

EAI U.S.-China Relations Statement Factsheet November 2011

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November 4, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "(Regarding U.S.-India-Japan trilateral) we have supported for some time, and (it is) something that we are working to see happen because we think they have a lot of interests in common and that it would be a good forum for us to discuss a number of issues that we work on together."

 November 4, 2011 Remarks by U.S. Deputy Secretary of State Burns at World Affairs Councils of America National Conference (Asia, the Americas, and U.S. Strategy for a New Century)

Quote: "Beyond these key relationships, we are making an unprecedented commitment to supporting Asia's promising regional institutions, including the ASEAN Regional Forum, and the East Asia Summit, where President Obama will inaugurate America's participation two weeks from now. We will help these institutions realize their potential to play a critical role in developing common rules of the road and systems that can help address increasingly complex and transnational challenges, like non-proliferation, maritime security, and humanitarian and natural disasters. Through all of these deepening ties, we are attempting to build networks of cooperation that will create a peaceful and prosperous Asia-Pacific for many years to come. But, to be successful, our outreach in shaping Asia's future must not end at the conventional borders of the region. We are enlisting India and the Americas -- East Asia's neighbors to the west and to the east -- to help us anchor and shape a fast-growing Asia-Pacific."

 November 9, 2011 Press Briefing Previewing the President's Trip to Hawaii, Australia and Indonesia (Press Briefing Previewing the President's Trip to Hawaii, Australia and Indonesia, 11/09/2011)

Quote: "[...] the U.S. wants to, again, make it clear that we are going to continue to be a strong Asia-Pacific power; that we're going to continue to stand by our core alliances; that we're going to build positive relationships with emerging powers like China and India. But also, what we want to foster is an environment where all this change is channeled to effective regional solutions, because we want to see, essentially, the success of a rules-based system in this part of the world. We want to see countries follow the rules of the road on economic issues. Again, whether that's adhering to intellectual property norms, whether it's adhering to regulatory norms. So, on the economic side we very much want to have rules of the road in place that all nations are committed too. And then similarly on the security side, we want to have institutions set up like the East Asia Summit to address multinational issues like maritime security, or nuclear security, so that we have a rules-based framework to deal with that as well. So what the U.S. can do is both reassure our allies, develop strong ties with emerging nations, and then try to build a regional framework to deal with issues."

 November 2, 2011 Foreign Minister Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 2, 2011)

Quote: "President Obama is calling on many Asia-Pacific countries to join the Trans-Pacific Strategic Economic Partnership (TPP) and pushing for the establishment of a free trade area." "We are open-minded towards cooperation initiatives that are conducive to the economic integration and common development in the Asia-Pacific including the Trans-Pacific Strategic Economic Partnership. Under the current circumstances, parties concerned should take into full account the differences and diversity in the economic development of the region, pursue an open policy of regional cooperation and make full use of existing mechanisms and platforms to advance regional integration in the Asia-Pacific in a step-by-step manner."



 November 10, 2011 Remarks by Secretary Hilary Clinton on America's Pacific Century (Remarks by Secretary Hilary Clinton on America's Pacific Century)

Quote: "The 21st century will be America's Pacific century, a period of unprecedented outreach and partnership in this dynamic, complex, and consequential region." "The TPP will bring together economies from across the Pacific, developed and developing alike, into a single 21st century trading community. A rules-based order will also be critical to meeting APEC's goal of eventually creating a free trade area of the Asia Pacific." "Our commitment to democracy and human rights is shared by many nations in the region, in particular our treaty allies – Japan, South Korea, Australia, the Philippines, and Thailand. These five alliances are the fulcrum for our efforts in the Asia Pacific."

"With respect to Chinese investment, the United States does not object to investment from anywhere, particularly in our Pacific Island friends, because we want to see sustainable growth. We want to see opportunities for Pacific Islanders. But as I said in my speech, we want also to see investment carried out by the United States, by China, by anyone, according to certain rules that will truly benefit the countries in which the investment occurs. We also strongly believe that the interests of the countries need to be protected."

 November 10, 2011 Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese and Australian Foreign Ministers at APEC (Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC)

Quote: "We think the UN Law of the Sea provides the appropriate framework for how best to deal with those issues. We think that maritime boundaries should be clearly linked to land features. We do not – we are not a claimant in the South China Sea or elsewhere. We believe that there is a much larger set of interests among all the players to resolve issues peacefully. There is a profound and deep international component to maritime security. By many measures, it's the most important waterway in the world that runs through the South China Sea, about half of the world's tonnage, by some measures, and a third to a quarter in terms of its value. So we all have an interest in maintaining peace and stability in this context, and we want to work within the context of the East Asia Summit to make clear the general principles of peaceful handling of these issues are widely accepted."

 November 12, 2011 Remarks by President Obama at APEC CEO Business Summit Q&A (Remarks by President Obama at APEC CEO Business Summit Q&A)

Quote: "The United States is a Pacific power and we are here to stay. And one of the messages that Secretary Clinton, Secretary Panetta have been delivering, but I am personally here to deliver over the next week, is that there's no region in the world that we consider more vital than the Asia Pacific region, and we want, on a whole range of issues, to be working with our partner countries around the Pacific Rim in order to enhance job growth, economic growth, prosperity and security for all of us."

 November 14, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 14, 2011)

Quote: "As countries that carry great weight in the Asia Pacific, China and the US have the most concentrated convergence of interests in this region and share common interests and responsibilities in maintaining stability in the Asia Pacific, promoting economic development, addressing security challenges and advancing regional cooperation. It is necessary for the two countries to step up coordination. communication and cooperation and jointly work for a peaceful, stable and prosperous Asia Pacific. This is also the consensus between the two sides." "The two sides stressed their willingness to advance cooperation in the region. The Chinese side respects rightful US interests in the Asia Pacific and welcomes the US' constructive role in Asia-Pacific affairs. The US side also expressed its respect for China's rightful interests in the Asia Pacific. Stronger cooperation between the two countries in the Asia Pacific not only serves the interests of the two sides, but also the common interests of the countries in this region." "China holds that regional economic cooperation should be based on equality and inclusiveness, openness and fairness, sustainable development and mutual benefits. Efforts should be made to build a Free Trade Area in the Asia Pacific in a step-by-step manner on the basis of ASEAN 10+3, 10+6, the TPP and others under the principle of incremental progress, with a view to gradually realizing regional economic integration in the Asia Pacific. Being open to all the above mechanisms, China has followed the progress on the TPP negotiations and is ready to keep communication with relevant members."



 November 13, 2011 Opening Remarks by President Obama at APEC Session One (Opening Remarks by President Obama at APEC Session One)

Quote: "And I want to emphasize that the Asia Pacific region is absolutely critical to America's economic growth. We consider it a top priority. And we consider it a top priority because we're not going to be able to put our folks back to work and grow our economy and expand opportunity unless the Asia Pacific region is also successful. This region includes many of our top trading partners. This is where we do most of our trade and where we sell most of our exports. It's also the fastest growing region in the world. And as a consequence, the Asia Pacific region is key to achieving my goal of doubling U.S. exports and creating new jobs."

 November 14, 2011 Background Briefing with Senior Administration Officials about Secretary Clinton's visits to the Philippines and Thailand (<u>Background</u> Briefing with Senior Administration Officials)

Quote: (In response to a question about U.S. military presence in the Asia Pacific) "Secretary Panetta said that we will maintain the kind of military presence that we had in the past; in fact, we might even expand that in certain ways. The three facets of this presence that we keep in mind and both secretaries have emphasized, number one is operational relevance. Forces aren't there – forces are there for very specific operational reasons, and that's what we're considering first and foremost. Secondly is geographic distribution. If you look at the range of scenarios, from hardcore security threats to humanitarian/natural disaster assistance, that kind of response, these happen throughout the Asia Pacific region, so we're looking for a more geographical balance in our forces going forward. And the third aspect of this is political (inaudible). You have to understand that all of these countries treasure, as they rightly should treasure their independence, their national sovereignty. We certainly support that. We don't anticipate needing the kind of force presence we had during the Cold War of a containment strategy (inaudible) we need boots on the ground (inaudible). We're looking at something that's much more politically sensitive and also operationally relevant (inaudible)."

 November 16, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 16, 2011)

Quote: "[...] it is worth debating whether strengthening and expanding military alliance is appropriate and consistent with the common aspiration of regional countries and the whole international community." "China does not seek military alliance [...] to unswervingly pursue the path of peaceful development, a win-win strategy of opening up and develop friendly relations and cooperation with all countries including those in the Asia Pacific." "The US stated many times that it welcomes a strong, prosperous and stable China and has no intention to contain China."

"China's position on the South China Sea is clear and consistent. We maintain that disputes should be solved through friendly consultation and direct negotiation between countries directly concerned." "Foreign intervention will not help settle the issue but will complicate it instead and is not conducive to peace, stability and development of the region." "We welcome Russia and the United States' formal accession to the East Asia Summit this year." "We will take part in the meetings based on the spirit of enhancing mutual trust, deepening regional cooperation and promoting mutual benefit." "The South China Sea issue is not on the agenda of the meetings and should not be in our view." "It will only bring harm and no good. Foreign intervention cannot help solve the issue but will only complicate it."



 November 15, 2011 Remarks by Principal Deputy Assistant Secretary Pyatt of the Bureau of South and Central Asian Affairs about U.S.-India Partnership (Next Steps on the Silk Road)

Quote: "U.S. engagement in Asia will proceed along six key lines of action: strengthening bilateral security alliances; deepening our working relationships with emerging powers; engaging with regional multilateral institutions; expanding trade and investment; forging a broad-based military presence; and advancing democracy and human rights. India – I would emphasize – plays a key role in nearly every one of these areas."

"With President Obama and Secretary Clinton firmly in the lead, the United States is making an unprecedented commitment to supporting Asia's promising regional institutions, including the Association of Southeast Asian Nations (ASEAN), Asia-Pacific Economic Cooperation (APEC) forum, the East Asian Summit, and the South Asian Association for Regional Cooperation (SAARC), where we are an observer. Mindful that this work with regional institutions supplements (and does not supplant) our bilateral ties, we have embraced a call from the region or America to play an active role in the agenda-setting of many of these institutions, not least because it is in our interests that they are as effective and responsive as possible."

"Naturally, a focus on promoting American prosperity means a greater focus on trade and economic openness in the Asia-Pacific. The region already generates more than half of global output and nearly half of global trade. It is not a coincidence that the three free trade agreements President Obama signed into law last month (Korea, Colombia, and Panama) were all with Pacific Rim partners."

November 16, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "[...] how the United States is in the process of pivoting towards Asia and one of the ways that we're doing that is seeking stronger defense cooperation where we place our forces throughout the region so that they can help in many ways -humanitarian ways -as they're doing in Thailand right now. [...]But the larger part of this is that we are an Asia nation – Pacific nation, and we're looking to strengthen ties in the region."

 November 17, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 17, 2011)

Quote: "China does not object to the development of normal bilateral relations between countries. We also hope that while developing relations with each other, countries will take into consideration the interests of others as well as regional peace and stability." "The South China Sea is the name universally used by the international community. China's position on the South China Sea issue is clear and consistent. China and the Philippines have all along maintained communication and exchanges on relevant issue and are ready to further enhance consultation."

