

EAI U.S.-China Relations Statement Factsheet

August 2012

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November 2012

Time Period: August 1 ~ August 31, 2012

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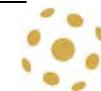
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Issue 1. Asia-Pacific Issues: Territorial Disputes over South China Sea and the Senkaku/Diaoyu Islands

United States	China
<ul style="list-style-type: none"> ● August 3, 2012 State Department Press Statement (South China Sea) Quote: "As a Pacific nation and resident power, the United States has a national interest in the maintenance of peace and stability, respect for international law, freedom of navigation, and unimpeded lawful commerce in the South China Sea. We do not take a position on competing territorial claims over land features and have no territorial ambitions in the South China Sea; however, we believe the nations of the region should work collaboratively and diplomatically to resolve disputes without coercion, without intimidation, without threats, and without the use of force. We are concerned by the increase in tensions in the South China Sea and are monitoring the situation closely. Recent developments include an uptick in confrontational rhetoric, disagreements over resource exploitation, coercive economic actions, and the incidents around the Scarborough Reef, including the use of barriers to deny access. In particular, China's upgrading of the administrative level of Sansha City and establishment of a new military garrison there covering disputed areas of the South China Sea run counter to collaborative diplomatic efforts to resolve differences and risk further escalating tensions in the region. The United States urges all parties to take steps to lower tensions in keeping with the spirit of the 1992 ASEAN Declaration on the South China Sea and the 2002 ASEAN-China Declaration on the Conduct of Parties in the South China Sea. We strongly support ASEAN's efforts to build consensus on a principles-based mechanism for managing and preventing disputes. We encourage ASEAN and China to make meaningful progress toward finalizing a comprehensive Code of Conduct in order to establish rules of the road and clear procedures for peacefully addressing disagreements. In this context, the United States endorses the recent ASEAN Six-Point Principles on the South China Sea. We continue to urge all parties to clarify and pursue their territorial and maritime claims in accordance with international law, including the Law of the Sea Convention. We believe that claimants should explore every diplomatic or other peaceful avenue for resolution, including the use of arbitration or other international legal mechanisms as needed. We also encourage relevant parties to explore new cooperative arrangements for managing the responsible exploitation of resources in the South China Sea." 	<ul style="list-style-type: none"> ● August 4, 2012 Remarks by Foreign Ministry Spokesperson Qin Gang (Statement by Spokesperson Qin Gang of the Ministry of Foreign Affairs of China on the US State Department Issuing a So-called Press Statement on the South China Sea) Quote: "On August 3, the US Department of State issued a so-called press statement on the South China Sea. The statement showed total disregard of facts, confounded right and wrong, and sent a seriously wrong message. It is not conducive to efforts by the parties concerned to uphold peace and stability in the South China Sea and the Asia-Pacific region at large. The Chinese side expresses strong dissatisfaction of and firm opposition to it." "Regarding the unfounded accusations made by the United States against China's normal and reasonable acts, people cannot but question the true intention of the US side. Why has the United States chosen to turn a blind eye to the acts of some country marking out a large number of oil and gas blocks in the South China Sea and making domestic legislation claiming as its own China's islands, reefs and waters? Why has the United States chosen on the one hand not to mention the acts of some country using naval vessel to threaten Chinese fishermen and laying groundless sovereignty claims over the islands and reefs that indisputably belong to China, while on the other hand make unfounded accusations against China's reasonable and appropriate reaction to provocations? And why has the United States chosen to speak out all of a sudden to stir up trouble at a time when countries concerned in the region are stepping up dialogue and communication in an effort to resolve disputes and calm the situation? Such an act of being selective in approaching facts and making responses breaches the claimed US stance of not taking a position on or getting involved in the disputes. It is not conducive to unity and cooperation among countries in the region or to peace and stability in this part of the world. Now that the global economy is weak and turbulence still persists in some countries and regions, the Asia-Pacific has emerged as a relatively stable and most dynamic region underpinning world economic recovery. The United States needs to follow the trend of the times and respect the shared aspiration and consensus of countries in the region for peace, stability and development. It should respect China's sovereignty and territorial integrity, and act in a way that contributes to stability and prosperity of the Asia-Pacific and not otherwise."



