

EAI U.S.-China Relations Statement Factsheet February 2012

Yang Gyu Kim · Stephen Ranger ASI Research Center

June 2012

<u>Time Period</u>: February 1 ~ February 29, 2012

Main Issues

1. Direction of U.S.-Chinese Cooperation: Chinese Vice President Xi Jinping's Visit to the U.S., U.S.-China Bilateral Relationship

United States China		
• February 13, Remarks by State Department Acting Assistant Secretary for Public	February 13, Foreign Ministry Spokesperson Liu Weimin's Regular Press	
Affairs Hammer	Conference	
February 14, Remarks by Vice President Biden February 13, People's Daily Online Editorial		
February 14, Remarks by President Obama	February 14, Remarks by Vice President Xi Jinping	
• February 14, White House Press Briefing by Press Secretary Carney	ary 14, White House Press Briefing by Press Secretary Carney	
	February 29, People's Daily Online Editorial	

2. U.S.-China Military Cooperation: U.S.-China Military Cooperation in the Asia Pacific Region, China's Defense Budget

United States	China
February 14, Remarks by Secretary of Defense Panetta	 February 14, Remarks by Vice President Xi Jinping February 17, People's Daily Online Editorial February 29, Global Times Editorial

3. Economic Cooperation: U.S.-China Economic Interdependence, Trans-Pacific Partnership, International Trade Regulations

United States	China	
 February 14, White House Office of the Press Secretary Joint Factsheet February 14, Remarks by President Obama February 14, Remarks by Vice President Biden February 17, Remarks by Vice President Biden February 21, Remarks by Secretary of State Clinton February 22, Remarks by U.S. Senior Official for APEC Ambassador Klemm February 26, Remarks by Treasury Secretary Geithner 	 February 1, <i>China Daily</i> Editorial February 1, <i>People's Daily Online</i> Editorial February 7, Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference February 14, Remarks by Vice President Xi Jinping February 14, Remarks by Vice President Xi Jinping February 15, Remarks by Vice President Xi Jinping February 15, Foreign Ministry Spokesperson Liu Weimin's Regular Press 	
	Conference February 16, People's Daily Online Editorial February 25, People's Daily Online Editorial	

4. Human Rights: Human Rights in China, Tibetan Independence

United States	China
February 10, State Department Daily Press Briefing	February 14, Remarks by Vice President Xi Jinping
 February 14, Remarks by Vice President Biden February 14, White House Press Briefing by Press Secretary Carney 	February 15, Remarks by Vice President Xi Jinping



5. Asia Pacific Issues: U.S. Engagement in the Asia Pacific Region, South China Sea Dispute

United States	China	
• February 2, Remarks by State Department Assistant Secretary for Democracy, Human	February 1, People's Daily Online Editorial	
Rights, and Labor Posner	February 10, Foreign Ministry Spokesperson Liu Weimin's Regular Press	
February 3, State Department Daily Press Briefing	Conference	
• February 7, Testimony by Assistant Secretary of State for East Asian and Pacific Affairs	February 12, Remarks by Vice President Xi Jinping	
Campbell	February 13, Foreign Ministry Spokesperson Liu Weimin's Regular Press	
February 14, Remarks by President Obama	Conference	
• February 15, Remarks by State Department Assistant Secretary for Political-Military	February 28, People's Daily Online Editorial	
Affairs Shapiro	February 29, Foreign Ministry Spokesperson Hong Lei's Regular Press Conference	
 February 22, Remarks by U.S. Ambassador to ASEAN Carden 		
February 29, Remarks by Secretary of State Clinton		

6. Middle East and Africa Issues: China's Veto of United Nations Security Council Resolution on Syria, Sanctions on Iran

windle East and Africa issues: Climas veto of Officed Nations Security Council Resor		
United States	China	
• February 4, Remarks by U.S. Permanent Representative to the United Nations Rice	February 1, People's Daily Online Editorial	
February 8, State Department Daily Press Briefing February 6, China Daily Editorial		
February 9, State Department Daily Press Briefing	February 6, Foreign Ministry Spokesperson Liu Weimin's Regular Press	
February 9, State Department Daily Press Briefing	Conference	
February 17, State Department Daily Press Briefing	February 8, People's Daily Online Editorial	
February 17, State Department Daily Press Briefing	February 8, People's Daily Online Editorial	
February 17, Remarks by Secretary of State Clinton	February 9, Foreign Ministry Spokesperson Liu Weimin's Regular Press	
February 21, State Department Daily Press Briefing	Conference	
February 26, Remarks by Treasury Secretary Geithner	February 10, Foreign Ministry Spokesperson Liu Weimin's Regular Press	
February 27, State Department Daily Press Briefing	Conference	
• February 28, Remarks by State Department Assistant Secretary for International	February 14, Foreign Ministry Spokesperson Liu Weimin's Regular Press	
Organization of Affairs Brimmer	Conference	
	February 17, People's Daily Online Editorial	
	February 20, Foreign Ministry Spokesperson Hong Lei's Regular Press Conference	
	February 21, People's Daily Online Editorial	
	February 23, Remarks by Foreign Ministry Spokesperson Hong Lei	
	February 27, Global Times Editorial	
	February 28, Foreign Ministry Spokesperson Hong Lei's Regular Press Conference	
	February 29, Foreign Ministry Spokesperson Hong Lei's Regular Press Conference	

7. Taiwan Issues: Taiwan Independence and One China Policy

China

• February 15, Remarks by Vice President Xi Jinping



8. North Korea Issues: U.SDPRK High-Lev	vel Talks, Resumption of the Six-Party	Talks
---	--	-------

). 1	. North Rorea Issues: U.SDPRR High-Level Talks, Resumption of the Six-Party Talks			
	United States	China		
	 February 1, Remarks by Assistant Secretary of State for East Asian and Pacific Affairs Campbell February 25, Remarks by Special Representative for North Korean Policy Davies February 29, Remarks by Secretary of State Clinton February 29, State Department Office of the Spokesperson Senior Administration Official 	 February 20, Foreign Ministry Spokesperson Hong Lei's Regular Press Conference February 23, Foreign Ministry Spokesperson Hong Lei's Regular Press Conference February 27, Foreign Ministry Spokesperson Hong Lei's Regular Press Conference February 27, People's Daily Online Editorial 		

9. Cybersecurity: Cyber hacking attacks

\sim 1	1	•	
('	h	ır	10

• February 6, Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference



Issue 1. Direction of U.S.-Chinese Cooperation: Chinese Vice President Xi Jinping's Visit to the U.S., U.S.-China Bilateral Relationship United States China

February 13, 2012 Remarks by State Department Acting Assistant Secretary for Public Affairs Hammer (Current U.S. Foreign Policy Issues)

Quote: "We want to have very close contacts with the Chinese leadership at the most senior levels, and we're seeing that as part of this Vice President Xi visit." "It's part of our ongoing effort to have a constructive relationship with China. We see this as a part of that ongoing dialogue where we will obviously be talking about a full range of issues – security, economic – but also raising issues where perhaps we don't see eye to eye, or if we have issues relating to human rights, we'll also be raising those as well. So this is definitely an important visit. It's hard to project where it will fit in terms of setting the agenda going forward for the next 10 years, but this is something that the United States is working very closely and directly with the Chinese leadership to try to ensure that we identify areas where we can work together. And when we can, we would welcome the opportunity to do so. And then when we disagree, we'll just voice our disagreements."

• February 14, 2012 Remarks by Vice President Biden (Remarks by Vice President Biden and Chinese Vice President Xi at the State Department Luncheon)

Quote: "[...] the United States and China have much to do together, quite frankly, because our relationship is literally going to help shape the 21st century. We're not only the two – the world's two largest economies, we're both Pacific powers. And every day the affairs of our nations and the livelihoods of our citizens grow more connected. The President and I came to office determined to rebalance America's strategic priorities toward those regions that are most critical to our nation's future, and that meant refocusing on Asia, the most dynamic region of the global economy. And to state the obvious, the U.S.-China relationship is a critical component of our broader Asian strategy. Our people, both American and Chinese, are indeed people – quite frankly, people all around the world will benefit from this mutual effort to build a more cooperative partnership between our countries." "While the United States and China – as you have pointed out, Mr. Vice President – will not always see eye to eye, it is a sign of the strength and maturity of our relationship that we can be candid about our differences as we have been." "Despite our differences, China and the United States are working more closely together on a broader range of issues than ever before."

 February 13, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on February 13, 2012)

Quote: "To cultivate and foster strategic mutual trust is the groundwork of China-US relations. We always maintain that China and the US are cooperative partners rather than rivals. With regard to enhancing strategic mutual trust, we should on the one hand respect each other's core interests and major concerns, and on the other hand make a sober and objective judgment on each other's strategic intention, strengthen dialogue and communication so as to remove disputes and frictions. China adheres to the path of peaceful development. China's development means an opportunity instead of a threat to the US and other countries."