• November 17, 2011 China's Daily Editorial (Focus on real agenda)

Quote: "China is always sincere in its desire for good-neighborly relations with ASEAN countries." "China also supports ASEAN's leading role in regional cooperation and integration and holds that countries from outside the region should play a positive and constructive role in regional affairs. This is especially relevant given that one or two nations in Southeast Asia are courting the support of the United States in their territorial disputes with China over the South China Sea, and the US is keen to further its own economic and security interests in the region." "China maintains the South China Sea disputes should be solved through peaceful bilateral negotiations with only those parties directly involved [...]"



 November 16, 2011 Presentation by Secretary Clinton of the Order of Lakandula, Signing of the Partnership for Growth and Joint Press Availability with Philippines Foreign Secretary Albert Del Rosario (<u>Presentation of the Order of Lakandula, Signing of the Partnership for Growth and Joint Press Availability with Philippines Foreign Secretary Albert Del Rosario</u>)

Quote: "We are strongly of the opinion that the disputes that the foreign secretary referred to that exist primarily in the West Philippine Sea between the Philippines and China should be resolved peacefully. The United States does not take a position on any territorial claim, because any nation with a claim has a right to assert it, but they do not have a right to pursue it through intimidation or coercion. They should be following international law, the rule of law, the UN Convention on Law of the Seas, UNCLOS that the foreign secretary has referred to. There are mechanisms within it, as he has just enumerated, for the resolution of disputes. And we stand for the rule of law and we stand for international norms and standards, which is why we support the peaceful resolution."

 November 16, 2011 Interview of Under Secretary Hormats for Economic, Energy, and Agricultural Affairs about U.S. Multilateral Economic Engagement (<u>LiveAtState</u>: <u>U.S. Multilateral Economic Engagement</u>)

Quote: (In response to a question about China's supposed willingness to join the Trans-Pacific Partnership) "... We see this as a 21st century trade agreement that will, first of all, increase trade opportunities among a number of Pacific nations on both sides of the Pacific. Second, we see it as a way of strengthening the rules that will make for not just increased trade but higher quality trade – strengthening the rules on intellectual property protection, strengthening the rules on investment so that investors all have a level playing field on which they can operate, making sure that there is not a distortion between state enterprises that receive government support that could distort trade and private sector enterprises that don't receive such government support. In other words, we want a level playing field between state enterprises and non-state enterprises. We also want to see a greater degree of regulatory convergence so that regulations across the Pacific do not distort trade or distort investment."

 November 17, 2011 Remarks by Assistant Secretary Blake of the Bureau of South and Central Asian Affairs at the University of Virginia (Remarks at the University of Virginia)

Quote "Naturally, a focus on promoting American prosperity means a greater focus on trade and economic openness in the Asia-Pacific. The region already generates more than half of global output and nearly half of global trade. It is not a coincidence that the three free trade agreements the President signed into law last month were all with Pacific Rim partners.

As you well know, achieving balance in our trade relationships requires a two-way commitment. That's the nature of balance – it can't be unilaterally imposed. So we are working through APEC, the G-20, the Trans-Pacific Partnership and our bilateral relationships to advocate for more open markets, fewer restrictions on exports, more transparency, and an overall commitment to fairness."

 November 18, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 18, 2011)

Quote: "[...] countries within this region are also facing some common challenges. In handling Asia-Pacific affairs, one should comply with the basic trend of peace, development and cooperation upheld by regional countries, and respect the diversity and complexity of the region. Countries in the Asia Pacific should handle regional affairs through consultation and cooperation in the spirit of mutual respect so as to realize mutual benefit. The consensus of building a cooperative partnership reached between China and the US includes the enhancement of bilateral communication and coordination on Asia-Pacific affairs in a bid to safeguard regional peace, stability and prosperity. China will work with the US side to implement relevant consensus earnestly."

November 18, 2011 Global Times Editorial (<u>US Asia-Pacific strategy brings steep price</u>)

Quote: "A prominent change is that the US is intensifying action in the Asia-Pacific region and is encouraging China's neighboring countries to challenge China [...] a new application of soft power. If an "anti-China alliance" is really built in Asia, the US should provide more economic benefits to its followers. It should convince those countries that joining the US is more profitable." "A new impetus for economic growth is absent from the stagnant US economy. Its strategic demand to contain China conflicts with the realistic view of using China to stimulate economic recovery." "The potential for economic cooperation between China and its neighboring countries is great. China should learn to use this to protect its political interests. Any country which chooses to be a pawn in the US chess game will lose the opportunity to benefit from China's economy. This will surely make US protection less attractive." "East Asian affairs should be handled under the coordination of relevant countries. No one dominant force is wanted. China has more resources [...] than US has to fulfill it. [...] there will no room for those who choose to depend economically on China while looking to the US to guarantee their security."



November 18, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "In terms of ASEAN and the chairmanship, that's a decision for the ASEAN members to make. We've said all along that we think it's important that any chair of ASEAN be able to promote the values of the organization, including democracy and regional stability."

November 18, 2011 Remarks by Secretary Clinton at ASEAN Business and Investment Summit (Remarks at ASEAN Business and Investment Summit)

Quote: "Now we, I think, each recognize that economic policy is foreign policy, and foreign policy is economic policy. And by strengthening the diplomacy and presence abroad, we can strengthen our economies back home, and actually, vice versa. And the United States recognizes that, so we are making a pivot, a pivot toward the Asia Pacific region, where we intend to be a diplomatic, economic, and strategic force for the 21st century." "Now let me describe briefly four ways that we want to work with you: first, by lowering trade barriers; second, by strengthening the investment climate; third, by pursuing commercial diplomacy; and fourth, by supporting entrepreneurs. We're excited about the innovative trade agreement called the Trans-Pacific Partnership, or TPP. That would bring economies from across the Pacific, developed and developing alike, into a single trading community, not only to create more growth, but better growth. Not just to lower tariffs, but raise standards on the environment, protections for workers, intellectual property, and innovation. We want to create a cutting-edge trading community that promotes the free flow of information technology and the spread of green technology that helps us harmonize our regulations and build more efficient supply chains together."

November 18, 2011 Interview of Secretary Clinton with Norah O'Donnell of CBS News (<u>Interview with Norah O'Donnell of CBS News</u>)

Quote: (In response to a question about the implications of U.S. troop deployment in Australia) "We are not trying to curb China or anyone else. What we're trying to do is, number one, to make it absolutely clear, if there were any doubt, that the United States is a Pacific power, and that we have historically been one. We will be for this century as well, and that means we're going to be active economically, diplomatically, politically, in every way you can imagine. And we also believe strongly that the United States has an important role to play because of our preexisting relations. We have five treaty allies. We have many more friends with whom we have lots of close relationships."

November 18, 2011 People's Daily Online Editorial (No need for alarm over US return to Asia)

Quote: "Actually, "returning to Asia" does not mean "returning," but means strengthening the United States' dominant position in Asia. If its dominant position is secured, it will be able to build up and shape Asia according to its own will and benefit itself from the development of Asia, especially the development of China." "Then, two contradictions will emerge in the future political and economic situation of Asia. First, the United States' attitude towards China's development is mixed." "[...] other Asian countries have different standpoints, and that is the second contradiction." "The two contradictions will be a feature of the future development of Asia for a very long time. However, a common point could be found in these two contradictions, which is that no country is willing to fight a general war against China[...] Otherwise, it will not be a problem of profit, but will be, to certain extent, a matter of mutually assured destruction. Meanwhile, all these countries wish that China could maintain its sustainable development momentum so that they could benefit from it too. Due to these two points, we should be more confident about the future peaceful development of Asia."



November 18, 2011 Interview of Secretary Clinton with Jake Tapper of ABC News (Interview with Jake Tapper of ABC News)

Quote: (In response to a question about whether the U.S. can counter China's assertion of power in Asia) "Jake, it's not about countering anybody else's power. It's about asserting our own position as a Pacific power. We always have been, we were dominant for many years, but I think it is fair to say that over the last eight or 10 years, our attention was elsewhere. Now that we are winding down a war in Iraq and transitioning out of Afghanistan, we have the chance to turn back and look at the opportunities that the Asia Pacific offers us economically in terms of our security and strategic interest to promote democracy, human rights, freedom, things we stand for.

So I think it's just time, and I felt that from the very beginning of my tenure as Secretary of State that there was a sense in the Asia Pacific that the United States was absent – understandably, maybe – but I just thought we needed to reverse that."

November 18, 2011 Briefing on Burma by Senior Administration Officials (<u>Briefing on Burma by Senior Administration Officials</u>)

Quote: "[...] we've had very substantive discussions about Burma -- what they call Myanmar. They have been supportive of our engagement and they have been encouraging of political reform inside the country. I recognize that you're -- sort of the lens that is being used is seeing some of the developments in kind of this almost bipolar way. I would just simply say that the issue in which the United States confronts enormous historical, moral challenges inside the country really have very little to do with the kind of bilateral dynamics of Sino-U.S. relations. Overall, they've been very supportive. Remember, they want stability on their borders. They want a country that is part of the international community. They have experienced problems with ethnic groups that have led to tens of thousands of refugees in the past pour into China. They have no interest in that. And so we fully expect that they will welcome these developments. And we intend to work closely with them and consult with them along the way."

November 21, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 21, 2011)

Quote: "China believes that the East Asia Summit is not a proper venue to talk about the South China Sea issue. China's position on the South China Sea [...] the dispute should be resolved through friendly consultation between directly concerned sovereign states. The interference of outside forces or a multilateral discussion of this issue will complicate it instead of facilitating its resolution. Many ASEAN countries express their agreement." "China's bilateral communication channels with the Philippines, Vietnam and other relevant countries on the South China Sea issue have been smooth and open." "According to the actual situation, involvement of countries outside the region does not help solve the issue [...] and therefore is not conducive to a negotiated settlement by the countries directly concerned."

• November 21, 2011 *Global Times* Editorial (China takes US return with aplomb)

Quote: "The momentum of US returning to Asia seems fierce." "What should China do? The guidance [...]: observe calmly and secure our position. China should decode the nature of the US encirclement and the strategic threats it will bring." [...] the strategic influences of the US move have been exaggerated. In fact, it only provides some psychological comfort to certain regional countries, while it stands to gain economic benefits." "Washington provides a sense of security to some Asia-Pacific countries and gets economic benefits in return. But these countries cannot be easily fooled." "From the strategic perspective, China could simply ignore the US encirclement. China has no fewer economic options than the US with which to influence the other Asian countries and China's domestic market is more attractive than that of the US." "The US shifted some of its soldiers from Okinawa to Darwin [...] the US-Australia alliance tighter, but it cannot turn the Australia [...] into a totally loyal partner of the US. The US recently sold a warship to the Philippines and several F-16 jet fighter to Indonesia [...] but did not change the military balance in the South China Sea."



 November 19, 2011 Background Briefing by a Senior Administration Official on the President's Meetings at Asean and East Asia Summit (<u>Background Briefing by a Senior Administration Official on the President's Meetings at Asean and East Asia Summit)</u>

Ouote: "..the United States has frequently articulated -- consistently articulated, namely that while we are not a claimant in the South China Sea dispute, and while we do not take sides, we have a powerful stake in maritime security in general, and in the resolution of the South China Sea issue specifically -- as a resident Pacific power, as a maritime nation, as a trading nation, and as a guarantor of security in the Asia Pacific region.....After the President made his statement, Premier Wen Jiabao asked for the floor. I would say that even though he started off maybe a little bit grouchy, by and large it was very measured and interesting -- I would say a positive intervention. Positive in the sense that he was not on a tirade, and he did not use many of the more assertive formulas that we frequently hear from the Chinese, particularly in public. So to be more specific, he said -- he began by saying that he did not --China didn't think that the EAS was an appropriate forum for a discussion of this issue......Now, that was not an assertion that carried a great deal of force in the wake of the statements by others, including the chairman, that it was an appropriate subject for the EAS. He said that he had not wanted the subject of South China Sea to be raised, but that since it had been, he would respond. He then went on to say that China shares the desire articulated by the ASEAN countries, for a cooperative process to reach a code of conduct on the South China Sea."