- **August 3, 2012 Remarks by Secretary of Defense Panetta** ([Joint Press Conference with Secretary Panetta and Japanese Minister of Defense Morimoto from the Pentagon](#))

Quote: “One of the – one of the thing that the – the minister and I agreed in our discussions is that as we strengthen our – our presence in the Pacific that it is important for all of the countries in that region to be concerned about issues like navigational rights, maritime security, issues related to – to humanitarian aid, to disasters, issues related to trying to stop the proliferation of weapons of mass destruction, issues related to piracy in that region as well. These are all common cause issues. And for that reason we think it really makes sense for the countries of that region to come together to be able to advance our common security and our common strategies towards dealing with these challenges.” “Specifically, with regards to, you know, to disputes that have arisen with the South China Sea, I’m very pleased that ASEAN has developed a code of conduct. We have to do more to put that in place. We’ve got to do more to enforce that. It’s clear that – that we have to deal with these disputes in a peaceful way and resolve these issues peacefully. The last thing we want is to have direct confrontation in – in the South China Sea with regards to jurisdictional issues. Those should be resolved peacefully, and they should be resolved pursuant to a code of conduct. And the United States will do whatever we can to work with Japan and others to ensure that that is the approach we take in dealing with these kinds of issues.”

- **August 9, 2012 People’s Daily Online Editorial** ([What can US do in the South China Sea?](#))

Quote: “Recently, the United States threw out a so-called South China Sea statement, stirring up another round of waves in the South China Sea.” “The United States is used to talking rubbish about other countries’ internal affairs, especially when it thinks intervention is lucrative. Although the United States, as the only super power on the earth, is usually able to affect developments of international affairs to a large extent, it does not mean that its strategies and policies achieve their expected goals every time. Similarly, regarding the structural transition of the Asia-Pacific Region, the United States cannot decide everything. Pushing China to its opposite side by creating contradictions will not benefit the United States and should not be its strategic choice.” “The United States stirring the South China Sea will achieve some effects, but will not be able to make China compromise its core interests at all. In addition, China and the ASEAN have more common interests than differences and contradictions, and some ASEAN countries will think carefully while they are making strategic balances between China and the United States. Under this background, the United States’ words and deeds which are against the trend of times, overall regional cooperation and wishes of most countries and people will be detested. Ultimately, the United States will neither be able to blow up large waves in the South China Sea nor be able to stop the momentum of the rise of China or change the iron fact that China owns sovereignties of the islands and their surround sea areas in the South China Sea.”



- **August 14, 2012 State Department Daily Press Briefing** ([Daily Press Briefing](#))

Quote: “Our view of what happened is that the ASEAN countries themselves appreciate what a crucial issue it is for them individually and for them collectively to handle this dispute in the South China Sea in a manner that protects their larger security interests, that they came at it from different perspectives, and rather than whitewashing that problem and having a weak communiqué that didn’t say much, they chose to continue to talk about it and not – and bypass a communiqué this time until such time as they can have a unified position.” “We, throughout that set of meetings, as you know, and the Secretary was quite vocal about this, continued to encourage all of the stakeholders, including China and the ASEANs, to work together on a code of conduct and for all of them to commit, as soon as they can, to do that work and ideally to do it this year.” “[...] bilateral diplomacy that leads to and is supportive of an overall multilateral deal where all of the claimants are satisfied and the arrangement that emerges is supportable under international law is fine. But an effort to divide and conquer and end up with a competitive situation among the different claimants is not going to get where we need to go.” “So, again, if this bilateral diplomacy is supportive of an overall regional arrangement that results in a code of conduct everybody can live with, then that’ll be a good thing. But if, in fact, it’s an effort to end up in a place where people are – where there’s more tension between the stakeholders, then that’s not going to work.”