• February 13, 2012 *People's Daily Online* Editorial (<u>Xi's visit offers chance to renew consensus</u>)

Quote: "The rise of public opinion brings new complexities to Chinese diplomacy. The US has to face not only a stronger China but also a more complex China. Even if this is the case, in the era of globalization, neither country wants to be the other's enemy while they are so interdependent. No one can solve the structural contradiction between China and the US, so whether they like it or not, they have to let the result of natural competition makes the decision."

 February 14, 2012 Remarks by Vice President Xi Jinping (Remarks by Vice President Biden and Chinese Vice President Xi at the State Department Luncheon)

Quote: "This year marks the 40th anniversary of President Nixon's visit to China and the issuance of the Shanghai Communiqué. Forty years ago, with the extraordinary courage and vision of statesmen, the leaders of our two countries opened the door of China-U.S. exchanges that had been sealed off for years. [...] China-U.S. relations have kept moving forward, scoring achievements of historic proportions. The growth of China-U.S. relations has brought huge benefits to the two countries and two peoples, and lent a strong impetus to peace, stability, and prosperity in the Asia-Pacific region and the world at large." "We are glad to see that the two countries have further deepened practical cooperation in a wide array of areas and carried out productive communication and coordination on a range of major international, regional, and global issues." "China is the world's largest developing country, while the United States is the largest developed country. To build a new type of cooperative partnership between two countries like ours is a pioneering endeavor with great and far-reaching significance."



• February 14, 2012 Remarks by President Obama (President Obama and Vice President Xi of the People's Republic of China Before Bilateral Meeting)

Quote: "[...] a cooperative relationship based on mutual interest and mutual respect is not only in the interests of the United States and China, but is also in the interest of the region and in the interest of the United States - in the interest of the world. On the basis of that understanding, we have established very extensive strategic and economic dialogues between our two countries. We have been able to pursue a significant consultation on opportunities for both countries to improve their economic relationship and their strategic relationship, and also manage areas of tension in a way that is constructive. That includes working together in the G20 to manage the world economic crisis that had such an impact not only on both our countries, but on the entire world. And because of U.S.-China cooperation, I think that we were able to help stabilize the situation at a very difficult time. It also includes the work that we've been able to do together in dealing with regional hotspot issues, like the Korean Peninsula, and issues like Iran that obviously have an impact on everybody. Throughout this process I have always emphasized that we welcome China's peaceful rise, that we believe that a strong and prosperous China is one that can help to bring stability at prosperity to the region and to the world. And we expect to be able to continue on the cooperative track that we've tried to establish over the last three years."

February 14, 2012 White House Press Briefing by Press Secretary Carney (Press Briefing by Press Secretary Jay Carney, 2/14/12)

Quote: "[...] this is an important bilateral relationship between the United States and China. We engage on the full range of economic, national security, and other issues. And we are able, in our discussions with the Chinese, to talk about all the areas where we cooperate, including military-to-military cooperation [...] as well as where we have disagreements."

• February 16, 2012 China Daily Editorial (It's not mission impossible)

Quote: "Sino-US ties have weathered the twists and turns in the past thanks largely to the tacit understanding on both sides that the relationship was 'too big to fail'. But such a consensus alone is too rudimentary to anchor such an important relationship. A cooperative partnership based on mutual respect, mutual benefits and win-win outcomes, to which the leaders of both countries have pledged their commitment, requires a lot more." "The real challenge lies in the US' willingness and capability to adapt to the changes taking place in the world. Beijing's commitment to creating a constructive partnership with Washington, which is the top priority on Xi's agenda, demonstrates its desire to create a model of harmonious co-existence between major powers." "The two countries do not have to be rivals."

• February 29, 2012 *People's Daily Online* Editorial (China-US relations have become irreversible)

Quote: "Viewing the history and looking forward to future, we will see that the China-U.S. relations have become irreversible. The normal relationship between the two countries, especially between two big countries like China and the United States, is not a relationship without frictions and divergence of views, but a relationship with a set of stable mechanisms for coping with and solving issues. In fact, the future development of the China-U.S. relations will be promoted by cooperation under two frameworks. The first framework is the cooperative mechanism that they have established and are expanding. The second framework is the mechanism of dealing with global economy and trade."



Issue 2. U.S.-China Military Cooperation: U.S.-China Military Cooperation in the Asia Pacific Region, China's Defense Budget United States China

• February 14, 2012 Remarks by Secretary of Defense Panetta (<u>Defense Secretary Leon Panetta Meets with Chinese Vice President Xi Jinping</u>)

Quote: "The United States and China are Pacific powers, and we welcome the rise of a prosperous and successful China that plays an active and responsible role in regional and global security affairs. We want to work with China to build an open, transparent and inclusive regional security order. To build a cooperative partnership, it is essential that we enhance mutual trust – mutual trust and understanding between our two military establishments. It is in the interests of both of our countries to work towards genuine strategic transparency and to build trust and cooperation on both sides. By forging these common bonds and by forging a stronger working relationship, I believe that the United States and China can work together for continued peace, stability and prosperity in the Asia-Pacific region."

February 14, 2012 Remarks by Vice President Xi Jinping (<u>Defense Secretary</u> Leon Panetta Meets with Chinese Vice President Xi Jinping)

Quote: "I know you all attach great deal of importance to developing our relationship. You support mil-to-mil [military-to-military] exchanges and cooperation between China and the United States. And you want our two militaries to build a constructive relationship. I appreciate that position." "I come to the United States to deepen mutual trust, expand our cooperation. I've also come to promote the building of a cooperative partnership between China and the United States based on mutual respect and mutual benefit – the important agreement reached between our two presidents last year. I also look forward to exchanging views with you on our overall relationship, but especially our mil-to-mil relationship."

February 17, 2012 People's Daily Online Editorial (China, US need healthy, stable military ties)

Quote: "In order to enhance mutual trust, the two countries should have a correct and comprehensive understanding of each other's strategic intentions. China's rise is an opportunity rather than a threat to the United States as it adheres to the path of peaceful development and a defensive national defense policy. China is unwilling and unable to challenge the United States." "The Chinese and U.S. forces should [...] adhere to the principle of 'mutual respect, mutual trust, equality and mutual benefit' [...] and steer the mainstream of friendship between Chinese and U.S. armed forces."

February 29, 2012 Global Times Editorial (West's pressure no sway on defense budget)

Quote: "We hope that the Chinese government will maintain an annual double-digit percentage increase regardless of the pressure from the West. China's defense budget grew by 12.7 percent in 2011 after falling to 7.5 percent in 2010. The criticism of Western media on China's defense budget was more or less alleviated then. But when the increase came to a double-digit percentage last year, the West renewed its criticism. China should avoid big fluctuations of its defense budget increase so public can keep stable expectation of it." "We should be able to see that as China gradually rises, the international vigilance against China has reached its apogee. Without a formidable national defense, those irrational sentiments against China would worsen. Some might even turn into action. As the world's foremost military power, the US has made China the focus of its strategic defense. Its vigilance is not that inscrutable. But history proves that the US is prone to hasty military actions. When the US is confident of winning, it tends to use its military pressure in direct fashion."



Issue 3. Economic Cooperation: U.S.-China Economic Interdependence, Trans-Pacific Partnership, International Trade Regulations United States China

• February 14, 2012 White House Office of the Press Secretary Joint Factsheet (Joint Fact Sheet on Strengthening U.S.-China Economic Relations)

Quote: "Under the framework of the Economic Track of the U.S.-China Strategic and Economic Dialogue (S&ED), the United States and China recognize the following outcomes." "To address challenges to the global economic outlook, the United States and China pledge to enhance macroeconomic cooperation [...]. The United States and China commit to take comprehensive policy measures to achieve more balanced trade and expanded investment in each other's economies." "The U.S. economy is rebalancing toward sustainable growth, with higher domestic saving, a commitment to long-term fiscal sustainability, and productivity-enhancing investments." "China and the United States reaffirm our G-20 commitment to move more rapidly toward more marketdetermined exchange rate systems and enhance exchange rate flexibility to reflect underlying economic fundamentals, avoid persistent exchange rate misalignments, and refrain from competitive devaluation of currencies." "Our actions will help address the challenges created by developments in global liquidity and capital flows volatility, thus facilitating further progress on exchange rate reforms and reducing excessive accumulation of reserves." "The two sides affirm that WTO rules should be strictly observed when initiating trade remedy investigations and imposing trade remedy measures, to prevent their abuse."