 November 22, 2011 Readout of President Obama's Recent Trip to Asia by Deputy National Security Advisor Rhodes for Strategic Communications (Readout of President Obama's Recent Trip to Asia)

Quote: "What we've also said, however, is that part of the U.S. role as a leader in the Asia Pacific is to empower a set of international norms. On the economic side, that means, again, a fair and level playing field for companies from different countries. It means respect for things like intellectual property that are going to be critical to the trade of the future. And so on the economic side, the President spoke, I think, frequently throughout the trip about the importance of nations adhering to international norms as it relates to building a regional economy. Similarly, on the security side, he spoke about the importance of international norms on issues, particularly like maritime security. Now again, the best scenario is one in which China is fully invested in those international norms. So none of this is meant to be at the expense of any one nation. It's meant to lay out principles and to establish that the U.S. is going to be present in the region. That we're going to maintain our very close relationships with a set of partners in the region, and that we're going to use our presence to try to empower a set of principles and international norms that all nations can come into. And I think the discussion on the South China Sea, for instance, at the East Asia Summit, reflected the fact that that's not just a U.S. view. It's a view that's shared by a lot of the countries in the region."

November 21, 2011 China's Daily Editorial (US scaremongering)

Quote: "Both Obama and US Secretary of State Hillary Clinton tried to scare monger by exaggerating "security concerns". The decision to enlarge the US military presence in Australia, according to Obama, aims to "preserve" his country's "unique ability to project power and deter threats to peace." In Bali at different venues, he missed no opportunity to highlight "security concerns" regarding the South China Sea. The US president wanted China to be aware of its new role and behave "in a responsible way". But he is obviously worrying too much. The "security concerns" he referred to - if he is referring to China - are imaginary. This country is committed to the road of peaceful development and resolving disputes through negotiation. Just as Premier Wen Jiabao told Obama, China and its Asian neighbors are doing fine, and the shipping lanes in the South China Sea are "safe and free". And, given its own growing reliance on overseas trade, China has equal, if not graver, concerns about security on the seas."

 November 24, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 24, 2011)

Quote: "China hopes that the US will enhance contact and improve relations with Myanmar on the basis of mutual respect. China respects the development path chosen by Myanmar in keeping with its domestic conditions and hopes that the domestic and foreign policy measures of the Government of Myanmar will be conducive to its stability and development."

November 25, 2011 People's Daily Online Editorial (<u>Zero-sum mentality</u> should be ditched)

Quote: "The Asia-Pacific region is now at the center of the competition among major powers, and the entire world is paying close attention to changes in the influence and resources of China and the United States. From the perspective of the zero-sum mentality, it seems that the United States should see China's economic development as a threat to its power and security, and that the purpose of Japan and South Korea participating in the TPP negotiations is to counter China's threat. At the same time, there is a growing tendency among developed countries to politicize economic issues." "Actually, despite unfair environmental restrictions received [...] the emerging developing countries have provided a large number of jobs, [...] huge export markets and important investment destinations. With the development of developing countries, the developed countries will obtain increasingly growing opportunities in China and India." "Facing the complex and ever-changing global economic situation, [...] the "zero sum" thinking, keeps distance from neighboring countries and confronts the situation alone, the consequences will be extremely adverse."



(On the future of U.S. involvement in Asia Pacific) "The TPP is now an agreement that has to be fully* negotiated, so that the President is able to come together at a leaders level after a year of negotiations and establish the broad outlines of a trade agreement, but with the understanding that the finalization of a legal document would have to come next year. And frankly, that's a goal that we want to meet next year. So on the economic side, there's going to be a very intensive period of follow-on negotiations to finalize the TPP agreement. And then there's going to be in parallel the beginning of these consultations with nations like Japan about their potential entry into the TPP. On the security side, we'll of course be ramping up our presence in Darwin. But from that, we want to be determining ways to deepen our cooperation with other partners in the region, whether it's the types of joint exercises we discussed earlier, ship visits, training, and then response and contingency. So there's follow-through that's going to be needed on that area as we ramp up our presence in the South Pacific.

November 22, 2011 Interview of Director Sullivan of Policy Planning about U.S. Foreign Policy in Asia (<u>LiveAtState: U.S. Foreign Policy in Asia</u>)

Quote: "So America's engagement in the Asia Pacific is not new, but in some ways it is newly important because we stand right, as Secretary Clinton has said, at a pivot point. We are in the process of ending the war in Iraq. We have entered a transition in the war in Afghanistan. And so for the last 10 years, while our foreign policy has been guided largely by responding to threats, in the 10 years looking out ahead, the decade that lies before us, we have a chance to turn to a foreign policy based indeed on continuing to respond to threats but chiefly on opportunities. And the Asia Pacific is a place where opportunities are everywhere – economic opportunities, opportunities to take on some of the big transnational challenges of our time, whether it's climate change or nuclear proliferation. And so what the Secretary and the President were conveying throughout their travels is that the United States is all in, we're doubling down on our investment in the Asia Pacific at this time, because we see the world's center of strategic and economic gravity shifting there. And we want to extend and expand all of the dimensions of our engagement in the region to take advantage of the opportunities that present themselves there to advance America's interest and values, but also to advance the interests and values of all of the people of the region."

November 29, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "This visit to Burma is not about our relationship with China. It's about, as the President said, trying to seize an opportunity where we've seen flickers of progress within the Burmese leadership, and to engage in our – as we said, our – rather, to carry out our policy of principled engagement, and to see if we can't convince the Burmese authorities to take more steps in a positive direction. It's not about China."

November 29, 2011 Global Times Editorial (<u>China and India mustn't go for</u> the throat)

Quote: "Currently, India is a bit pushy in its relations with China. The country appears to be highly interested in facing off with China. But that contest is not the primary focus of the Chinese society." "Nationalistic sentiment [...] claims that India is on the "first tier" of the world [...] India has been eagerly seeking this acknowledgement worldwide. Although the US has given the country a first tier diplomatic formality, the "elephant" is not satisfied. What it really wants is the firsttier growth rate and statistics that match China's." "The US has been persuading India to join its alliance against China, and issues between China and India, such as border disputes and the Dalai Lama, are difficult to solve. Therefore, China's relation with India will face a tough road ahead. But India's ambition of becoming a strong power, as well as its economy-driven policy, will help stave off these uncertainties. This ensures that China's relations with India will not be the worst among neighboring countries." "News media in New Delhi have been making stories from unreliable sources to advocate the so-called "China threat theory." Both countries should avoid overreacting to their disputes, but that does not mean these issues should be hidden away."

November 30, 2011 Global Times Editorial (Myanmar tips balance but not too far)

Quote: "US Secretary of State Hillary Clinton visited Myanmar today. [...] it appears that China's neighboring countries have become increasingly pro-US." "Many Asian countries are now tipping between the US and China, however a one-sided policy will not be a popular choice. The future of Myanmar will likely follow the same logic." "The problem is the halt of the Myitsone Dam project that brought massive losses to the China Power Investment Corp. This incident made some believe that Myanmar is showing goodwill to the West at the expense of Chinese interest. China [...] will not accept this while seeing its interests stamped on. Some people believe that China had been solely focusing on its relations with the Myanmar government and ignored the voices of the Myanmar people. This can also be spotted in the relations China has with some other countries." "China should learn to balance its stakes between the government and the people of a foreign country [...]" "Boosting our strategic confidence is hard but of great importance. China welcomes the opening-up of Myanmar, but firmly opposes it stepping on China's interests."



China

Issue 2. Direction of U.S.-China Cooperation: U.S. support for China's peaceful rise, Chinese responsibility for its power, mutual respect of core interests

United States

November 3, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "[...] we also have a very active and rigorous bilateral conversation with China on international property protections – copyright, et cetera – and that is something that we've worked on together for many years. We've made some progress, but more progress needs to be made. So we will continue to pursue our objectives, first and foremost in the bilateral channel. But obviously, we don't want to lose the ability to create strong international standards that everybody would adhere to through the international organizations."

November 4, 2011 Question Taken at the November 4, 2011 Daily Press Briefing on U.S. Assistance to China (U.S Assistance to China)

Quote: "Our assistance to China is decreasing, as China transitions from a recipient to a donor nation. For FY 2012, the Administration requested \$12.85 million for programs in Tibet (\$5 million), on preventing the spread of infectious diseases (\$7 million), and on international narcotics and law enforcement (\$850,000). These programs are targeted, scalable with Chinese resources, and directly address U.S. interests such as preventing the spread of diseases across borders." "In FY 2010, assistance programs in China totaled \$27.2 million, including \$6.2 million for rule of law and good governance, \$7.4 million in Tibetan areas, \$7 million on health, and \$6.6 million on environmental cooperation outside of Tibetan areas. None of this funding went to the Government of China."

November 4, 2011 Remarks by Deputy Secretary Burns at World Affairs Councils of America National Conference (Asia, the Americas, and U.S. Strategy for a New Century)

Quote: "With China, which I also visited again last week, we start with the idea that good China policy is necessarily embedded in good Asia policy -- and then we work assiduously to deepen cooperation and trust between our nations. Year after year, our Strategic and Economic Dialogue with China features one of the largest diplomatic delegations ever assembled. And we are engaged in promising new civil-military dialogues to increase transparency and trust, and to decrease the odds of miscalculation on sensitive issues. In a complex relationship like this one, neither conflict nor cooperation is preordained. As China's role in world affairs grows, keeping this relationship on a productive track will be a defining challenge -- for both sides -- for many years to come. For all our differences, we have a lot more to gain by working together than by working apart. And no bilateral relationship is likely to matter more to the interests of each of our countries, or to the future of international order, in the new century unfolding before us."

November 14, 2011 China's Daily Editorial (Respect core interests)

Quote: "China and the US, the world's largest and second largest economies [...] can take their cooperation on international issues one step further, the world will be better positioned to respond to the growing number of challenges, ranging from regional unrest to the sluggish world economic recovery and the European debt crisis." "The rising anti-China sentiment they are stoking could easily choke bilateral cooperation. Mutual political trust has also been undermined on occasion by Washington's willful disregard of China's major concerns and core interests, such as its decision in September to sell arms worth \$5.852 billion to Taiwan - a serious breach of agreements between the two countries." "To maintain a healthy momentum for bilateral ties, the two countries should respect each other's core interests and enhance all-round cooperation in areas of common concern. Washington should also refrain from politicizing business issues, which will only result in a zero-sum game."



 November 8, 2011 Special Briefing on the growing demand for U.S. Visas in China and Brazil (Special Briefing on the growing demand for U.S. Visas in China and Brazil)

Quote: "[...] skyrocketing visa demand in China and Brazil is a good news story. We issued 35 percent more visas in China this year and 44 percent more in Brazil. That has a tremendous impact on the U.S. economy and job growth." "We also want to issue longer validity visas for Chinese tourists and business travelers, but U.S. law requires reciprocal treatment for U.S. citizens. [...]Based on U.S. law and regulation, we need to have reciprocity in this regard. And so one of the issues that we're always speaking to the Chinese about is ensuring that the visas that are issued to U.S. – not only business people but any U.S. traveler traveling to China meets the full reciprocal agreement that we have with the Chinese, which is one-year visas. And until we can get to a point where we're satisfied that they routinely issue that, we – it's difficult to move beyond that to increase reciprocity."