- **August 17, 2012 Remarks by Foreign Ministry Spokesperson Qin Gang** ([Foreign Ministry Spokesperson Qin Gang’s Remarks on the Diaoyu Islands Issue](#))

Quote: “On August 15, 2012, Japan detained 14 Chinese nationals and their vessel on the Diaoyu Islands and the adjacent waters, which represents a gross violation of China’s territorial sovereignty. The Chinese Government expresses strong condemnation and protest over the dangerous actions such as converging attack taken by Japanese ships to obstruct the Chinese vessel. The Chinese Government reiterates that the Diaoyu Island and its affiliated islands have been China’s inherent territory since ancient times. Any action taken by the Japanese side against the Chinese nationals is illegal and invalid. It will not change the fact that the Diaoyu Islands belong to China, nor will it shake the strong resolve of the Chinese Government and people to safeguard national territorial sovereignty. China has long been standing for the proper settlement of the Diaoyu Islands issue through dialogue and negotiations with the larger interests of China-Japan relations in mind. China demands the Japanese side to stop actions that undermine China’s territorial sovereignty, come back to the right track of solving the issue through dialogue and consultations, and safeguard the larger interests of China-Japan relations through concrete actions.”



- **August 27, 2012 State Department Daily Press Briefing** ([Daily Press Briefing](#))

Quote: “[...] if, in fact, these reports about an attack on the vehicle of the Japanese Ambassador are accurate, that would be extremely concerning, particularly given his diplomatic status. We have regularly, including last week – I think every single day of the week – urged these two countries [China and Japan] to work this out peacefully. And as you know, we don’t take a position on the sovereignty there.”

- **August 28, 2012 State Department Daily Press Briefing** ([Daily Press Briefing](#))

Quote: “With regard to the South China Sea, I think it’s going to come up first on the ASEAN stops – in Jakarta, probably in Brunei. We have been encouraging, as you’ll recall, ASEAN to have a unified position and to work from a position of unity with China, and obviously it will come up in China as well. We are continuing to urge a multilateral conversation about a code of conduct in the South China Sea that is in keeping with international law and the Law of the Sea Treaty. We continue to think that that’s the best way to address these disputes. So I think you will see it come up on many of these stops.” “Well, as you know, we’ve been urging Japan to work with South Korea on its disputes, to work with China on its disputes. So the degree to which those are still issues as we go out there, I’m sure that we’ll be discussing them as well.” “Well, we’ve been saying consistently, and the Secretary was very clear about it when we were in Cambodia earlier in the summer, that we don’t want to see the disputes in the South China Sea or anywhere else settled by intimidation, by force. We want to see them settled at the negotiating table, and we have also consistently been calling for increasing transparency in the Chinese military posture.”

- **August 23, 2012 Remarks by State Councilor Dai Bingguo** ([State Councilor Dai Bingguo Gives Written Interview to Mongolian Media Organizations](#))

Quote: “China is firmly committed to peaceful development. This is a strategy born of and guiding our relations with neighbors and benefiting all in this region. China unswervingly follows the policy of fostering friendship and partnership with its neighbors and commits itself to working with neighboring countries to build a harmonious region enjoying peace, security, win-win cooperation and common prosperity.” “Countries in this region differ in national condition and development stage. It is natural that there are some differences and disagreements between them. China and some of its neighbors have disputes over territory and maritime rights and interests. China maintains that international disputes should be resolved peacefully through dialogue and consultation. When it involves our neighbors, we uphold this principle all the more steadfastly, always bearing in mind the larger interest of regional peace and stability and seeking proper settlement acceptable to all. We will stick to this position no matter how the situation may evolve in the future. We hope that the relevant countries will act in the same spirit. We believe that countries in the region have the wisdom and ability to resolve relevant issues on their own, meet challenges together and jointly build a brighter future for the region.”