• February 1, 2012 China Daily Editorial (Protectionism won't help)

Quote: "Trade protectionism against China is on the rise in the United States. The Obama administration is [...] creating a trade enforcement unit to investigate the 'unfair trade practices' of China and other countries." "[...] the US is in a deep structural recession. Its financial institutions and residents all need time to restructure their balance sheets, deal with bad assets, and reduce their debt leverage ratio. International trade and business outsourcing are not key factors causing the high unemployment in the US." "Over the past two years, the growth rate of US exports to China is much higher than the overall growth in US exports. So increasing protectionist measures and deliberately provoking trade friction with China will hurt the US."

• February 1, 2012 *People's Daily Online* Editorial (<u>US using rules to contain China</u>)

Quote: "Obama's remarks have fully shown that the United States is using 'rules' as a new tool to contain China and to promote the eastward shift of its strategic center, in order to set the rules of the game for its own benefit and to enjoy 'America's Pacific Century." "In the economic and trade area, the United States is trying to reconstruct and make use of the current system of the Asia-Pacific region to confirm its dominant status in the region. For example, it has been greatly promoting the Trans-Pacific Partnership Agreement (TPP) in recent years. It wants to reconstruct the TPP into a high-quality and binding economic and trade framework and a new-generation model of free trade, and if other countries want to join it, they must reach same high standards in areas of the intellectual property rights, labor forces, state-owned enterprise and others. Actually, the United States wants to make new rules and set new standards."



• February 14, 2012 Remarks by President Obama (President Obama and Vice President Xi of the People's Republic of China Before Bilateral Meeting)

Quote: "We have tried to emphasize that because of China's extraordinary development over the last two decades, that with expanding power and prosperity also comes increased responsibilities. And so we want to work with China to make sure that everybody is working by the same rules of the road when it comes to the world economic system, and that includes ensuring that there is a balanced trade flow between not only the United States and China, but around world." "And we expect that China will continue to take a growing role in world affairs. And we believe that it is critically important that the United States and China develop a strong working relationship to help to bring stability, order, and security that ultimately provides a better life for both the people of the United States and the people of China."

• February 14, 2012 Remarks by Vice President Biden (Remarks by Vice President Biden and Chinese Vice President Xi to US and China CEOs)

Quote: "[...] a rising China will bring to the fore a new partner with whom we can have help meeting the global challenges we all face. Even as our nations cooperate, [...] we will continue to compete." "But competition can only be mutually beneficial if the rules of the game are understood, agreed upon and followed. I'm pleased that we have made progress in areas of concern. China's exchange rate is appreciating, though still substantially undervalued in our view. China has committed to rebalance its economy and has just informed us that it will move forward this year with a tax reform policy that will increase imports and promote consumption. [...] it will open third-party liability auto insurance market to foreign companies, an important step in the reforming of the financial sector. And China has responded to our concerns about procurement policies and established a high-level body to strengthen enforcement of intellectual property rights as well. For our part, the U.S. is working to be responsive to Chinese concerns as well." "[...] we have work to do – especially on issues like discriminatory subsidies and financing, protecting intellectual property and trade secrets and ending the practice of making the transfer of technology a requirement for doing business."

February 7, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on February 7, 2012)

Quote: "China-US business ties are essentially mutually beneficial. The two sides should properly solve their economic and trade frictions based on the principles of equal consultation, mutual understanding and mutual accommodation. Unilateral accusations and imposing pressure are irresponsible and counter-productive. The only standard of whether trade is fair or not is the generally recognized WTO rules. Since its accession to the WTO ten years ago, China has been honoring its commitment by firmly observing WTO rules, which is widely recognized by the members of the organization."

• February 14, 2012 Remarks by Vice President Xi Jinping (Remarks by Vice President Biden and Chinese Vice President Xi to US and China CEOs)

Quote: "[...] China-U.S. economic relationship is highly mutually complimentary and full of dynamism. The two sides should quicken our steps to build a comprehensive and mutually beneficial economic partnership, advance the investment and trade package plan on cooperation, address economic frictions through dialogue and cooperation instead of by protectionist means so as to promote a steady recovery and growth of the two economies and the world economy as a whole. With regard to the U.S. concerns concerning trade imbalance, IPR protection, indigenous innovation and investment environment, the Chinese side has taken steps to address them and will continue to do so. We hope that the U.S. side will adopt the same positive attitude and take credible steps as soon as possible to address Chinese concerns on lifting restrictions on high-tech exports to China and providing a level playing field for Chinese companies investing in America." "[...] we want to increase and expand China-U.S. economic and trade cooperation and bring it to a higher level, to the greater benefit of the two peoples."



February 17, 2012 Remarks by Vice President Biden (Remarks by Vice President Biden at Lunch in Honor of Vice President Xi of the People's Republic of China)

Quote: "[...] seven of our 15 largest export markets – America's export markets – are in Asia, with China now the foremost among them. Last year alone, the United States exported to China more than \$100 billion worth of goods and services, supporting hundreds of thousands of American jobs." "[...] the faster the U.S. economy grows, the more Chinese citizens will benefit as well. So there is a great potential for both of us in working together to increase and solidify this relationship." "We very much want to see more of our businesses able to sell their goods and services in China. And Vice President Xi has committed to help make that possible. In this recent visit, China has opened its market to American auto insurers and has taken concrete steps to enforce intellectual property rights, and it has plans to reform its tax system, which will help increase demand for American goods and services by lowering taxes on so-called luxury goods."

February 21, 2012 Remarks by Secretary of State Clinton (Keynote Address at Global Business Conference)

Quote: "The United States is committed to a global economic system that is open, free, transparent, and fair. And we're working to institutionalize those norms in regional and global trade agreements and institutions." "[...] we will not stand by when our competitors don't play by the same rules. This Administration has already brought trade cases against China at nearly twice the rate of our predecessors – and now a special new Trade Enforcement Unit is being established to go after unfair trading practices. Last Friday, the President announced that when other nations provide unfair financing for their exports, we will offer matching support to competing U.S. firms. Every day, all over the world, our diplomats are pressing governments to comply with international standards and to treat our companies fairly." "We will not rest until the U.S. Government is the most effective champion of business and trade anywhere." "We need to recapture America's dynamism and sustain our global leadership."

• February 14, 2012 Remarks by Vice President Xi Jinping (Remarks by Vice President Biden and Chinese Vice President Xi at the State Department Luncheon)

Quote: "We share the view that as the international economic and financial situation remains grim and as ensuring growth, adjusting structure, and promoting employment are high on the domestic agenda of both countries, we must continue to make concerted efforts to tide over difficulties, accelerate the building of the comprehensive and the mutually beneficial economic partnership, and maintain steady economic recovery and growth in both countries and the world as a whole. We should tap our cooperation potential, create more bright spots in our cooperation, and strive for greater balance in trade and investment between the two countries. We should address each other's economic and trade concerns through dialogue and consultation, not protectionism, and uphold the mutually beneficial pattern of China-U.S. economic relations and trade."

February 15, 2012 Remarks by Vice President Xi Jinping (Work Together for a Bright Future of China-US Cooperative Partnership)

Quote: "Mutual benefit is the defining feature of China-US exchanges and cooperation. Over the past 33 years since the establishment of diplomatic relations, trade between China and the United States has increased by over 180 times, reaching US\$446.6 billion last year. And it is expected to top US\$500 billion this year. In the last ten years, US exports to China have grown by 468%. China has become the fastest growing export market of the United States." "China's trade surplus-to-GDP ratio dropped from over 7% to 2%, and moved within the reasonable range by international standards. The reform of the RMB exchange rate formation mechanism has played an important role in this process. It is very important for addressing China-US trade imbalance that the United States adjusts its economic policies and structure, including removing various restrictions on exports to China, in particular, easing control on civilian high-tech exports to China as soon as possible. This will help balance China-US trade, stimulate economic growth and job creation in the United States and improve the balance of US international payments. China has proposed to the United States a framework for promoting two-way trade and investment. Our two sides need to continue to work together to tide over difficulties, advance our business cooperation to a higher level and broader areas, and create new highlights of mutually beneficial cooperation."



February 22, 2012 Remarks by U.S. Senior Official for APEC Ambassador Klemm (Promoting US Economic Engagement with Asia)

Quote: "What the Obama Administration proposed was a reorganization of the work that – it's currently spread across a number of agencies in support of U.S. exporters, those either through a facilitation of exports by provision of financing, for example the U.S. Export-Import Bank, but then also the responsibilities for negotiating new agreements and the responsibilities for ensuring that past agreements are fully in force." "But I would not suggest that these changes are being undertaken in order to prepare the United States to enter into trade wars with China or any other country. I think, on the contrary, the U.S. taxpayer has demanded that the United States do a better job of ensuring that the obligations entered into through our various trade agreements by other countries are fully lived up to, whether it be bilateral agreements or multilateral agreements to the WTO."