 November 10, 2011 Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC (Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC)

Quote: "When the determination was made for the United States to join the East Asia Summit, one of the first countries to welcome America's entry into the organization was, indeed, China. We work very extensively together on a whole range of issues. It is a complex relationship. There are – it's multilayered. There are going to be areas that we cooperate closely together. There are areas in which we naturally compete. We are a fact on the ground in the Asia Pacific region, and I think China recognizes that and seeks to work with us. And so we believe that the message on the part of the United States is clear that we welcome China's role in Asia. We recognize that there will always be issues that we will have to work hard on and that there will be many issues that we will disagree on occasionally. But overall, I think Chinese interlocutors recognize the intensity of our approach and the dexterity of our overall moves in the region as a whole."

November 12, 2011 Remarks by President Obama at APEC CEO Business
 SummitQ&A (Remarks by President Obama at APEC CEO Business Summit Q&A)

Quote: "I think that we have created a frank dialogue with the Chinese over the last two years that has benefited both countries. And my general view is that there can be a friendly and constructive competition between the United States and China, and a whole range of areas where we share common interests and we should be able to cooperate."

November 15, 2011 Global Times Editorial (<u>US rule may crumple under its own weight</u>)

Quote: "Public opinion in the US concerns every detail of the Obama administration's China policy, including its "tough" stance that has seemingly become political mainstream. In fact, a deliberately "tough" US is unnecessary since China has never doubted the country's power. Instead, it is Americans and Europeans that seem to believe more in the decline of the US." "The US intends to solve economic problems by exerting political pressure on China." "Such a mission is hollow, and ultimately doomed to failure. Maybe the US should learn to accept the reality of a multi-polar world and change its mentality. As long as it lowers its defensive posture, it will remain a key player in the world. The difficulties the US faces today are controllable and will not lead to its decline."



 November 12, 2011 Remarks by President Obama and President Hu of China at APEC CEO Business Summit (Remarks by President Obama and President Hu of China)

Quote: "As we emphasized at that state visit, as two of the world's largest countries and largest economies, cooperation between the United States and China is vital not only to the security and prosperity of our own people but is also vital to the world.

Such cooperation is particularly important to the Asia Pacific region, where both China and the United States are extraordinarily active. We are both Pacific powers. And I think many countries in the region look to a constructive relationship between the United States and China as a basis for continued growth and prosperity."

 November 14, 2011 News Conference by President Obama at Hawaii (News Conference by President Obama)

Quote: "Well, first of all, I also said yesterday that we welcome the peaceful rise of China. It is in America's interests to see China succeed in lifting hundreds of millions of people out of poverty. China can be a source of stability and help to underwrite international norms and codes of conduct. And so what we've done over the last two years is to try to develop a frank, consistent, open relationship and dialogue with China, and it's yielded considerable benefits -- for example, support for issues like Iran."

 November 16, 2011 Social Media Townterview of Secretary Clinton (<u>Social Media</u> Townterview Co-Hosted by GMA Networks and PLDT)

Quote: (In response to a question about how the U.S. will deal with China's rise) "[...]the United States welcomes China's peaceful rise. I mean, we want to see the hundreds of millions of poor people in China have a chance to develop and have a chance to have a better economic future. And we also feel the same way about our - everyone else in the region. And our goal is to try to work with our partners like the Philippines to make sure that everyone is growing in a balanced way and that there isn't a kind of a big thumb on the scale, if you will, that pushes development or strategic issues, like what happens in the oceans, one direction or the other. There needs to be a framework of laws, the rule of law, standards and norms that govern the economy and govern issues like opening up the oceans for freedom of navigation and making that an absolute rule. [...] We are very fortunate to be located between the two great oceans, and we're going to be maintaining a strong presence in the Pacific. And that means talking with the Philippines about what they will need. President Obama will be in Australia talking to the Australians about what they need. We've done the same with the Japanese, the Koreans. I go from here to Thailand. We'll be in Indonesia. So we want to see a peaceful region where everyone can work together without intimidation or coercion."

November 16, 2011 Global Times Editorial (<u>Second-power status brings many risks</u>)

Quote: "By now, the Sino-US relationship is the best relationship between such powers in history. China's low-key stance and self-restraint have contributed a lot to this state of affairs. But as China's identity of second power is increasingly prominent, the US is taking preventive actions against China. China should strive to maintain non-hostile relations with the US. Due to a lack of strategic mutual trust, it is natural for the US to mobilize more resources to contain China's rise. China should make preparations for that and try to avoid any harmful misunderstandings. Being the second power brings with it many risks. But as long as we are cohesive, have a clear judgment over domestic and foreign affairs, the danger will be lowered significantly."



 November 16, 2011 Remarks by President Obama and Prime Minister Gillard of Australia in Joint Press Conference (Remarks by President Obama and Prime Minister Gillard of Australia in Joint Press Conference)

Quote: "we welcome a rising, peaceful China. What they've been able to achieve in terms of lifting hundreds of millions of people out of poverty over the last two decades has been nothing short of remarkable. And that is good not just for China, but it's potentially good for the region. And I know Australia's economy, obviously, has benefitted by the increased demand that you're seeing in China. The main message that I've said not only publicly but also privately to the Chinese is that with their rise comes increased responsibilities. It's important for them to play by the rules of the road and, in fact, help underwrite the rules that have allowed so much remarkable economic progress to be made over the last several decades. And that's going to be true on a whole host of issues. So where China is playing by those rules, recognizing its new role, I think this is a win-win situation. There are going to be times where they're not, and we will send a clear message to them that we think that they need to be on track in terms of accepting the rules and responsibilities that come with being a world power."

 November 17, 2011 Remarks by President Obama to the Australian Parliament (Remarks By President Obama to the Australian Parliament)

Quote: "Meanwhile, the United States will continue our effort to build a cooperative relationship with China. All of our nations -- Australia, the United States -- all of our nations have a profound interest in the rise of a peaceful and prosperous China. That's why the United States welcomes it. We've seen that China can be a partner from reducing tensions on the Korean Peninsula to preventing proliferation. And we'll seek more opportunities for cooperation with Beijing, including greater communication between our militaries to promote understanding and avoid miscalculation. We will do this, even as we continue to speak candidly to Beijing about the importance of upholding international norms and respecting the universal human rights of the Chinese people."

 November 18, 2011 Secretary Clinton Interview with Jake Tapper of ABC News (Interview with Jake Tapper of ABC News)

Quote: "I think the president's visit last January, President Hu coming to Washington, was a really good signal that the United States and China are working hard to make sure where we can cooperate, we will. But as between any two nations of whatever size, we're not going to agree on everything. We have disagreements about their political system. They have questions about our motives. We understand that's all part of the give and take. But for us, what's most important is that we act in a way that promotes our interests and our values. So take the Marines in Australia. We've had Marines and other military forces in and out of Australia for many, many decades."

 November 17, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 17, 2011)

Quote: "It is the consensus of both China and the US to continue to unswervingly develop China-US cooperative partnership based on mutual respect and mutual benefit. China-US relationship has gone beyond bilateral sphere with its influence taking on increasing global significance. China and the US have maintained close highlevel exchanges as well as dialogue and consultation at all levels and in all fields, deepened exchanges and cooperation in a broad range of areas including economy, trade, culture and others and worked together to address global challenges. All this sends the message to the outside that the two countries are ready to further develop bilateral relations. In a nutshell, safeguarding the long-term, healthy and stable development of China-US relations serves both countries and the world at large."



 November 22, 2011 Readout of President Obama's Recent Trip to Asia by Deputy National Security Adviser Rhodes (Readout of President Obama's Recent Trip to Asia)

Quote: "With regard to China, I think the President was very clear throughout the trip that we do not see our engagement in the region as, in any way, coming at the expense of China. First of all, we have longstanding commitments in the region, longstanding relationships with allies and partners that we feel that we need to deepen so that they are on a stronger footing for the 21st century. We see extraordinary potential for the American economy in the region in terms of our ability to trade and export. We see incredible security interests at stake in the region, whether it is nonproliferation or maritime security. And all of these demand a robust U.S. presence. And frankly, that presence need not come at the expense of China. In fact, the stability that the U.S. has helped provide has in part enabled the successful, peaceful development of China so that in many respects, China similarly has a stake in that stability."

 November 22, 2011 Director of Policy Planning Sullivan Online Interview on U.S. Foreign Policy in Asia (LiveAtState: U.S. Foreign Policy in Asia)

Quote: (On Secretary Clinton's speech on constructing trans-Pacific network and its implication for China) "The United States seeks a strong and thriving China as an important player in international affairs and in helping shape the future of the region. And we believe that a China that embraces the rules of the road and lives up to its responsibilities and participates in an effective way in this transpacific network can be a benefit to its own citizens and to all citizens in the Asia Pacific. And so a large part of her message was about having this network be something that is open to and inviting to all countries, including all of the emerging powers. And she had a special message for China in the speech, which was essentially what I've just described."

(In response to a question about whether there is a change in U.S. policy on China) "I don't agree that there's a change. Our policy towards China has been clear and consistent from the start of this Administration. This is one of the most consequential relationships that the United States has, not just today but really at any time in our country's history. And it's a complicated relationship in many ways. But the fundamental point is that the United States believes that a strong and thriving China is in our interest and is in the global common interest. And we believe that we should be pursuing, as the President and the Secretary have said from the beginning, a positive and cooperative relationship with China. Now, at the same time, building a relationship of the kind that we've built over the last two and a half years also means being candid about places where we disagree, like on human rights, or on places where we believe that it would be in both of our interests for each other to take certain actions."

 November 25, 2011 Global Times Editorial (Reward for Russian appearement is futility)

Quote: "[...] for powers like Russia and China, they cannot obtain sincerity from the West through concessions and obedience. They need to work out some innovative ways to see good relations with the West. China in particular should learn lessons from Russia. It cannot initiate confrontation with the US but must develop some deterrents at the same time." "The US will not give China outward respect, but China could force it to. As long as China is not naive, it can avoid confrontation with the US and not let itself be easily infuriated by any frustration in bilateral relations. China should learn to be patient when dealing with the US. Chinese philosophy, such as tai chi, will offer many help."



Issue 3. Economic Cooperation: Global imbalances, currency issues, discrimination in China against foreign businesses, intellectual property rights, Trans-Pacific Partnership

United States China

 November 3, 2011 Press Briefing by Jay Carney, Treasury Under Secretary for International Affairs Lael Brainard, and Deputy National Security Advisor for Strategic Communication Ben Rhodes (Press Briefing by Jay Carney, Treasury Under Secretary for International Affairs Lael Brainard, and Deputy National Security Advisor for Strategic Communication Ben Rhodes)

Quote: "And in terms of China's role here at the G20, one of the most important contributions they can make at this time, when everyone is focused on growth -- everyone at that table is focused on securing stronger growth -- one of the most important contributions China can make is to shift its own growth path, which will help contribute at a time when demand in the advanced economies is weak."

