))

Quote: "The US and its allies seem to have a paradoxical attitude toward the role they expect China to play on the Korean Peninsula. On one hand, they wish China to side with them pressing the North; meanwhile, they want China to exert special influence over Pyongyang. The situation reflects the dilemma between their self-centered thinking and lack of measures to deal with North Korea." "The reality is the alliance with the US cannot guarantee its security." "Joint military exercises in the past have failed to deter the North, and this time, the effect remains questionable."

- **November 26, 2010 *Global Times* Editorial** ([A test of tolerance over the Korean Peninsula](#))

Quote: "It is in the interest of China to keep an uneventful situation on the Peninsula, and the US hopes to see its influence in Northeast Asia unchallenged. Japan and Russia hold attitudes similar to China's or the US." "The inconsistent policies of the US and South Korea toward Pyongyang also cause the North agitation, which in turn tends to overreact." "The hard line approach of the US is unlikely to succeed on the Korean Peninsula. If it did succeed it would mean the failure of China's diplomacy and bring unbearable strategic risk to China. But it is equally impossible that China's moderate stance takes the lead, which suggests a much needed fundamental policy adjustment from the US, South Korea and Japan."

- **November 28, 2010 Vice Minister of Foreign Affairs Dai Bingguo's Telephone Conversation with U.S. Secretary of State Hillary Clinton** ([Dai Bingguo Holds Telephone Conversation with U.S. Secretary of State Hillary Clinton](#))

Quote: "China and the United States should actively play a constructive role and take concerted efforts to mitigate the situation as soon as possible and safeguard peace and stability of the Korean Peninsula."

- **November 30, 2010 *Global Times* Editorial** (['Pressuring N. Korea' rhetoric is self-deceiving](#))

Quote: "Since the US declared its return to Asia, the frequency of clashes in Korea Peninsula has accelerated. Instead of reflecting upon this, South Korea became more obsessed with its military alliance with the US, which has proven faulty at best." "Seoul and Washington are seeking to pull Beijing to their side. They think once China gets tough, North Korea will behave — but such logic is quite ludicrous among Chinese."



- **November 29, 2010 U.S. Permanent Representative to the United Nations Rice's Remarks** ([Remarks by Ambassador Susan E. Rice, U.S. Permanent Representative to the United Nations, on the DPRK and WikiLeaks](#))

Quote: "And obviously, we've looked to China to play a responsible leadership role in working to maintain peace and security in that region. It's in China's interest. It's in the interest of the countries in the region, and we expect them to take steps that are consistent with their obligations and all of our obligations under UN Security Council resolutions, and to work, as we all must, to uphold them and implement them."

- **November 30, 2010 White House Press Secretary Gibbs's Press Briefing** ([Press Briefing by Press Secretary Robert Gibbs](#))

Quote: "I don't know that I'm going to get into grading them [China], Chuck, as much as I'm going to say that there's an obligation there, and we expect them to live up to that obligation."

- **November 30, 2010 *China Daily* Editorial** ([Ease Peninsula tension](#))

Quote: "The US-ROK military drill, which began on Sunday in waters off the west coast, has only intensified the tense situation in the region." "The presence of the US nuclear-powered aircraft carrier USS George Washington in the military exercises constitutes a blatant show of force and sends an unmistakable signal about the US military's desire for supremacy in the region."



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Knowledge-Net for a Better World

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