• February 26, 2012 Remarks by Treasury Secretary Geithner (Remarks by Treasury Secretary Tim Geithner at the G-20 Meeting of Finance Ministers and Central Bank Governers)

Quote: "Reorienting the economies of countries with large external surpluses toward domestic demand and greater exchange rate flexibility remain critical to a sustainable global recovery. Since China resumed exchange-rate reform in June of 2010, the renminbi has appreciated by around 12 percent against the dollar after taking into account China's higher level of inflation. That's welcome progress, and we believe it is in China's interest and in the interest of the global economy for their exchange rate to continue to appreciate. Other emerging economies in Asia with external surpluses also need to increase their exchange rate flexibility and adopt policies that support domestic sources of growth."

February 15, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on February 15, 2012)

Quote: "[...] China has noted the concerns of foreign-funded enterprises in China over IPR protection. We have been endeavouring to intensify IPR protection, safeguard foreign-funded enterprises' legitimate rights and interests and create a fairer and more transparent investment environment. Our efforts have paid off. What we have done is not yielding to external pressure since IPR protection serves the long-term interests of China itself. We will continue to enhance IPR protection. We also hope that the outside world will understand that it takes time for China, a vast country, to improve IPR protection to which China has firm commitment."

• February 16, 2012 *People's Daily Online* Editorial (Increasing Chinese investment in US benefits both sides)

Quote: "[...] the United States' attitude towards Chinese enterprises is still cautious and even strict. As the trade between the two countries keeps expanding and Chinese enterprises' competitiveness keeps increasing, the United States also keeps setting trade barriers, leading more trade frictions and conflicts between the two countries. It has strengthened Chinese enterprises' worry on investing in the United States. Therefore, the assistant minister of the Ministry of Commerce of China Yu Jianhua suggests that the U.S. government should create a fair and just environment for Chinese enterprises to invest in the United States, treat them fairly and offer more information supports to them, but should not make its investment auditing policy damage Chinese enterprises' enthusiasm on investing in the United States."

• February 25, 2012 *People's Daily Online* Editorial (US far from being of social wealth distribution)

Quote: "[...] both the financial crisis and the 'occupy movement' are warning the world that the United States' income distribution pattern with its inherent defects is not an example to follow. The economic and financial ties between China and the United States will be more closely linked in the future. But the American mode cannot give the answer to the problem of unequal income distribution, for which China has to seek a way out in light of its own national conditions."



Issue 4. Human Rights: Human Rights in China, Tibetan Independence

United States China

• February 10, 2012 State Department Daily Press Briefing (State Department Daily Press Briefing)

Quote: "[...] we always talk about the human rights situation in China when we have high-level visitors." "With regard to the case of Zhu Yufu, we are deeply concerned about these reports that he's been found guilty of inciting subversion of state power and sentenced to seven years in prison for writing a poem. We remain more broadly deeply concerned about the worsening human rights situation in China, including the Chinese Government's harsh sentences of human rights activists and recent violence in Tibetan areas. We believe that Mr. Zhu's conviction, as well as the recent lengthy convictions of Chen Wei, Chen Xi, Li Tie, are inconsistent with China's commitments under the Universal Declaration of Human Rights, and we call on the Chinese Government to release Zhu Yufu and all others detained for exercising their rights and to respect the universal human rights of all their citizens."

 February 14, 2012 Remarks by Vice President Biden (Remarks by Vice President Biden and Chinese Vice President Xi at the State Department Luncheon)

Quote: "[...] we see our advocacy for human rights as a fundamental aspect of our foreign policy and we believe a key to the prosperity and stability of all societies. We have been clear about our concern over the areas in which from our perspective conditions in China have deteriorated and about the plight of several very prominent individuals. And we appreciate your response."

February 14, 2012 White House Press Briefing by Press Secretary Carney (Press Briefing by Press Secretary Jay Carney, 2/14/12)

Quote: "[...] we always raise human rights concerns at the highest levels when we have meetings with senior members of the Chinese leadership, and we will continue to do that. It is simply not the case that we emphasize one aspect of our relationship over the other. They are all important – both the areas where we agree, and the areas where we disagree. And we certainly express ourselves openly when we have concerns about human rights issues, as we do in this case."

• February 14, 2012 Remarks by Vice President Xi Jinping (Remarks by Vice President Biden and Chinese Vice President Xi at the State Department Luncheon)

Quote: "We also had a candid exchange of views on human rights and other issues. I stressed that China has made tremendous and well-recognized achievements in the field of human rights over the past 30 plus years since reform and opening up. Of course, there is always room for improvement when it comes to human rights. Given China's huge population, considerable regional diversity, and uneven development, we're still faced with many challenges in improving people's livelihood and advancing human rights. The Chinese Government will always put people's interests first and take seriously people's aspirations and demands. We will, in the light of China's national conditions, continue to take concrete and effective policies and measures to promote social fairness, justice and harmony, and push forward China's course of human rights. At the same time, we're ready to conduct candid and constructive dialogue and exchanges on human rights with the United States and other countries on the basis of equality and mutual respect, with a view to enhancing understanding, narrowing differences, learning from each other, and achieving common progress."

February 15, 2012 Remarks by Vice President Xi Jinping (Work Together for a Bright Future of China-US Cooperative Partnership)

Quote: "We hope that the United States will truly honor its commitment of recognizing Tibet as part of China and opposing 'Tibet independence', and will handle Tibet-related issues in a prudent and proper manner. Given the differences in current national conditions and in historical and cultural background between China and the United States, it is only natural that we have some differences on the issue of human rights. The history of mankind shows that the cause of human rights has been a process of continuous improvement. China and the United States should continue dialogue and exchanges to implement the consensus reached between our two presidents on respecting each other's development paths chosen in light of their national conditions, and improve the cause of human rights in both countries."



Issue 5. Asia-Pacific Issues: U.S. Engagement in the Asia Pacific Region, South China Sea Dispute **United States**

China

February 2, 2012 Remarks by State Department Assistant Secretary for Democracy, Human Rights, and Labor Posner (Burma at the Turning Point)

Quote: "The news out of Burma has been much more hopeful, as the government has taken a series of actions to change course after years of isolation and human rights abuses." "If the leaders continue on this path of democracy and openness, they will free all remaining political prisoners. They will hold fair elections on April 1, allow their people a genuine say in how they are to be governed, end restrictions on the media and the Internet, end the divisive ethnic conflicts, and begin to build a more integrated and peaceful society. If they continue to pursue this path, they will end their international economic and political isolation, attract aid and investment, and be in a position to build a strong and inclusive economy that shares prosperity widely. Of course that won't transform Burma overnight. But it will begin to build the kind of government Burma's people deserve."

February 3, 2012 State Department Daily Press Briefing (State Department Daily Press Briefing)

Quote: "The United States is in the midst of our Asia pivot, as we've talked about many times, and we're strengthening - in the process of - in strengthening our interactions with Asian nations, especially with emerging powers like India and China. And these are the kinds of ties that are going to set the framework for our engagement with Asia throughout the next century. This is not a zero-sum game. We need strong relations with both countries, and we need all of us working together. These are - there are always going to be matters on which we disagree, but we also have significant areas of common interest."

Quote: "[...] sustaining U.S. global leadership and allowing no potential challenger is also a 'rule' of the United States. The United States must lower itself and learn to respect diversities and varieties of the Asian-Pacific region and core interests of other countries. More importantly, any practice of driving a wedge or making divisions in the Asian-Pacific region is behind the times and will certainly face opposition of a majority of countries in this region. Currently, the international order is going through huge revolution and the game of setting rules will become the new arena for China and the

United States. China should participate in making international rules and setting the

agenda more actively and proactively and use rules to safeguard its own interests. Only

in this way, can China enhance its international power of discourse more effectively and

further improve its competitive edge in shaping international rules."

February 1, 2012 People's Daily Online Editorial (US using rules to contain China)

February 10, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on February 10, 2012)

Quote: "Recently, due to the sporadic exchanges of fire between the Myanmese Government and specific local ethnic armed forces, some Myanmese inhabitants in the border area entered China temporarily for the sake of safety. They go back to Myanmar once the situation calms. These people, with the number far less than reported, are not refugees. As a friendly neighbor of Myanmar, China upholds the spirit of humanitarianism in dealing with this case and provides living necessities to these people. The long-standing issue of local ethic armed forces is Myanmar's internal affair. China urges all relevant parties in Myanmar to resolve relevant issues through peaceful negotiation and consultation so as to maintain peace and tranquility in the China-Myanmar border area."