November 1, 2011 People's Daily Online Editorial (<u>US gearing up for trade war with China?</u>)

Quote: "The U.S. House [...] the RMB exchange rate issue again became the focus of intense debate and certain Congress members even threatened a trade war with China." "The U.S. Department of Commerce has estimated that every 1 billion U.S. dollars worth of goods exports can create 6,000 job opportunities for the United States and China's continued rapid economic growth will undoubtedly bring the United States more job opportunities. U.S. President Barack Obama once said that the success of one country should not be at the price of other countries, and they could achieve win-win results." "Speaker of the US House of Representatives John Boehner recently reaffirmed his opposition to the bill passed by the Senate on China's alleged RMB exchange rate manipulation and stressed that it would be "a very dangerous policy." Boehner said that Obama ought to "stand up and take a position" in terms of the RMB exchange rate issue." "Former U.S. Treasury Secretary Henry Paulson recently said in Washington D.C. that it was not a right approach to threaten other countries through legislation."

 November 4, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 4, 2011)

Quote: "Developing the solar energy industry is an important measure of the Chinese Government to counter climate change and energy security challenges. The series of macro-economic policies in relevant fields are consistent with WTO rules. The US itself is also putting in the largest-ever investment into renewable energy and has worked out related promotion measures and policies. We hope the US side can work with the Chinese sideChina is committed to the path of peaceful development to strengthen solar energy cooperation in order to tackle climate and environmental challenges. In addition, we hope the US side can honor its commitment against trade protectionism and properly handle trade disputes through a more rational way."

• November 9, 2011 China's Daily Editorial (Fairness for growth)

Quote: "[...] the fundamentally supportive attitude that China and other APEC economies have taken to the US suggestion to cut tariffs on environmental goods and facilitate trade in such goods and services, indicates a strong and shared aspiration to [...] green growth." "However, [...] APEC leaders should take into full consideration the diversity and different stages of development of their economies to avoid [...] outcomes that are beyond the reach of developing economies. For instance, the average US tariff on the 153 green products proposed for cuts by the US are 1.4



 November 9, 2011 Press Briefing Previewing President Obama's Trip to Hawaii, Australia and Indonesia Obama (Press Briefing Previewing the President's Trip to Hawaii, Australia and Indonesia, 11/09/2011)

Quote: (In response to a question about what President Obama will say to President Hu in their meeting) "Obviously, both President Hu and President Obama were at the G20 in Cannes, and so were participating in discussions about the European crisis. I think we saw China indicate some steps that they were prepared to take, along with emerging economies, to bolster domestic demand going forward. They have taken steps on currency, but, again, we don't believe that those are sufficient. So I'm sure that the President will be raising with President Hu the broader need for global growth that is supported by demand in China and other emerging economies. Currency is a part of that picture." "But I do think that they will certainly discuss the global economy, the U.S. and China, the two largest economies. So I think that they'll discuss the progress that has been made on the European financial crisis. I think that they'll discuss what we'd like to see, again, on rebalancing demand by China taking steps to increase demand within their own economy, to take steps on currency and other issues."

 November 10, 2011 Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC (Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC)

Quote: "This was her – nearly her tenth meeting with Foreign Minister Yang. In those sessions, we underscored our determination to make progress on a range of economic issues, underscoring that it is important for us to be able to deliver a clear message to our people in the United States that this relationship is working for them. And I think we made very clear the areas that we'd like to see progress on, ranging from macroeconomic policy to issues associated to – from international property rights and also to – questions related to the treatment of human rights inside China. So a whole set of discussions around our bilateral issues.

November 10, 2011 Remarks by Secretary Hilary Clinton on America's Pacific
 Century (Remarks by Secretary Hilary Clinton on America's Pacific Century)

Quote: "On the economic front, the United States and China have to work together – there is no choice – to ensure strong, sustained, balanced future global growth. We can work together on these objectives, but China needs to take steps to reform. In particular, we are working with China to end unfair discrimination against U.S. and other foreign companies, and we are working to protect innovative technologies, remove competition-distorting preferences. China must allow its currency to appreciate more rapidly and end the measures that disadvantage or pirate foreign intellectual property."

percent, compared to China's average of nearly 7 percent. So it would hardly be fair to set a tariff target of say 5 percent, as this would require no action from the US, but great endeavors from other economies."

November 11, 2011 People's Daily Online Editorial (<u>'RMB undervaluation' claims</u> defy economic logic)

Quote: "U.S. Department of the Treasury's Assistant Secretary for International Finance Charles Collyns recently said that the United States will continue to put pressure on China before the APEC summit, urging it to accelerate the pace of RMB appreciation. However, the RMB exchange rate may further appreciate in the long term and China will promote its appreciation in a gradual manner." "China's Minister of Commerce Chen Deming has reiterated that the RMB exchange rate is within a basically reasonable range. China's trade surplus is only a little above 1 percent of GDP, and its overall international balance of payments surplus is far below 3 percent of GDP." "The politicization of economic issues is not conducive to the healthy development of bilateral relations [...]The RMB exchange rate should be determined by the market forces of supply and demand[...] The politicization of the RMB exchange rate issue by certain U.S. politicians who focus more on their personal interests has damaged the interests of both Chinese and American people."



November 12, 2011 Remarks by President Obama at APEC CEO Business
 Summit Q&A (Remarks by President Obama at APEC CEO Business Summit Q&A)

Quote: "[...] what I've said since I first came into office, and what we've exhibited in terms of our interactions with the Chinese, is we want you to play by the rules. And currency is probably a good example. There are very few economists who do not believe that the RMB is not undervalued. And that makes exports to China more expensive, and it makes exports from China cheaper. That disadvantages American business; it disadvantages American workers. And we have said to them that this is something that has to change -and, by the way, it would actually be good for China's economy if they refocused on their domestic market, that that kind of appreciation of their currency would help the overall balance of payments globally and it would increase growth in China and increase growth here in the United States. Intellectual property. I don't think it's any secret [...] for an economy like the United States, where our biggest competitive advantage is our knowledge, our innovation, our patents, our copyrights -- for us not to get the kind of protection that we need in a large marketplace like China is not acceptable. Government procurement -- if we are allowing foreign countries to bid on projects in the United States of America, we want reciprocity. State-owned enterprises, how they work -- all these issues I think have to be resolved."

 November 12, 2011 Press Briefing by Principal Deputy Press Secretary Josh Earnest, Bill Weldon, CEO for Johnson & Johnson, Rich Lavin, Group President of Caterpillar and Eric Schmidt, CEO for Google (Press Briefing by Principal Deputy Press Secretary Josh Earnest, Bill Weldon, CEO for Johnson & Johnson, Rich Lavin, Group President of Caterpillar and Eric Schmidt, CEO for Google, 11/12/2011)

Quote: "Currency was discussed this morning by the President, and of course, it is an important part of the overall relationship, the trade relationship, between the United States and China. In Caterpillar, we've been encouraging and participating in what we would say are diplomatic discussions on the issue of currency and other trade issues. I think it's inevitable that currency will become a political issue. But we've seen the kind of behind-the-scenes discussions and negotiations have been very effective in encouraging China to strengthen their currency. And in fact, I think it's probably strengthened between 25 and 30 percent over the past three or four years. So I think the worst thing we can do is encourage a process that may result in some sort of trade friction or trade war between the two largest economies in the world. So at Caterpillar, we're really encouraging continuing behind-the-scenes discussions and negotiations to move China toward stronger currency."

November 12, 2011 Global Times Editorial (<u>US rule of TPP halts natural expansion</u>)

Quote: "US Secretary of State Hillary Clinton kickstarted [...] to push for a free trade deal called the Trans-Pacific Partnership (TPP), while pressing China on human rights. The approach Washington adopted in promoting the pact runs counter to its aim of strengthening mutual trust and ironing out differences in the Asia-Pacific region." "The current goals put out by the US are truly ambitious. Clinton's remarks specifically fueled speculation about Washington's attempt to contain China through TPP." "A large membership for the TPP in Asia-Pacific requires better adaptability of TPP rules for nations absent from the current negotiations. The US, however, does not seem to be keen on adjusting the standards for the agreement. Instead, the expansion of the TPP is [...] to maximizing Washington's interests – doubling its exports and dominating Asia." "China remains open to international cooperation but it would never seek engagement with blocs that do not respect its interests. China holds no opposition to the expansion of the TPP beyond its current nine member states."



November 14, 2011 News Conference by President Obama (News Conference by President Obama)

Quote: "And so, in conversations with President Hu and others, what I've tried to say is we have the opportunity to move in a direction in which this is a win-win: China is benefiting from trade with the United States; the United States is benefiting as well. Jobs are being created in the United States and not just in China. But right now things are out of kilter. And that is something that is shared across the board, as we saw with the recent vote on the Chinese currency issue in the Senate. And I think leaders in the region understand that as China grows, as its economic influence expands, that the expectation is, is that they will be a responsible leader in the world economy -- which is what the United States has tried to do. I mean, we try to set up rules that are universal, that everybody can follow, and then we play by those rules. And then we compete fiercely. But we don't try to game the system. That's part of what leadership is about. China has the opportunity to be that same type of leader. And as the world's second-largest economy, I think that's going to be important not just for this region, but for the world. But that requires them to take responsibility, to understand that their role is different now than it might have been 20 years ago or 30 years ago, where if they were breaking some rules, it didn't really matter, it did not have a significant impact. You weren't seeing huge trade imbalances that had consequences for the world financial system. Now they've grown up, and so they're going to have to help manage this process in a responsible way."

 November 16, 2011 Remarks by President Obama and Prime Minister Gillard of Australia in Joint Press Conference (Remarks by President Obama and Prime Minister Gillard of Australia in Joint Press Conference)

Quote: "[...] I think the notion that we fear China is mistaken. The notion that we are looking to exclude China is mistaken. And I'll take TPP as a perfect example of this. We haven't excluded China from the TPP. What we have said is the future of this region depends on robust trade and commerce, and the only way we're going to grow that trade is if we have a high-standards trade agreement where everybody is playing by the same rules; where if one set of markets is open then there's reciprocity among the other trading partners; where there are certain rules that we abide by in terms of intellectual property rights protection or how we deal with government procurement -- in addition to the traditional areas like tariffs. [...] Now, if China says, we want to consult with you about being part of this as well, we welcome that. It will require China to rethink some of its approaches to trade, just as every other country that's been involved in the consultations for the TPP have had to think through, all right, what kinds of adjustments are we willing to make? And so that's the consistent theme here. This is a growing region. It is a vital region. The United States is going to be a huge participant in both economic and security issues in the Asia Pacific region, and our overriding desire is that we have a clear set of principles that all of us can abide by so that all of us can succeed. And I think it's going to be important for China to be a part of that. I think that's good for us. But it's going to require China, just like all the rest of us, to align our existing policies and what we've done in the past with what's needed for a brighter future."

 November 14, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 14, 2011)

Quote: "[...] during his meeting with President Obama in Hawaii, President Hu Jintao stated that China's exchange rate policy is responsible with the target of building a market-based, managed floating exchange rate regime with a reference to a basket of currencies. The reform of the RMB exchange rate regime will press ahead in a steady manner. Meanwhile, US trade deficit, unemployment and other structural problems are not caused by the RMB exchange rate." "China is ready to expand import from the US to push for the balance of bilateral trade, but the US is listing many products as controlled." "Chinese investment in the US can create many job opportunities for the American people. Politicizing investment and trade issues will not help the US to attract investment and create jobs. In terms of IPR protection, China has also done a lot of work such as building a full-fledged legal system and stepping up law enforcement."