- **August 31, 2012 Remarks by Secretary of State Clinton** (Commemorating U.S. Peace and Security Partnerships in the Pacific)

Quote: “Now I know there are those who see America’s renewed engagements over the last three and a half years in the Pacific perhaps as a hedge against particular countries. But the fact is, as I said this morning, the United States welcomes cooperation with a number of partners, including Japan, the European Union, China, and others. The Pacific is big enough for all of us. We share a common interest in advancing peace, security, and prosperity in this vital region.” “We already work closely with our partners on a range of transnational and maritime security issues, including crime, trafficking in persons, nuclear nonproliferation, disaster response and preparedness.”

- **August 31, 2012 Remarks by Secretary of State Clinton** (Remarks at the Pacific Islands Forum Post-Forum Dialogue)

Quote: “It is fair to say that for the past three-and-a-half years, the Obama Administration has made a major push to increase our engagement across the Asia Pacific. This is a vast and dynamic region, a key driver of global economic and politics, and the United States has a historical presence in this region. That’s why I have said that the 21st century will be America’s Pacific century, with an emphasis on Pacific.”

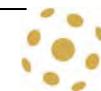
- **August 27, 2012 Remarks by Foreign Ministry Spokesperson Hong Lei** (Foreign Ministry Spokesperson Hong Lei’s Remarks on Japanese Leader’s Comments on the Diaoyu Islands)

Quote: “Japan didn’t claim sovereignty over the Diaoyu Islands until the Sino-Japanese war in 1895, and it stole these islands through illegal means. It is obvious that the claim that the Diaoyu Islands are Japan’s inherent territory is totally untenable.” “The ‘*Cairo Declaration*’ provides that all Chinese territory illegally taken by Japan, including the Northeast, Taiwan and Penghu Islands, must be returned to China. The ‘*Potsdam Proclamation*’ provides that ‘the terms of the ‘*Cairo Declaration*’ shall be carried out’. Japan announced unconditional surrender under the terms of the ‘*Potsdam Proclamation*’ in August 1945, which means that Japan must return Taiwan and its affiliated islands, including the Diaoyu Islands, to China.” “On September 18, 1951, then Chinese Premier and Foreign Minister Zhou Enlai made a solemn statement on behalf of the Chinese Government that the San Francisco Treaty of Peace with Japan was illegal, invalid and absolutely unacceptable without the participation, drafting and signing of the People’s Republic of China. In June 1971, Japan and the US made secret dealings over China’s territory by signing the ‘*Okinawa Reversion Agreement*’ which included the Diaoyu Islands and other islands into the ‘territory for reversion’. In response, the Foreign Ministry of China issued a statement on December 30, 1971, pointing out that the move was entirely illegal and reiterating that the Diaoyu Island and its affiliated islands are an integral part of the Chinese territory.”



Issue 2. Middle East and Africa Issues: U.S. Sanctions on Bank of Kunlun, Resignation of Joint Special Envoy Annan, and Sudan-South Sudan Oil Agreement