 February 7, 2012 Testimony by Assistant Secretary of State for East Asian and Pacific Affairs Campbell (<u>The U.S.-Philippines Alliance: Deepening the Security and Trade Partnership</u>)

Quote: "Our efforts to strengthen the U.S.-Philippine alliance are part of a broader strategy by the Obama Administration to increase American strategic engagement and focus in the Asia-Pacific region." "This strategy, undergirded by a rich bipartisan tradition, has six key components: first, deepening and broadening our alliances [...]; second, building new partnerships with a range of emerging players like China [...]; third, increasing our commitment and engagement with regional institutions [...]; fourth, pursuing a more geographically distributed, operationally resilient, and politically sustainable force posture in the Asia-Pacific region; fifth, working to advance free trade and opportunities for American businesses; and last advancing human rights and democratic values from China to Vietnam and Burma." "The United States and the Philippines also share a common interest in maintaining peace and stability, freedom of navigation, unimpeded lawful commerce, and respect for international law. This goal is particularly important in the South China Sea [...]. While the United States takes no position on the competing sovereignty claims over islands in the South China Sea, our goal, which we share with ASEAN, is to support a collaborative diplomatic process by all claimants to resolve their disputes without coercion."

February 14, 2012 Remarks by President Obama (Remarks by President Obama and Vice President Xi of the People's Republic of China Before Bilateral Meeting)

Quote: "[...] the United States is a Pacific nation. And we are very interested and very focused on continuing to strengthen our relationships, to enhance our trade and our commerce, and make sure that we are a strong and effective partner with the Asia Pacific region. And obviously, in order to do that, it is absolutely vital that we have a strong relationship with China."

• February 12, 2012 Remarks by Vice President Xi Jinping (Views from China's Vice president)

Quote: "China and the United States have more converging interests in the Asia-Pacific region than in anywhere else. In recent years, our two countries have coordinated closely under the framework of APEC and ASEAN Regional Forum, and enhanced communication and cooperation on regional economic integration, counterterrorism, nonproliferation, combating transnational crimes, disaster preparedness and reduction, poverty alleviation and relevant regional hotspot issues, thus giving a strong boost to peace and prosperity in the Asia-Pacific. What the Asia-Pacific countries care most is to maintain economic prosperity and build on the momentum of economic growth and regional cooperation. At a time when people long for peace, stability and development, to deliberately give prominence to the military security agenda, scale up military deployment and strengthen military alliances is not really what most countries in the region hope to see. The vast Pacific Ocean has ample space for China and the United States. We welcome a constructive role by the United States in promoting peace, stability, and prosperity in the region. We also hope that the United States will fully respect and accommodate the major interests and legitimate concerns of Asia-Pacific countries."



February 15, 2012 Remarks by State Department Assistant Secretary for Political-Military Affairs Shapiro (US-Malaysia Partnership)

Quote: "[...] it is in the interests of the United States for China to have positive and stable ties with its neighbors in Southeast Asia. Over the long-term, China's emergence as a regional power will have the potential to affect economic and security dynamics throughout the region and the world. While the growth of China's military power must be accompanied by greater clarity of its strategic intentions, our two countries have a strong stake in peace and stability in East Asia and a mutual interest in building a cooperative bilateral relationship." "The United States is committed to maintaining the necessary capabilities, investments, and regional presence to successfully address the broad range of current and emerging security challenges in the Asia-Pacific region. While the Asia-Pacific region is experiencing many gains, it also faces many challenges, such as: proliferation, piracy, trafficking and smuggling, devastating natural disasters, and lingering suspicion between powerful countries" "The United States, as an Asia-Pacific nation, has a national interest in freedom of navigation, open access to the maritime domain in this region, the maintenance of peace and stability, and the respect for the rule of law in settling disputes in the South China Sea."

February 13, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press
 Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press
 Conference on February 13, 2012)

Quote: "China has expressed that it is open to discussing the formulation of the COC when conditions are ripe. The pressing task now is for all parties to seize the opportunity, implement the Declaration on the Conduct of Parties in the South China Sea, carry out practical cooperation concerning the South China Sea and safeguard regional peace and stability."

• February 28, 2012 *People's Daily Online* Editorial (How should China cope with America's return to Asia?)

Quote: "Current China-U.S. relations are different from the U.S.-U.S.S.R. relations of the Cold War period. Nowadays, the GDP of China ranks second in the world and China is the United States' largest debtor and third largest export market. In the Asia-Pacific Region, China's economic influence has surpassed that of the United States, mutual dependences between China and many countries of the region are deepening, and these countries are expecting to benefit from China's economic growth." "The United States is still the largest global economy and has the most powerful military strength and widest allies in the world and China still cannot match it in strength and global influence. Therefore, 'China-U.S. co-governance' is still an unpractical thing for China. If China accepts it, the result probably will be that China will shoulder a heavier responsibility but will not be able to get corresponding rights. Even if the United States has returned to the Asia-Pacific Region, it is still not a country in the region. Therefore, as long as China sticks to its political development road with Chinese characteristics and maintains a high-speed development for another decade, China will definitely receive more supports from Asian countries than these received by the United States."



February 22, 2012 Remarks by U.S. Ambassador to ASEAN Carden (<u>Promoting</u> US Economic Engagement with Asia)

Quote: "Well, as everyone knows, the United States is not a claimant in the South China Sea." "[...] It's a stakeholder because the United States and the rest of the world cares deeply not only about maritime security and the transit of goods through the South China Sea, but following the rules and following international law. So the United States interest in the South China Sea is to see that international law is followed and that the ASEAN claimant states and the ASEAN members as well enter into to discussions – peaceful discussions – with China, and amongst themselves, I might say, as well because there are competing claims amongst ASEAN countries for the peaceful resolution of any disputes that might arise."

February 29, 2012 Remarks by Secretary of State Clinton (<u>Budget Hearing for</u> the Department of State and USAID)

Quote: "[...] in the Asia Pacific we are making an unprecedented effort to build a strong network of relationships and institutions, because we believe in the century ahead no region will be more consequential to America's economic and security interests. As we tighten our belts around the world, we are investing the diplomatic attention necessary to do more. In Asia, I call it forward-deployed diplomacy. It includes even pursuing a possible opening in Burma."

February 29, 2012 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on February 29, 2012)

Quote: "China's position on the South China Sea issue is consistent and clear. China has indisputable sovereignty over islands in the South China Sea as well as their adjacent waters. There is no such thing as being more or less confrontational. China always bears in mind its national strategy of peaceful development and foreign policy of goodneighbourliness, pays attention to safequarding regional peace and stability and stays committed to resolving peacefully the South China Sea dispute through direct negotiation and friendly consultation with countries concerned based on respect for historical facts and international law. This is also the consensus of parties concerned on the South China Sea issue. The channels of negotiation and consultation between China and relevant countries are open. At the core of the South China Sea dispute are the territorial sovereignty dispute over some of the Nansha Islands and the demarcation dispute over part of the waters of the South China Sea. [...] neither China nor any other country lays claim to the entire South China Sea." "It is proven that navigation freedom and safety in the South China Sea has never been a problem and has not been affected by the South China Sea dispute. We hope that all parties, including those not involved in the South China Sea dispute will contribute more to regional peace and stability."



Issue 6. Middle East and Africa Issues: China's Veto of United Nations Security Council Resolution on Syria, Sanctions on Iran United States China

• February 4, 2012 Remarks by U.S. Permanent Representative to the United Nations Rice (Remarks by Ambassador Susan E. Rice, U.S. Permanent Representative to the United Nations, At a Security Council Stakeout on Syria, February 4, 2012)

Quote: "The United States stands with you, the Syrian people, and we will not rest until you and your bravery achieve your basic, universal human rights, to which all human beings are entitled. Today, we saw clearly which countries are prepared to support the people of Syria – and, indeed, the people of the entire region-as they struggle to attain a future of peace and democracy. And we saw which countries, for their narrow interests, do not. But let there be no doubt. The United States will continue, with partners around the world – partners particularly in the Arab world – to ratchet up the pressure on the Asad regime until finally the people's voice prevails. We will not rest until that occurs. [...] more and more countries are united in saying the violence must stop, change must come, there must be a democratic and peaceful transition. Thirteen members of this Council clearly and firmly made that point, and perhaps two more will one day come along – I hope not after too many more innocent Syrians have been killed."

• February 1, 2012 *People's Daily Online* Editorial (<u>China's stance on Iranian</u> nuclear issue is clear)

Quote: "China has made it clear from the very beginning that Iran must not produce or possess nuclear weapons, but sanctions and confrontation are not conductive to resolving the issue. All parties involved should return to the negotiating table as soon as possible. China's clear stance shows its responsible attitude, respect for justice, adherence to peace, and opposition to war. Fairness and Justice are powerful. That is why few people dare to challenge China's standpoint in the moral level. Currently, voices of criticizing and censuring China's policies are mainly focused on two aspects: China's principled standpoint is weak and practical influence is limited; China's attitude of promoting peace and negotiations actually means lacking responsibility. It must be seen that these negative voices are not real. Some of them are out of the hatred from the fact that China does not cooperate with the West's operations; and some of them are out of the true worry on issue that whether China could safeguard its legal interests effectively."