 November 22, 2011 Readout of President Obama's Recent Trip to Asia by Deputy National Security Adviser Rhodes (Readout of President Obama's Recent Trip to Asia)

Quote: "Secondly, I think with regard to China, I wouldn't say it's related to domestic politics. I would say that the point the President made is the lack of progress on a set of issues with China, particularly on the economic side – on currency, on respect for intellectual property, on indigenous innovation – has led to a fraying, somewhat, of the consensus for and support for the U.S.-China relationship in the United States. In that you see that – not just in the political context, where you have people on both sides of the political spectrum expressing concern – but you see it in the concern expressed by the American business community. [...] But that said, these are issues that we believe we can work out, and we very much want to work through these issues in the context of a very comprehensive relationship between the United States and China. So it's – our policy in that respect towards China is very much the same, in that we want to, on the one hand, have a very comprehensive and ongoing set of consultations with the Chinese Government about how to move forward on these issues. On the other hand, we're going to be expressing our commitment to the broader region as well, and that those two things need not be mutually exclusive."

 November 21, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 21, 2011)

Quote: "Economic and trade cooperation is the important foundation for China-US relations." "China is ready to engage in closer and broader economic cooperation with the US. On the issue of market access, China has been making active efforts to provide convenience for foreign companies' investment in China. China has formulated a full-fledged legal system on IPR protection and stepped up law enforcement efforts. We hope the US will make substantive progress in relaxing controls on high-tech exports to China, exercising caution in using trade remedies, recognizing China's market economy status and granting equal treatment to Chinese enterprises investing in the US."

 November 23, 2011 People's Daily Online Editorial (China, US must share burden of economic recovery (2))

Quote: "China-U.S. economic and trade relations are very sensitive. In Washington, economic and trade issues are usually politicized and some issues [...] At present, the most important thing is to avoid politicizing economic and trade issues and prevent trade protectionism from re-appearing." "Both sides have accumulated abundant experience and proposed many innovative ideas [...] However, the United States still needs to do some practical things in such areas as relaxing the control on exporting high-tech products to China, using trade remedies more carefully and recognizing China's market economy status." "Both sides need to recognize this viewpoint more deeply and keep expanding their points of common interests to create more opportunities for the global economy."

November 24, 2011 People's Daily Online Editorial (<u>US expected to contribute to Asian economy</u>)

Quote: "U.S. President Barack Obama scored a foreign policy victory with his recently concluded nine-day tour of the Asia-Pacific region, which garnered support for the U.S. "return to Asia" strategy [...] However, the country still faces enormous economic challenges." "The U.S. economy is experiencing sluggish recovery and is on the verge of a double-dip recession." "In fact, certain Asian countries are looking forward to the return of the United States mainly because they hope U.S. investment and markets can drive Asia's economic growth as before." "[...] what Asia and the rest of the world value is what the United States will bring."



November 22, 2011 Director of Policy Planning Sullivan Online Interview on U.S. Foreign Policy in Asia (LiveAtState: U.S. Foreign Policy in Asia)

Quote: "So on the economic side, the President and the Secretary have been clear that we believe that China should seek for its own sake and for everybody else's sake to end certain kinds of competition distorting preferences, to level the playing field for U.S. and other foreign companies that seek to do business in China, to allow its currency to appreciate more rapidly. And these are things that were not newly stated in the past few weeks. They've been part of U.S. policy for some time. And they are things that we talk about with our Chinese interlocutors in private as well as stating them candidly and forthrightly in public. So when the President saw President Hu in Honolulu and when the Secretary saw State Councilor Dai, they had extensive discussions on this aspect of the relationship, on how certain types of economic reforms in China could lead to greater stability and growth in China, could lead to greater economic rebalancing across the Asia Pacific, and could lead to an improved global economy for all."

(In response to a question about the long-term purpose of the trans-Pacific partnership) "Ultimately, the United States sees the TPP as part of a larger effort to move towards a free trade area of the Pacific. We believe strongly, as we have for decades, that free, fair, open, and transparent intercourse among nations of the Asia Pacific is the best way to produce balanced, sustainable, and inclusive growth. And we very much believe that China has to be a part of that and that China and the United States must work together to help generate the kind of growth in both of our countries and in the region as a whole that is sustainable, durable, and lasting. And that will require reforms in China even as it will require the United States to be responsive to concerns that China raises about some of our economic practices. So we are not looking at TPP as something that takes the region down a different path but rather as part of a long-term project of increasing and improving economic integration, trade, and commerce in the region."

November 25, 2011 People's Daily Online Editorial (<u>US throwing stones over unfair competition</u>)

Quote: "Chinese enterprises making investment in the United States have encountered unfair treatment over recent years." "To defend so-called "fair competition," Washington has not only misinterpreted China's development pattern as "state capitalism" but has also criticized the Chinese government for backing Chinese enterprises." "China is a country in which diverse forms of ownership coexist, and it neither intends to discriminate against U.S. private ownership nor lacks confidence in itself, because it has strong state-owned enterprises. In addition to observing international economic and trade rules, China's state-owned enterprises are participating in severe international competition in a fair and square manner." "At present, global economic governance urgently needs to be reformed, and it is petty and unreasonable to conduct "political discrimination" or to defame competitors simply because of differences in the system of ownership and in the mode of operation. The United States is facing many tough economic problems, and the only way out is adjusting its economic structure and fixing its political system. Unfairly treating Chinese enterprises is not only useless but also harmful to its economic recovery."

November 25, 2011 China's Daily Editorial (Think competitively)

Quote: "US policymakers should stop blaming others for their problems. Instead, [...] if they really want to reinvigorate the world's largest economy, they should give the rebirth of China's State-owned enterprises (SOEs) a second thought, as their revitalization is closely related to the ongoing rise of the Chinese economy. The term "competitive neutrality" has been gaining disproportionate currency among US officials who [...] attempt to portray big Chinese companies [...] as a threat to the competitiveness of American companies and workers." "Though there is no evidence to show that all SOEs have the opportunities or incentives to engage in anticompetition [...]" "[...]when examining the government's role in boosting the overall competitive advantages of the national economy, US policymakers can draw some lessons from the Chinese government's painful efforts to revamp SOEs, which transformed them from bankrupt entities in the 1990s, to the backbone of the world's fastest growing major economy. Blaming Chinese competitors will not help fix the US' economic woes. That will only be achieved if US policymakers make the difficult choices necessary to remedy the problems."



Issue 4. U.S.-China Military Cooperation: Strategic Security Dialogue (SSD), Chinese defensive capabilities

United States China

 November 10, 2011 Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC (Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC)

Quote: "we have underscored consistently to China that we need to institutionalize dialogues that deal with cutting-edge security issues, including maritime security, cyber-related challenges, and other issues, such as the peaceful use of space. We believe that the best way to address these issues is to establish crosscutting dialogues that includes elements of the civilian foreign policy establishment and the military. We were able to hold the first of those sessions in the spring called the Strategic Security Dialogue. We are seeking to continue these sessions. We believe they provide the best venue for interaction on matters that involve, not only the United States and China, but indeed many of the other countries in the Asia Pacific region."

 November 10, 2011 Remarks by Secretary Hilary Clinton on America's Pacific Century (Remarks by Secretary Hilary Clinton on America's Pacific Century)

Quote: "Secretary of the Treasury Tim Geithner and I, along with our Chinese counterparts, launched the Strategic and Economic Dialogue in 2009. These are the most intensive and expansive talks ever conducted between our governments, and we look forward to traveling to Beijing this spring for the fourth round. Now, we are looking to China to intensify dialogue between civilian and military officials through the Strategic Security Dialogue so we can have open and frank discussions on the most sensitive issues in our relationship, including maritime security and cyber security."

 November 22, 2011 Readout of President Obama's Recent Trip to Asia by Deputy National Security Adviser Rhodes (Readout of President Obama's Recent Trip to Asia)

Quote: (In response to a question about the implications of increasing U.S. trans-military exercises with countries in the Asia-Pacific region) "With regard to China, I'd actually emphasize the point that we'd like to see that type of relationship with China as well. And the U.S. has underscored our interest and commitment to expanding military-to-military ties between the United States and China, and we feel that that's an important thing to do, to make sure that we have good lines of communication, to make sure that we're avoiding inadvertent escalation, to make sure that we are working together to support the stability of the region. So part of the context of the U.S. presence is a dialogue with China, and a dialogue with the PLA and the Chinese leadership about these issues. And that provides a forum not just to discuss what we're doing in other aspects of the region but it provides a forum for us to build trust and communication going forward"

- November 5, 2011 Global Times Editorial (Rethink China's nuke weapons strategy) Quote: "The strategic role played by nuclear weapons cannot be replaced by other armaments. Nuclear capacity serves the cornerstone of China's national security." "the capacity of China's nuclear stockpile should be strong enough to dismiss the ignorance of Cain as well to stop the US people from resorting to military solutions when facing competition from China. China's enhancement of its nuclear weapons does not mean it will alter its strategy from defense to offense. But we have to keep a detersive power for peaceful purposes, which demands rational and compulsory self-adjustment."
- November 14, 2011 Global Times Editorial (AirSea Battle plan renews old hostility) Quote: "The Wall Street Journal reported Friday that the Pentagon is preparing to announce a controversial AirSea Battle concept. This is a roadmap that could serve as a counter to China's "anti-access" capabilities [...] A US official told the Washington Post that it is a milestone in treating China with new "Cold War" thinking." "China should have the ability to deter any external interference but unfortunately, such a reasonable stance is seen as a threat by the US." "China's anti-access strategy does not challenge the US hegemony. So the US should not seek to achieve its global strategy by pursuing absolute military superiority in Chinese coastal waters and threatening the country's security." "The rise of China is unstoppable except the extreme case that its system automatically collapses. The US' absolute military advantages over China in the Pacific will see gradual change. This is no cause for an arms race."
- November 17, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 17, 2011)

Quote: "China is willing to listen to constructive views of the international community. However, the agency you referred to is prejudiced against China and its report is not constructive at all." "As a permanent member of the Security Council and a responsible major country, China earnestly carries out its international obligations on the Korean and Iranian nuclear issues and is firmly committed to a peaceful settlement through diplomatic means, thus safeguarding the international non-proliferation regime and regional security. China's constructive role in this regard is universally recognized."

 November 29, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 29, 2011)

Quote: "[...] China's aircraft carrier platform, after successfully completing its first sea trial in August, returned to the shipyard as planned for further refitting and testing. The work was completed and it set sail again today to carry out relevant scientific research and experiments. I'd like to point out that China pursues the path of peaceful development and a national defense policy that is defensive in nature. China stands as a major force in upholding regional and world peace."



Issue 5. Human Rights: Tibetan protests, human rights and democracy in East Asia

United States

November 4, 2011 State Department Daily Press Briefing (State Department Daily Press Briefing)

Quote: "[...] a good amount of the relatively small amount of money that we spend in China, compared to other countries, Afghanistan, Pakistan, et cetera, is directed at supporting nongovernmental groups that are involved in protecting rule of law, protecting human rights, protecting the rights of the Tibetan people within China. ""[...] we have consistently and directly raised with the Chinese Government our concerns about Tibetan self-immolations, and we have repeatedly urged the Chinese Government to address its counterproductive policies in Tibetan areas that have created tensions and that threaten the unique religious, cultural, linguistic identity of the Tibetan people. We've also repeatedly urged the Chinese Government to allow access to all Tibetan areas of China for journalists, diplomats, and other observers so that we can get accurate information and so that you can get accurate information. And let me take this opportunity to again call on the Government of China to respect the rights of all of its citizens who peacefully express their desire for internationally recognized freedoms, and particularly the rights of Tibetans to resolve their underlying grievances with the Government of China."