United States	China
<ul style="list-style-type: none"> ● August 1, 2012 State Department Daily Press Briefing (Daily Press Briefing) Quote: “[...] first of all, that we made very clear yesterday that this action [sanctions against Bank of Kunlun] was taken in response to the conduct of one financial institution. It was not taken against China, nor does it change the fundamental nature of our cooperation with China or Iran – with China on Iran, excuse me.” “And that’s because the U.S. and China, we’ve been on the same page in the P-5+1 about preventing Iran from acquiring a nuclear weapon. So we’re very much on the same page in terms of that. And we had, obviously, beforehand were in a discussion with the Chinese both here and in Beijing about this and continue to coordinate closely and keep the channels of communication open with China on the Iran account.” ● August 2, 2012 Remarks by Secretary of State Clinton (Resignation of Kofi Annan as Joint Special Envoy for Syria) Quote: “Earlier today, I spoke with Kofi Annan and thanked him on behalf of the United States for his service as the UN-Arab League Joint Special Envoy for Syria. Five months ago, he took on the heavy task of trying to bring an end to the killing of civilians in Syria and to forge a path toward a peaceful political transition and an inclusive, representative post-Assad Syria. He worked tirelessly to try to build consensus in the international community, end the bloodshed, and usher in a government that would meet the legitimate aspirations of the Syrian people. Unfortunately, the Security Council was blocked from giving him key tools to advance his efforts.” “To the Syrian people: the United States continues to stand with you and we remain committed to an effective and swift political transition as envisioned under the Annan framework.” 	<ul style="list-style-type: none"> ● August 1, 2012 Remarks by Foreign Ministry Spokesperson Qin Gang (Foreign Ministry Spokesperson Qin Gang’s Remarks on US Sanctions against Bank of Kunlun) Quote: “By invoking its domestic laws to impose sanctions against the Chinese financial institution, the United States has seriously violated norms governing international relations and hurt China’s interests. China hereby expresses its strong dissatisfaction and opposition and will make solemn representations with the US from both Beijing and Washington. With normal state-to-state relations, China and Iran have normal, open and transparent business cooperation in the energy and trade areas. Such cooperation has nothing to do with Iran’s nuclear program, is not in violation of any UN Security Council resolutions or other international norms, and does not harm the interests of any third party. China’s position on non-proliferation is consistent and clear. That is, it firmly upholds the international non-proliferation regime, and is committed to pushing for the proper resolution of the Iranian nuclear issue by working with all other parties concerned, the US included. However, in disregard of China’s concerns, the US has kept imposing sanctions against Chinese companies and banks, which will hurt China-US cooperation. China urges the US to immediately correct its wrong action, revoke its groundless sanctions against Bank of Kunlun and stop doing anything that will harm China’s interests and China-US relations.” ● August 2, 2012 Remarks by Foreign Ministry Spokesperson Hong Lei (Foreign Ministry Spokesperson Hong Lei’s Remarks on the UN-AL Joint Special Envoy on the Syrian Issue Annan’s Decision to Resign) Quote: “China regrets the resignation of Joint Special Envoy Annan. China has been actively supporting and cooperating with Annan’s mediation efforts with concrete actions. We understand the difficulties Annan met in his mediation and respect his decision. China appreciates Mr. Annan’s positive and constructive role for the political resolution of the Syrian issue since his taking office as Joint Special Envoy. Annan has informed China about his decision and thanked China for active support to his mediation. China gives high priority to the developments of the Syrian situation, and is committed to the peaceful, fair and proper resolution of the Syrian issue. China believes that the international community should adhere to the correct direction of the political resolution in order to fundamentally settle the Syrian issue. China is open to any initiatives that are conducive to the political resolution of the Syrian issue. China supports the UN in continuing to play an important role for the proper resolution of the Syrian issue.”



- **August 2, 2012 White House Press Gaggle** ([Gaggle aboard Air Force One en route Orlando, FL, 8/2/2012](#))

Quote: “[...] the President is grateful for Kofi Annan’s willingness to serve in this capacity and for the efforts he made to achieve peace in Syria and a peaceful transition from the Assad regime. I think that Kofi Annan’s resignation highlights two things - one, the fact that President Assad, despite his promise to abide by Kofi Annan’s plan, continues to brutally murder his own people, to use heavy weapons in assaults on civilian population centers, to call on his military leaders to kill the Syrian people in his name.” “Secondly, Annan’s resignation highlights the failure at the United Nations Security Council of Russia and China to support resolutions - meaningful resolutions against Assad that would have held Assad accountable for his failure to abide by his commitments under the Annan plan. Those vetoes, as we’ve said repeatedly, were highly regrettable, and place both Russia and China on the wrong side of history and on the wrong side of the Syrian people. Very unfortunate.”