• February 6, 2012 China Daily Editorial (Avoiding civil war in Syria)

Quote: "When China joined hands with Russia on Saturday to veto an Arab-European draft UN resolution backing an Arab League plan to promote a regime change in Syria, its stance was consistent with its approach to international issues. The draft resolution that sought to realize a regime change in Syria did not adequately reflect the state of affairs in this Middle East country. In putting the resolution to the vote, Western powers hoped to further exert pressure on Syrian President Bashar al-Assad to step down, thus paving the way for the removal of a regime that is an obstacle to their policies in the Middle East. By only exerting pressure on the Syrian government and explicitly trying to coerce its leader al-Assad to step down, the resolution sends the message to armed groups and opponents of his regime that they have the support of the international community. This will undoubtedly make the Syrian situation even more complicated and make it impossible for all parties to reach a conciliatory agreement that is in the best interests of the country and its people."



• February 8, 2012 State Department Daily Press Briefing (State Department Daily Press Briefing)

Quote: "[...] in the context of needing to pursue our support for a democratic Syria outside the Security Council, we are looking, along with our allies and partners who care about the Syrian people, at a friends of a democratic Syria group. [...] one of the issues that we would like to see this group take up is the issue of humanitarian support for the people of Syria. We on the U.S. side have already been looking at what we can do to prepare ourselves on both the financial and the legal side so that we're ready to provide humanitarian aid such as food and medicine. But we're going to have to work with our international partners. We're going to have to work with neighboring states to identify coordinators on the ground who could assist in receiving this aid and in distributing it. And so we're going to need to get this group up and running in order to do that, but these are the kinds of things that we are thinking about and working on, preparatory to the group having its first meeting, which we hope will be soon."

February 6, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on February 6, 2012)

Quote: "[...] China has played an active part in the Security Council consultations on relevant draft resolution. Regrettably, the sponsors forced a vote on the draft regardless of severe disagreement among all parties. Such practice does no good to the unity and authority of the Security Council, nor does it contribute to the appropriate resolution of the issue. Therefore, China vetoed the draft resolution. China stands ready to work together with the international community and continue to play an active and constructive role for the appropriate settlement of the Syrian issue. On the Syrian issue, China neither shelters nor opposes anyone on purpose. Instead, China upholds an objective and just position as well as a responsible attitude. Our aim is to shield the Syrian people from violence and warfare rather than to complicate the issue." "China judges issues according to their own merits. We always hold that actions by the Security Council should abide by the purposes and principles of the Charter of the United Nations and norms of international law. Such actions should respect the sovereignty, independence, unity and territorial integrity of relevant country and should be conducive to dissolving disputes and conflicts through dialogue and other peaceful means. China's position is clear and consistent and is in the common interests of the international community, in particular, the vast developing countries."

February 8, 2012 *People's Daily Online* Editorial (Preventing UN Security Council from becoming a rubber stamp)

Quote: "Certain countries only show superficial respect for the United Nations, but have no real respect for it. They merely want to use the Security Council as a rubber stamp. If their resolution passes, they will gain legitimacy for their actions. However, if their resolution is blocked, they will condemn those who vote against the resolution, and do whatever they want regardless. [...] the United Nations' status cannot be changed by a few individuals." "We must not allow that the UN Security Council turns into a rubber stamp that some country can use freely at its will. That not only means being responsible for the current international peace and security but also means promoting the global multi-polarization and making practical contributions to a more reasonable international order of the future."



February 9, 2012 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "[...] in general, the chilling of the economic environment around Iran is causing companies and nations that have other forms of trade with Iran to think twice. [...] with regard to U.S. sanctions, we do have carve-outs for the provision of food, medical equipment, medicines to the Iranian people because we don't want to hurt them any more than we need to. But they are living in a state with a government that would rather spend money on a nuclear weapons program than on the welfare of its people, and that's why we are compelled to increase the pressure and increase the isolation until they see the light."

• February 9, 2012 State Department Daily Press Briefing (State Department Daily Press Briefing)

Quote: "[...] as we look at what a friends of Syria group could do, we see three fundamental tracks. The first is the sanctions/economic pressure track [...] to look at how we can increase the economic pressure, working together, close the loopholes in the funding to him (Assad). The second track is supporting the democratic opposition in its effort to come together. Under the Arab League plan, with the Arab League plan as a signpost, but to come together on its own roadmap of how a democratic transition could go forward, to be unified, to ensure that its plan represents the interests of all Syrians – Sunni, Alawite, Druze, Christians, all minorities, et cetera – in a way that can be unifying, in stark juxtaposition to what Assad is doing, which is dividing his country. And then the third vector, as we started to talk about more actively now, is this question of how we can provide more humanitarian support to the people. [...] we're working on the agenda, we're working on these three tracks, in anticipation of having a meeting at some time in the relatively near future, but we haven't been able to set that yet, either."

• February 8, 2012 *People's Daily Online* Editorial (Why China vetoes UN draft resolution for Syria issue)

Quote: "Vetoing the UN Security Council's draft resolution does not mean that China will sit by and watch the sad situation going on." "It is not hard for the most powerful military alliance to overthrow a small country's administration through war. The problem is that the military giant will withdraw after the war. Even if it stays for a while, it will not taking protecting lives of local civilians as its primary task. The tragedies that have occurred in Iraq and Afghanistan have proved it." "There is a voice that it is a behavior of respecting Syrian people's democratic pursuit by way of forcing Syria to replace its current regime. But the Syrian people have their independent democratic rights in supporting any government, which has an obligation to maintain the stability of the country and protect the safety of the people. The only way to this end is national reconciliation."

February 9, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on February 9, 2012)

Quote: "China, as a friend of the entire Syrian people, seeks no selfish interests on the Syrian issue. It neither shelters nor intentionally opposes anyone. On the contrary, we bear in mind the fundamental interests of the Syrian people, peace and stability of the Middle East region and relevant norms governing international relations. In this connection, we keep in contact and communication with all relevant parties of the Syrian issue, opposition parties included, with a view to promoting peace talks. We have done a great deal to ease the tension in Syria. China will continue to enhance communication with relevant parties in Syria so as to dissolve the Syrian crisis peacefully and appropriately through unremitting efforts. The delegation set forth the Body's opinion and stand on the current situation in Syria, appreciated China's long-standing just position on the Middle East affairs and expressed the willingness to strengthen communication with China and the hope to see China playing a bigger role in striving for an early end to the Syrian crisis."



February 17, 2012 State Department Daily Press Briefing (<u>State Department</u> Daily Press Briefing)

Quote: "You have to be a friend of the Syrian people. As we've said before, our expectation is that those invited to this conference – and we do think it's going to be a very large group of countries from all continents – are going to be countries who have in word and deed supported the Syrian people throughout this process and have in particular been supportive of the UN General Assembly statement yesterday, the Arab League proposal for a peaceful transition. And with regret, China is not in that category, nor is Russia."

• February 17, 2012 State Department Daily Press Briefing (State Department Daily Press Briefing)

Quote: "[...] we do not think that more guns into Syria, more – or international intervention in Syria is the right answer. We don't think further militarizing the situation is going to bring peace and stability and a democratic transition to the people of Syria. We are instead focused on strengthening and unifying the opposition so that it is prepared and ready for that day when Assad cedes power, which he will eventually, so that the Arab League proposal or something like it can be implemented. And we're in the short term very focused on strengthening our humanitarian support to those suffering in Syria."

February 10, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on February 10, 2012)

Quote: "China always maintains that dialogue and cooperation is the only way out for the Iranian nuclear issue. What is pressing now is to resume the dialogue between P5+1 countries and Iran and intensify the cooperation between the IAEA and Iran. China has been committed to promoting peace talks. At the invitation of Deputy Secretary Bagheri of the Iranian Supreme National Security Council, Assistant Foreign Minister Ma Zhaoxu will visit Iran from February 12 to 13 to have further exchange of views with the Iranian side on the nuclear issue. We would like to make concerted efforts with all relevant parties for an early resumption of talks between P5+1 countries and Iran."

February 14, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press
Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press
Conference on February 14, 2012)

Quote: "The Iranian side expressed the willingness to resume talks with all parties at an early date and enhance cooperation with the IAEA." "In general, the talks and meetings between China and Iran are rewarding, positive and constructive. Relevant remarks of the Iranian side are important and positive signals. China urges all parties to seize the opportunity and make joint endeavour for the enhancement of communication and coordination in a bid to resume talks at an early date. China will, as always, be committed to encouraging peace talks and playing a positive and constructive role in pushing for a peaceful settlement of the Iranian nuclear issue."

• February 17, 2012 *People's Daily Online* Editorial (<u>Settlement of Middle East</u> issues needs to be more practical)

Quote: "It is not desirable to settle the Middle East issues in a drastic manner from pragmatic point of view, leaving aside the principles and purposes of the Charter of the United Nations." "The Middle East is the world's most important 'oil tank.' Once turmoil occurs there, the stock market, financial system and real economy will inevitably be affected along with the soaring oil prices. A second recession is undoubtedly a disaster to the world economy which is already in recovery now. The Middle East is too fragile to bear any turmoil as an intersection of multi-strategic interests. Settlement of Middle East issues needs to be more practical."