• November 10, 2011 Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC (Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC)

Quote: "It is Secretary Clinton's – and indeed, the U.S. Government's – consistent policy to raise these human right issues directly with Chinese interlocutors. I think it would be fair to say that the Chinese interlocutors, Foreign Minister Yang, took onboard what she had to say. I expect we'll have continuing conversations on these issues. But we've been very clear at what our expectations are in terms of improving a dialogue with Tibet and the appropriate Tibetan authorities and to try to address some of the issues that lead to the desperation underscoring these tragic immolations. And we raise individual cases regularly. That is one that we've raised most recently."

November 10, 2011 Remarks by Secretary Hilary Clinton on America's Pacific Century (Remarks by Secretary Hilary Clinton on America's Pacific Century)

Quote: "We support not only open economies but open societies. And as we engage more deeply with nations with whom we disagree on issues like democracy and human rights, we will persist in urging them to reform. For example, we have made it clear to Vietnam that if we are to develop a strategic partnership, as both nations desire, Vietnam must do more to respect and protect its citizens' rights."

"We have made very clear our serious concerns about China's record on human rights. When we see reports of lawyers, artists, and others who are detained or disappeared, the United States speaks up both publicly and privately. We are alarmed by recent incidents in Tibet of young people lighting themselves on fire in desperate acts of protest, as well as the continued house arrest of the Chinese lawyer Chen Guangcheng. We continue to call on China to embrace a different path."

• November 18, 2011 Secretary Clinton Interview with Ed Henry of Fox News (Interview with Ed Henry of Fox News)

Quote: (In response to a question about whether improving relations between the U.S. and Southeast Asian nations would put pressure on China to change its record on human rights) "Well, I would think that the integration of this region, which is really one of the key goals that the Obama Administration has – it's something I've worked on from the very beginning of my tenure as Secretary of State – is an economic integration, but it's also an effort to promote universal values. We think the Burmese people have just as much of a right to free expression and other freedoms that we take for granted. And we think that everyone in the region has some work ahead of us in order to realize the potential. And I think if you look at ASEAN, which is the kind of central organization here in Southeast Asia, there's been a lot of good changes. We're doing this interview in Indonesia, a country that has been a democracy now for a little over a decade. Who would have predicted that when they had very strong dictatorial regimes? So we think that you're on the right side of history when you're promoting freedom and democracy and human rights. And countries and people move at their own paces, but we want to do everything we can to support that."

Issue 6. Middle East Issues: International sanctions on Syria, Iran's nuclear program, NATO attack on Pakistan United States China

 November 1, 2011 State Department Daily Press Briefing (<u>State Department</u> Daily Press Briefing)

Quote: "[...] we remain concerned about whether Syria is meeting its obligations to the IAEA, and that their clandestine nuclear program remains an issue of grave concern."

• November 2, 2011 State Department Daily Press Briefing (State Department Daily Press Briefing)

Quote: "We remain deeply engaged, economically, politically, in security terms, with both parties (Palestine and Israel). Both parties want to see the U.S. engaged with each of them individually and in this process, and that's what we're endeavoring to do."

November 1, 2011 China's Daily Editorial (Syria needs reforms)

Quote: "UN Secretary-General Ban Ki-moon voiced the international concern over the ongoing crisis [...] "The calls of the Syrian people for change must be answered with far-reaching reforms, not repression and violence." It is no surprise that the NATO powers, inspired by their successful military intervention in Libya, shifted focus on Syria. However, given the geopolitical sensitivity of Syria [...] and the weak position of the Syrian opposition, the Western powers have so far restricted themselves to sanctions aimed at Syrian President Bashar Assad and the ruling elite and have refrained from any military intervention, such as the NATO action in Libya. Yet, international pressure upon Syria for political reform is increasingly building up. Echoing the US Secretary of State Hillary Clinton's statement that Assad has "lost legitimacy", the EU widened sanctions against Assad and the Syrian state." "Despite his warning to the Western powers [...], Assad should recognize that it is matter of urgency for the Syrian government to reach a political agreement with the opposition on needed reforms."

 November 2, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 2, 2011)

Quote: "The 36th Session of the General Conference of the UNESCO held in Paris on October 31 adopted the resolution of admitting Palestine as the organization's member." "China supports the Palestinian people's just cause of restoring lawful national rights and regards the founding of an independent state as an inalienable lawful right of the Palestinian people as well as the precondition and foundation for the peaceful co-existence between Palestine and Israel, which is conducive to the lasting peace and stability of the Middle East. China is always opposed to Israel's building of Jewish settlement on occupied Palestinian territory. China supports greater international mediation efforts for an early restart of negotiations between Palestine and Israel. We hope parties concerned [...] continue to promote peace talks between Palestine and Israel and support the important role of the UNESCO." "China respects the development path chosen by the Afghan people in light of their national conditions and supports Afghanistan in launching comprehensive economic and social reconstruction. We hope the international community fully respects the Afghan government and people's choice [...]"



November 8, 2011 State Department Daily Press Briefing (<u>State Department</u> Daily Press Briefing)

Quote: "[...] the United States has supported reform, has supported opening in the Middle East for some time, but it's actually the people of these countries who have taken it to the next level. And so it's been our job to support that as we can."

November 10, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "Russia, China, all the P-5+1 members are united in their recognition that Iran's nuclear program raises serious concerns, serious questions that need to be addressed. And that's been clear throughout. We're talking with both Russia and China, as I just said, as well as others, as we move forward and consider next steps."

 November 3, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 3, 2011)

Quote: "China welcomes the agreement between Syria and the Arab League on the working documents to solve the Syrian crisis, which is an important step towards easing the Syrian tension and launching the inclusive political process with the broad participation of all parties in Syria at an early date. China hopes that all parties in Syria take concrete measures, stop all violence and create conditions for the solution of the issue through dialogue and negotiation. China supports the Arab League's efforts to uphold the overall interests of Arab countries and regional peace and stability and its constructive role in pushing for the alleviation of the Syrian situation."

 November 4, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 4, 2011)

Quote: "First, I want to stress that China is against the proliferation of nuclear weapons and the development of nuclear weapons by any country in the Middle East region. Iran shoulders the international obligation of nuclear non-proliferation." "Second, China always believes in settlement of the Iranian nuclear issue through dialogue and cooperation." "The IAEA should be just and objective and committed to the clarification of relevant issues with Iran through cooperation." "Third, China is firmly against the threat or use of force. Currently, It is imperative to prevent new turbulences in the security situation of the Middle East [...]." "China will continue to be highly responsible to the international nuclear non-proliferation regime and peace and stability of the Middle East, keep in communication with parties concerned and the IAEA, unswervingly promote the dialogue and cooperation process of the Iranian nuclear issue and play a constructive role for the diplomatic efforts aimed at peacefully solving the issue."



 November 10, 2011 Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC (Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC)

Quote: "We did talk extensively between Secretary Clinton and Foreign Minister Yang on Iranian – the Iranian situation. The Secretary asked for continuing cooperation from (inaudible) on these matters and underscored our concerns about the recent IAEA report and believe that it was critical for China to communicate, both publicly but also privately, with Iran that they were on a course that was dangerous and antithetical to the larger nonproliferation goals of all the specific countries involved, both in the Security Council and the P-5."

November 4, 2011 China's Daily Editorial (UN's right decision)

Quote: "Though regarded as a symbolic victory for the Palestinian authorities in their broader quest for international recognition, UNESCO's move conforms to the will of the majority of the world's countries. It underscores the legitimate rights of millions of Palestinians to participate in UN activities and programs that protect historic heritage sites, improve world literacy and promote education and culture." "US said it was withdrawing its share of UNESCO funding, which amounts to almost a quarter of the cultural agency's overall budget. It also warned of a "cascade" effect should other UN bodies follow suit." "UNESCO has survived without Washington's funding in the past. It will survive this time as well." "Israeli Prime Minister Benjamin Netanyahu on Wednesday defended the decision as Israel's "right" and "duty". But isn't it the right of Palestinians to be accepted as participants to world's cultural undertaking? It is also the duty of UNESCO to grant Palestine the equal status that is enjoyed by the majority of the world countries, Israel included."

• November 9, 2011 Global Times Editorial (Winds of war start blowing toward Iran)

Quote: "The last few days have seen tensions over Iran take a sharp turn for the worse. Some feel that the US and Israel should combine to strike at Iranian nuclear facilities." "The public impulse to attack Iran is gaining traction [...] While the US and other Western countries are struggling economically, their military power reigns supreme." "Many people say that the democratic system is most effective in preventing wars. But the US has taken part in many conflicts since the Cold War ended. Its excuse to pursue justice only holds up through the prism of American values. The root cause of endless wars is that they are regarded by the US as the quickest way to achieve its interests. US democracy has not become a device to stop wars." "Whatever its aims, war wreaks disaster and engenders the human catastrophe. This fact should not be ignored by Western powers simply because it will take place overseas. Humanitarian concerns should transcend all boundaries."

 November 10, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 10, 2011)

Quote: "We always hold that dialogue and cooperation is the only effective way to appropriately resolve the Iranian nuclear issue. Neither pressure nor sanctions can solve the issue fundamentally. What is pressing now is to beef up diplomatic efforts, forge ahead the dialogue between P5+1 countries and Iran and strive for substantial progress in the cooperation between the IAEA and Iran."



November 16, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: 'We're consulting with China as a member of the P-5+1 on next steps regarding Iran and the Amano report, so we consider them to be a valuable partner in that regard, and also on North Korea."

November 18, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "(Regarding sanctions on Iran) [...] we got a very strong sanctions regime in place. It's important that we work to enforce that in a way that maximizes its capabilities. And let's be very clear, Russia and China were both on board voting for that sanctions regime and they were on board with today's resolution. So there is, we believe, a unified stance here."

November 10, 2011 China's Daily Editorial (<u>Defuse tensions with Iran</u>)

Quote: "With its suggestion that Iran wants nuclear weapons capability, the IAEA report [...] is likely to lead to an escalation of tensions between the West and Iran. Although Teheran condemned the findings as false and baseless, the United States signaled it will impose more sanctions on Iran." "Under increasing domestic criticism of his soft approach, which has failed to deter Iran in its nuclear program, US President Barack Obama has adopted a tougher stance. Calling Iran's nuclear program a "continuing threat", the US ratcheted up the pressure and began beating the drums of war even before the report was released. And Israel [...] was seeking cabinet support for a pre-emptive military strike on Iran days before the IAEA report was released." "The international community's concern over Iran's nuclear program is legitimate, but unilateral military action or the threat of force is not the solution." "China warned that the use of force to resolve the issue was the last thing the Middle East needed at the moment and said Iran needs to show flexibility over its controversial nuclear program. The international community should continue its efforts to resolve the dispute through political and diplomatic means."