• February 17, 2012 Remarks by Secretary of State Clinton (Remarks with European Union High Representative Catherine Ashton After Their Meeting)

Quote: "Turning to Syria, I know that the high representative joins me in, once again, condemning in the strongest possible terms the ongoing violence against the Syrian people perpetrated by the Assad regime." "Yesterday's UN General Assembly vote demonstrated an overwhelming international consensus that the bloody assaults must end. In the face of this global condemnation, the regime in Damascus, however, appears to be escalating its assaults on civilians, and those who are suffering cannot get access to the humanitarian assistance they need and deserve. So we will keep working to pressure and isolate the regime, to support the opposition, and to provide relief to the people of Syria." "We also hope to coordinate efforts to enable a Syrian-led transition before the regime's actions tear the country apart. We're looking for an inclusive democratic process."

• February 21, 2012 State Department Daily Press Briefing (State Department Daily Press Briefing)

Quote: "[...] we are having talks with countries around the world about the implications of the legislation with regard to our expectation that countries will increasingly wean themselves of dependence on Iranian oil. We're talking to India, we're talking to China, [...] to countries in Europe, [...] to countries in Asia and Africa, et cetera. [...] in all of these conversations, we share an objective, which is to increase the pressure on Iran."

February 20, 2012 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on February 20, 2012)

Quote: "[...] the Chinese side strongly urged the Syrian Government and all political factions to immediately and fully end all acts of violence, launch the political dialogue process with no preconditions attached, and discuss a comprehensive political reform plan and mechanism. Vice Foreign Minister Zhai Jun called on the Syrian Government and various parties concerned to step up communication and coordination and jointly work for a peaceful and proper resolution of the Syrian crisis within the framework of the Arab League and based on relevant Arab League plan for a political settlement." "We understand the Arab states and the Arab League's concerns on the Syrian issue, value their important role, appreciate their efforts for political settlement of the Syrian issue, and support the Arab states' proposal to halt any act of violence, effectively protect Syrian civilians, provide humanitarian aid to Syria and avoid external military intervention. We hope that the Syrian issue can be resolved through political dialogue and peace talks within the framework of the Arab League."

• February 21, 2012 *People's Daily Online* Editorial (<u>ls West genuinely trying to 'save' Syria?</u>)

Quote: "If, however, the ruler or leadership is antagonistic to the Western dictate and interests, all means are put to use to overthrow him. Modern history is full of examples: Dominican Republic, Chile, Indonesia, Nicaragua, Congo, and Yugoslavia to name just a few places." "[...] Qaddafi was busy building social net at home, which included public housing, roads, hospitals and schools. That appears to be the greatest 'sin'. Building its own independent society and concentrating on pulling people out of poverty appears to be the most unforgiveable crime in the eyes of the Western regime. Punishment is dreadful: officially speaking, the 'infidel' countries are not punished, they are 'saved'. And the countries that were recently 'saved' by the West – Afghanistan (savagely brutalized since the times of its secular pro-Soviet government), Iraq, Libya, and Honduras – are today all in the most appalling state, in catastrophe much worse than before the 'humanitarian invasion."



 February 26, 2012 Remarks by Treasury Secretary Geithner (Remarks by Treasury Secretary Tim Geithner at the G-20 Meeting of Finance Ministers and Central Bank Governers)

Quote: "On Iran and oil, I had a series of encouraging conversations with countries planning to significantly reduce imports from Iran. We are seeing very effective cooperation from our partners on the financial front to help ensure that their banks cease transactions with the Central Bank of Iran and that Iranian banks find it harder than ever to facilitate Iran's illicit nuclear activities or to help Iran evade sanctions. We are working together to help ensure there are alternative sources of oil from major producers to help offset reductions in exports from Iran, and here too, I am encouraged."

February 27, 2012 State Department Daily Press Briefing (<u>State Department Daily Press Briefing</u>)

Quote: "As you know, more than 60 nations came together in Tunis in the Friends of Syria meeting to increase the pressure on the Assad regime. [...] this pressure is taking three forms. The first is, obviously, to increase the sanctions on Assad and his people." "In addition, we have created this multinational, humanitarian initiative under the UN's auspices." "The third track of the Friends of the Syrian People is to continue to work with the opposition both outside and inside Syria, to help them articulate their vision of how the peaceful, democratic, unified transition should go forward." "[...] we are also reaching out to Russia, to China, to countries that are continuing to protect the Assad regime and encouraging them, even if they don't agree with us on all of the steps for Syria's transition, to nonetheless use the influence that they have to convince him to silence his guns, to allow the humanitarian in." "So it is China, it is Russia, it is Iran that – they are the outliers in continuing to protect the Assad regime. He is going to go down. [...] they really need to think about what side they want to be on when that happens, and about the positive humanitarian role they could play right now if they were willing to do the right thing."

 February 23, 2012 Remarks by Foreign Ministry Spokesperson Hong Lei (Foreign Ministry Spokesperson Hong Lei's Remarks on China's Not Attending the 'Friends of Syria' Meeting)

Quote: "China is a friend of the Syrian people and the Arab people. China has been supportive of the just cause of the Arab people for a long time. China supports all efforts conducive to the peaceful and proper resolution of the Syrian issue and is ready to work with other parties to continue playing a positive and constructive role to this end. At the same time, we believe that the international community's action on the Syrian issue should be conducive to easing tensions, promoting political dialogue, dissolving disputes and ensuring peace and stability of the Middle East region. China still needs to further look into the purpose, role and mechanism of the 'Friends of Syria' meeting and finds it hard to attend the meeting with little knowledge of its preparation details."

 February 27, 2012 Global Times Editorial (West wants Assad out, democracy or not)

Quote: "Syria has become a place where countries in the Middle East as well as the world's great powers demonstrate their political ambition and place the bet. China, which has become involved in this issue, can pull out at any time, but will have to pay the price. In the past, China has developed while abiding by a world order dominated by the West. But in the past few years, the world order has shown the tendency to limit China's development. It's unavoidable that China now sees the need to confront it. The Syrian issue can be seen as an unintentional confrontation point." "China's veto this time is just like water that has been poured. Many of the world's strategic changes originate with China. Now it's time for China to face them seriously."



 February 28, 2012 Remarks by State Department Assistant Secretary for International Organization of Affairs Brimmer (<u>Human Rights Council Urgent Debate on Syria</u>)

Quote: "The United States joins the many other nations gathered today, to again demand an end to the Assad government's outrageous and ongoing crimes against the people of Syria, which it has escalated by deliberately bombarding populated cities and towns with heavy artillery." "[...] although thirteen members of the Security Council supported these steps earlier this month, indefensible vetoes by two permanent members gave Assad cover to accelerate his war on the Syrian people."

 February 28, 2012 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on February 28, 2012)

Quote: "[...] China has noted Syria held a referendum on the new constitution and announced the results. We hope the move helps push forward Syria's reform process, launch political dialogue and respond to the Syrian people's reasonable appeals for change and protection of their interests. China hopes all relevant parties in Syria continue to work together to ease tensions." "[...] China stands for appropriately resolving human rights differences through constructive dialogue and cooperation. The Human Rights Council's action on the Syrian issue should be conducive to easing the tensions in Syria, promoting political dialogue to resolve differences, safeguarding peace and stability in the Middle East and upholding unity of the international community. China is ready to work with the international community to continue to play an active and constructive role in appropriately resolving the Syrian issue."

February 29, 2012 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on February 29, 2012)

Quote: "China is deeply concerned about the escalating tension in the country which has caused heavy casualties and affected peace and stability in the Middle East region. We urge the government and all parties concerned in Syria to immediately and fully end all acts of violence and restore national stability and social order as soon as possible. We call on the Syrian Government to pay serious heed to the people's legitimate desire for reform and call on the various political factions in Syria to express their political aspirations through non-violent and legal means. We hope that the Syrian crisis will be resolved peacefully and appropriately at an early date for the sake of the long-term and fundamental interests of the Syrian people."



Issue 7. Taiwan Issues: Taiwan Independence and One China Policy

China

• February 15, 2012 Remarks by Vice President Xi Jinping (Work Together for a Bright Future of China-US Cooperative Partnership)

Quote: "We hope that the United States will adhere to the three Sino-US Joint Communiques and the one China policy, oppose 'Taiwan independence' and support the peaceful development of relations across the Taiwan Straits with concrete actions."