 November 14, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 14, 2011)

Quote: "We have expounded on China's position on this report here many times. First, China opposes the proliferation of nuclear weapons and disapproves of the development of nuclear weapons by any Middle East country, including Iran. As a member to the Treaty on the Non-Proliferation of Nuclear Weapons, Iran undertakes the international obligation of nuclear non-proliferation. Second, China always maintains that the Iranian nuclear issue should be settled through dialogue and cooperation, which includes both P5+1 countries' dialogue with Iran and the IAEA's dialogue with Iran." "[...] dialogue and cooperation is the best way to seek a comprehensive, long-term and appropriate settlement of the Iranian nuclear issue and neither pressure nor sanctions can fundamentally solve the problem." "The Chinese side supports the Arab League's efforts to end the Syrian crisis. [...] The Chinese side once again calls on the Syrian government and other parties concerned to immediately stop violence, launch an inclusive and balanced political process [...]" "China is always against any violence against innocent civilians. We call on parties concerned to exercise maximum restraint and prevent escalation of tension. We hope Israel and Palestine can start peace talks as soon as possible and re-launch the Middle East peace process, which is also the hope of the international community."



November 21, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "We're gratified that our allies are increasing the pressure on Iran. We think this is the right response to the concerns expressed in the IAEA report, and the continued unwillingness of Iran to meet the conditions that the international community has set forth with regard to its nuclear program." [...] "[...] the White House spoke to this a little bit after the President's bilaterals with Russian President Medvedev and with Hu Jintao in Bali last week, so you know that the subject of Iran has come up and you know that we have been talking both about the IAEA report and about the assassination plot here against the Saudi Ambassador. And there is – there was strong support for P-5+1 unity."

"Well, you've seen that – what we have done, that we have done what we can to cut off the revenues that Syria makes from hydrocarbons. We have done our best to sanction individuals who we think are responsible for violence. We have certainly called for other countries to match these steps, and also to renounce the sending of weapons to the Syrian regime. So those kinds of steps – steps that match ours, that match the EU's steps – would be most welcome, and we think would increase the pressure on the Asad regime."

November 28, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "In terms of next steps, we've already got very strong sanctions in place. We commend the Arab League for taking the decision to move to implement its own set of sanctions. We think that it's going to continue to apply the kind of pressure that we've been seeking to apply on Asad. To date, it's true, he has not – he has continued undeterred. But our strategy here remains the same, which is to put financial – increasing financial and economic pressure on his regime." [...] "We've got very strong EU sanctions, U.S. sanctions, and multilateral sanctions against Syria now with the Arab League. We are continuing to look for other nations to initiate similar sanctions. Again, this is – it's not going to be something that happens overnight, but we believe that this kind of building pressure is going to eventually bring about Asad's stepping down in line for a peaceful, democratic transition to take place."

"(Regarding NATO air attack on Pakistan) we're concerned about the impact of this incident on our relations with Pakistan. We're trying to work through this. There's an investigation under way. We certainly recognize that our cooperation with Pakistan, as we've said many times, has yielded very tangible progress and tangible results, and so we want to see that continue. [...] We're stressing right now that this relationship is in the national security interest of the U.S. It's in both our shared national security interest, and we're committed to work through this incident."

 November 16, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 16, 2011)

Quote: "China holds that actions by the IAEA should be conducive to preventing further escalation of the situation and promoting an early resumption of the dialogue process between the P5+1 countries and Iran. The pressing task now is that Iran and the IAEA should engage in dialogue and cooperation as soon as possible so as to respond to the international community's concerns at an early date. The P5+1 countries should also consider making constructive contact with Iran."

November 23, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 23, 2011)

Quote: "China always opposes imposing unilateral sanctions against Iran, let alone expanding those sanctions. We believe that sanctions and pressure cannot resolve the Iranian issue fundamentally, but will increase its complexity and gravity and ratchet up confrontation, thus running against regional peace and stability. Under the current circumstances, all relevant parties should enhance dialogue and cooperation and resolve the Iranian issue appropriately through negotiation." China abstained from voting on the resolution. We always hold that constructive dialogue and cooperation is the only way to promote and protect human rights. Exerting pressure with country resolution will not help resolve differences. Highly concerned about the situation in Syria, China calls on all relevant parties there to immediately cease violence, launch an inclusive and balanced political process as soon as possible so as to restore national stability and order at an early date."

November 24, 2011 China's Daily Editorial (Syria is not Libya)

Quote: "West-sponsored sanctions, or the threat of sanctions, against Damascus will only pour oil on the flames and grease the way for future military intervention in Syria. By calling on the Syrian opposition to refrain from dialogue with the government, Western countries are sending the signal that they back the opposition to topple the government by means of violence. Trying to repeat the "Libya model" in Syria is dangerous considering the geostrategic importance of the country in the Middle East and its intricate and delicate relations with neighboring countries, especially its close ties with Iran, Hezbollah and Hamas, all of which are hostile to the West." "The international community can play a constructive role in creating conditions for the easing of tensions in Syria. Any outside force inciting an escalation of violence will only further deteriorate the humanitarian situation in Syria."



November 30, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "(Regarding British decision to remove its entire staff from Tehran following the attack on their Embassy) It's their sovereign decision to protect their own civilians, their own diplomats who are on the ground serving very courageously in a very difficult environment. This, we think, speaks to the fact that Tehran's actions are leading to its increasing isolation in the world. Germany also recalled its ambassador, and even China called – I believe China called the action unacceptable yesterday in Tehran. So you're seeing both a chorus of international condemnation as well as actions on the part of countries around the world that I think, again, reflect Iran's isolation." [...] "It was an egregious violation of their Vienna Convention commitments. And as you said, the President, the Secretary, governments around the world have condemned it."

 November 28, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 28, 2011)

Quote: "China hopes the Arab League and Syria will give priority to the fundamental interests of the Syrian people, peace and stability in the Middle East and avoiding external interference, step up communication and coordination in ending the Syrian crisis and properly handle relevant issues."

 November 28, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 28, 2011)

Quote: "China is greatly shocked at the incident and expresses strong concern. We extend our solemn condolences over the Pakistani victims. China believes that the independence, sovereignty and territorial integrity of Pakistan should be earnestly respected and relevant incident be thoroughly investigated and handled in a serious and appropriate manner."

November 30, 2011 China's Daily Editorial (US should mend ties)

Quote: "The lastest friendly fire incident in Pakistan has plunged the already strained relationship between the United States and Pakistan to a new low." "Given that the deaths were at the hands of an ally, Pakistan's anger is justified and the US owes Pakistan a thorough investigation and genuine explanation. It also needs to ensure that such a tragedy will not happen again. It is also necessary for the US to rethink its anti-terror strategy in the region. True, the US needs to hunt down as many extremists in the region as possible before it winds down its operations in Afghanistan. But it should keep its military operations within international norms." "Washington needs to understand its ties with Pakistan should be based on mutual trust and respect. Its billions of dollars of financial support to Pakistan does not give it the right to breach the latter's sovereignty and territorial integrity at will."



Issue 7. North Korea: Resumption of the Six-Party Talks

United States

China

 November 10, 2011 Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC (Special Briefing on Secretary Clinton's Bilateral Meetings with Chinese, Japanese, and Australian Foreign Ministers at APEC)

Quote: "[...] We also discussed North Korea. The Secretary asked China to press North Korea with respect to the uranium enrichment program and to urge Pyongyang to take very clear steps in order to pave the way for a return to Six-Party Talks."

November 30, 2011 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "[...] North Korea's uranium enrichment program and alleged construction of a light-water reactor would violate existing UN Security Council resolutions, as well as its own commitments under the 2005 Joint Statement. So our policy or our position hasn't changed on this. We remain concerned about it."

 November 21, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 21, 2011)

Quote: "ROK Unification Minister Yu Woo-ik will be in China [...]" "We always believe that the Six-Party Talks is an effective mechanism to push forward the denuclearization of the Korean Peninsula and safeguard peace and stability of the Peninsula as well as Northeast Asia. Bilateral contact and the Six-Party Talks can complement and reinforce each other."

 November 23, 2011 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on November 23, 2011)

Quote: "China always appropriately handles the issue concerning illegal border-crossers from the DPRK in accordance with domestic and international law as well as the humanitarian principle."

 November 30, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 30, 2011)

Quote: "The DPRK said that it is progressing apace with the construction of a light water reactor and the production of low-enriched uranium." "Under the current circumstances, we hope all parties concerned will make joint efforts to create conditions for the early resumption of the Six-Party Talks and address their concerns in the framework of the Talks."



Issue 8. Taiwan: U.S. reaffirming the one-China policy

United States

- November 10, 2011 Remarks by Secretary Hilary Clinton on America's Pacific Century (Remarks by Secretary Hilary Clinton on America's Pacific Century)

 Quote: "We remain committed to the One-China policy and the preservation of peace and stability across the Taiwan Strait. We have a strong relationship with Taiwan, an important security and economic partner, and we applied the progress that we have seen in cross-Strait relations between China and Taiwan during the past three years and we look forward to continued improvement so there can be peaceful resolution of their differences."
- November 22, 2011 Readout of President Obama's Recent Trip to Asia by Deputy National Security Adviser Rhodes (Readout of President Obama's Recent Trip to Asia)

 Quote: "Well, we have, of course, a security relationship with Taiwan that has been longstanding that involves, obviously, communication between our militaries and sales from the United States to the Taiwanese military. And so there's been a longstanding relationship between the U.S. and Taiwan that's been important to, I think, our commitment to fostering a stable region. I think the context is very much one, of course, of the U.S. support for a one China policy and for there to be a reduction in any tensions in cross-strait ties, and we've welcomed steps that have been taken to build cross-strait ties. So we've always viewed this as a situation where there's a concurrent responsibility for the United States one, to maintain our relationship with Taiwan as it relates to a military-to-military relationship, but also an economic partnership that has benefitted both the United States and Taiwan. But also, the broader context is the U.S. support for a one China policy and for a reduction in any cross-strait tensions.

 So I think it's totally it's in fully in line with what has been the U.S. approach to this issue going back to the Carter Administration, and that's a policy that we'll continue to pursue going forward."

Issue 9. Cybersecurity: U.S. criticism of hacking from China	
United States	China
 November 3, 2011 Statement by Robert "Bear" Bryant, National Counteringelligence Executive, upon the release of "The Report to Congress on Foreign Economic Selection and Industrial Espionage (Statement by Robert "Bear" Bryant, National Counteringelligence Executive, upon the release of "The Report to Congress on Foreign Economic Selection and Industrial Espionage) Quote: ""In 2010,there were more prosecutions for economic espionage against the United States by entities and individuals purporting to act on behalf of foreign countries, particularly Russian and China." 	 November 4, 2011 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on November 4, 2011) Quote: "I have answered similar questions on this podium many times. Cyber attacks are transnational and anonymous. Prejudging the origin of them without thorough investigation and ample evidence is neither professional nor responsible. We hope the US side will discard prejudice and work with the Chinese side to ensure cyber security." November 22, 2011 China's Daily Editorial (Cyber cooperation needed) Quote: "The United States continues to blame China for alleged intrusions into US government and defense industry computer networks." "But it is no secret that the US has already [] has capability to make cyber attacks on other nations." "The Pentagon's pre-emptive strategy in responding militarily in cyberspace is aimed at preserving the US' dominance over cyberspace, regardless of its own threat to other sovereign states. But Washington's excessive emphasis on absolute cyber security and concerns about China's growing cyber threat might lead to misjudgments and hostilities." "Without universally acknowledged rules, cyberspace is still a field where the law of the jungle prevails [] both China and the US should exchange strategies and information to jointly combat profit-driven cyber crimes[] With regard to cyber attacks which might trigger unintended cyber conflicts or even larger conflicts among states, China and the US should strive to build greater mutual trust by communicating more closely, especially in cases of an emergency, so as to avoid being precipitated to the point of a cyber conflict or even devastating military clashes."



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