Issue 8. North Korea: U.S.-DPRK High-Level Talks, Resumption of the Six-Party Talks

United States China

 February 1, 2012 Remarks by Assistant Secretary of State for East Asian and Pacific Affairs Campbell (Remarks to the Press at the Ministry of Foreign Affairs and Trade)

Quote: "Well, we have had discussions with Chinese friends about developments in North Korea, and their line has been the desire to see maintenance of peace and stability. And, I think we believe that they have taken steps to underscore their commitment to the transition in power in North Korea, and those steps might include further provision of assistance, given the circumstances in North Korea. Frankly, it is an evolving situation, we are watching it closely, and we want to continue a close dialogue with China. We want them to share with us more their perspectives and their plans"

February 25, 2012 Remarks by Special Representative for North Korean Policy
 Davies (Remarks to the Press at the Ministry of Foreign Affairs and Trade)

Quote: "[...] our trip to Beijing to meet with the DPRK side was, of course, principally to discuss the issue of denuclearization and how to get back on the path of denuclearization and having North Korea once again fulfill its commitments [...] made in the September 2005 Joint Statement." "Humanitarian assistance and the nuclear issue are not directly linked. For us, the issue of humanitarian assistance is an issue that relates to the fact that the United States is deeply concerned about the welfare and well-being of the people of the DPRK. We make decisions about humanitarian assistance based on need, based on the availability of assistance to provide, and based on competing needs elsewhere in the world." "[...] there can be no fundamental improvement, any full improvement in U.S.-DPRK relations without a fundamental improvement in the relationship between the DPRK and the ROK." "[...] we hope, and we expect, that the DPRK will choose to go down the path of greater engagement, and indeed ultimately of greater cooperation, in particular with the Republic of Korea, that's fundamental, that's essential, and there is no way to make ultimate progress unless they make that decision and they follow through on that decision over time."

February 20, 2012 Foreign Ministry Spokesperson Hong Lei's Regular Press
 Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press
 Conference on February 20, 2012)

Quote: "China welcomes the third high-level DPRK-US dialogue in Beijing. We hope that relevant dialogue will attain positive results and create conditions for the resumption of the Six-Party Talks. We are ready to continue our intensified communication and coordination with relevant parties in order to play a constructive role in boosting the Six-Party Talks process and maintaining peace and stability of the Korean Peninsula and Northeast Asia." "Upholding peace and stability of the Korean Peninsula serves the common interests of all parties concerned. We hope relevant parties will do more things that will contribute to the easing of tensions on the Peninsula and maintaining peace and stability of the region."

February 23, 2012 Foreign Ministry Spokesperson Hong Lei's Regular Press
 Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press
 Conference on February 23, 2012)

Quote: "China always holds that early resumption of the Six-Party Talks and full and balanced implementation of the September 19 Joint Statement (2005) serve the common interests of all parties. Dialogue and negotiation is the only effective means to solve relevant issues on the Korean Peninsula. The Six-Party Talks is an effective platform to address the concerns of all parties in a balanced manner and realize denuclearization on the Peninsula. China supports relevant parties' efforts to improve and develop their relations in order to push forward denuclearization on the Peninsula and the Six-Party Talks process. Currently, all parties should stick to the direction and goal of the Six-Party Talks and accumulate and create conditions for the early resumption of the Six-Party Talks."



February 29, 2012 Remarks by Secretary of State Clinton (<u>Budget Hearing for</u> the Department of State and USAID)

Quote: "We are looking to a continuing effort and we have completed a third exploratory round of U.S.-North Korean bilateral talks to improve the atmosphere for dialogue and demonstrate its commitment to denuclearization. North Korea has agreed to implement a moratorium on long-range missile launches, nuclear tests, and nuclear activities at Yongbyon, including uranium enrichment activities. The DPRK has also agreed to the return of IAEA inspectors to verify and monitor the moratorium on uranium enrichment activities and confirm the disablement of the five-megawatt reactor and associated facilities. [...] it is our hope that the new leadership will choose to guide their nation onto the path of peace by living up to its obligations. Today's announcement represents a modest first step in the right direction. We, of course, will be watching closely and judging North Korea's new leaders by their actions."

February 29, 2012 State Department Office of the Spokesperson Senior Administration Official (Background Briefing on the Democratic People's Republic of Korea)

Quote: "The President has been consistent in signaling that we will respond positively if North Korea chooses the path of negotiation, cooperation, and denuclearization." "As we move forward with the DPRK, we will continue to place great emphasis on the need for the North to pursue rapprochement and reconciliation with the South through sustained and substantive inter-Korean contacts." "We've consistently said – we've made clear – that we're not interested in talks just for the sake and for the forum of talks. The next step on this process going forward from today is to work with each and every one of our Six-Party partners in order to set the stage for real and lasting progress in the multilateral phase. We have – we believe that it's important to translate this initial sign of Pyongyang's seriousness of purpose into substantive and meaningful negotiations on denuclearization that get at the entirety of the North's nuclear program and secures steady progress toward complete and verifiable dismantlement of the North's entire program."

February 27, 2012 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference (Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on February 27, 2012)

Quote: "The foreign ministries of China and the DPRK have stayed in contact and communication through various means. Leading officials from the two foreign ministries made contact last week and exchanged views on bilateral relations and international and regional issues of common interest. The two sides agreed to further develop China-DPRK traditional friendship and cooperation in a bid to jointly safeguard peace and stability on the Korean Peninsula and push for the early resumption of the Six-Party Talks. The two sides also discussed China's food aid to the DPRK." "China has been providing assistance to the DPRK within our capacity. We also welcome various forms of support and assistance from relevant parties and the international community to the DPRK, which will help the latter overcome temporary difficulties."

• February 27, 2012 *People's Daily Online* Editorial (US, DPRK talks offer window into new leadership)

Quote: "The talks shows both parties (the U.S. and the DPRK) have willingness to solve their mutual concerns peacefully through dialogue and negotiation, and they do not oppose each other blindly or fractiously any more. Secondly, through negotiations, both parties may have a further mutual understanding of each other, which may help them amend their unrealistic claims for mutual adaptation. Thirdly, it takes lengthy process to solve the DPRK's nuclear issue, in which neither vigorous advance nor standstill works." "For the United States, the food originally to be provided unconditionally as humanitarian assistance, does not go contrary to Hillary Clinton's previous provisions of 'no compensation' and 'no reward' to DPRK on the nuclear issue. On the other hand, the United States is unable to determine the authenticity of DPRK's 'suspension', as 'suspension' is a reversible action on DPRK's nuclear program, while the 'payment' of the United States is irreversible, therefore, the deal is worthwhile."



Issue 9. Cybersecurity Issues: Cyber hacking attacks

China

• February 6, 2012 Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference (Foreign Ministry Spokesperson Liu Weimin's Regular Press Conference on February 6, 2012)

Quote: "China has made clear its position many times on issues related to cyber security. Cyber attacks are transnational and anonymous. It is neither professional nor responsible to prejudge the origin of attacks without thorough investigation and hard evidence. Accusing China of the so-called 'espionage' is complete fabrication driven by ulterior motives. We urge the US side to discard Cold War mentality, respect facts and stop groundless accusations of China. China is ready to continue its cooperation with the international community aimed at ensuring cyber security. China is in fact among countries most frequently attacked by hackers. To my knowledge, since 2009, hacking attacks against China from abroad have increased by fifteenfold and more, and the IP addresses of these attacks are mainly located in the US. Like what I just said, we are keenly aware of the complexity of the Internet environment so we do not come to the conclusion that it is the US institutions or individuals that have carried out the attacks."



Reference

1. United States

(1) Official Government Websites

The White House. http://www.whitehouse.gov>

- U.S. Department of State. http://www.state.gov
- U.S. Department of Defense. http://www.defense.gov
- U.S. Department of the Treasury. http://www.treasury.gov

2. China

(1) Official Government Website
Ministry of Foreign Affairs of the People's Republic of China. http://www.fmprc.gov.cn/eng

(2) Government Managed Media

Global Times (環球時報). http://www.globaltimes.cn

People's Daily (人民日報). http://english.peopledaily.com.cn

China Daily (中國日報). http://www.chinadaily.com.cn

Knowledge-Net for a Better World

- The East Asia Institute, an Asia Security Initiative core institution, acknowledges the MacArthur Foundation for its generous grant and continued support.
- This report is the result of the East Asia Institute's research activity of the Asia Security Initiative Research Center.
- We hope to see this material being widely used, including areas that relates to policy making, academic studies, and educational programs. Please use full citations when using the information provided by this paper.
- The views and ideas in this material are those of the author and do not represent official standpoints of the East Asia Institute.
- This report is produced with help of Min Ju Kim (Lewis and Clark College), Jung Min Yeo (Mercersburg Academy), Young Jin Lee (Sungkyunkwan University), and Josh Power (Graduate Institute of Peace Studies at Kyung Hee University).

The East Asia Institute
909 Sampoong B/D, Eulji-ro 158,
Jung-gu, Seoul 100-786,
Republic of Korea
Tel 82 2 2277 1683