- **August 4, 2012 Remarks by Secretary of State Clinton** ([Statement on the Oil Agreement Between South Sudan and Sudan](#))

Quote: “I welcome the agreement on oil reached between the Republic of South Sudan and the Republic of Sudan. This agreement reflects leadership and a new spirit of compromise on both sides.” “We praise the courage of the Republic of South Sudan’s leadership in taking this decision. As I said in Juba yesterday, the interests of their people were at stake. The oil impasse has lasted more than six months. Now was the time to bring this impasse to a close, for the good of the people of South Sudan and their aspirations for a better future in the face of ongoing challenges. South Sudan’s leaders have risen to the occasion. They tabled a bold comprehensive proposal at this latest round of talks, and an agreement was hammered out with the strong assistance of the African Union High Level Implementation Panel for Sudan (AUHIP). The future of South Sudan is now brighter.” “Finally, we are encouraged by the potential announcement of an agreement shortly on humanitarian access to Southern Kordofan and Blue Nile. We urge immediate implementation of this urgently needed assistance.”

- **August 6, 2012 Remarks by Foreign Ministry Spokesperson Qin Gang** ([Foreign Ministry Spokesperson Qin Gang’s Remarks on the Oil Agreement Between Sudan and South Sudan](#))

Quote: “We have noted relevant reports and welcome the oil agreement reached between Sudan and South Sudan. China applauds the practical, flexible and responsible attitude shown by the two sides during the negotiations as well as the active efforts of the African Union. We hope South Sudan can restore normal production and transportation of oil as soon as possible, and concretely protect the interests of its cooperation partners concerned. China calls on the two countries to demonstrate greater political courage, actively cooperate with the mediation efforts of the international community, maintain the currently sound atmosphere and momentum of negotiation and properly solve their outstanding issues at an early date.”

- **August 8, 2012 People’s Daily Online Editorial** ([Who compels Annan to resign?](#))

Quote: “Syria has sunk into long-term turbulence and is moving toward the ‘hard landing,’ which, to a large extent, is resulted from the agitation of external forces. The West has been regarding Syria as the major obstacle to dominate the Middle East. Since the upheaval happened in the Middle East in 2011, the Western countries have been trying to unseat Bashar al-Assad by means of turmoil political situation. However, China and Russia had strongly opposed to interfere in Syria by force on behalf of the United Nations due to a lesson in Libya. Against this backdrop, the West almost bet all on Syrian reactionary.” “The Western media had deliberately exaggerated the atrocities of Syrian government troops and beautified the insurgency of Syrian reactionary. The most typical is the view on the Houla massacre. When the event had just occurred and the truth was not yet clear, the West had put all the blames on the regime of basher al-Assad, and quickly took sanctions to Syria. The external forces bent on the Syrian regime change and their support of Annan’s diplomatic mission of good offices on the surface can win more time for the Syrian reactionary to develop armed forces. The deliberate partiality of external forces changed the domestic balance of power in Syria and finally formed a full-scale civil war situation. Obviously, Western countries should be ultimately responsible for the civil war situation and the forced resignation of Annan. In the Syria crisis, China’s policy is aimed at safeguarding the fundamental principle of international laws that the sovereignty of a country must not be violated, and therefore it is right and just. Although the times keeps making progress, the anarchic situation of the international community decides that this fundamental principle of international laws is the last line for safeguarding rights and interests of small and weak countries. China and Russia’s standpoint on the Syria issue is truly constructive. Without China and Russia’s diplomatic efforts, the Syria crisis would have worsened a long time ago. More importantly, it has effectively safeguarded the dignity of international laws and the bottom surviving line of the international community.”



- **August 14, 2012 State Department Daily Press Briefing** ([Daily Press Briefing](#))

Quote: “Well, without getting into the details of her diplomatic exchange, you can imagine that our hope is that the Chinese will do what they can and use their influence to encourage the Assad regime to end the violence and to come back into – come into compliance with Kofi’s six points, which the Chinese also signed up to, and to do what they can to get us into a place where we are implementing the Geneva transition declaration that the Chinese also supported.”

- **August 17, 2012 Remarks by Secretary of State Clinton** ([Appointment of Lakhdar Brahimi as Joint Special Representative for Syria](#))

Quote: “The United States welcomes the decision by United Nations Secretary General Ban Ki-moon and League of Arab States Secretary General Nabil El Araby to appoint a new Joint Special Representative for Syria. Lakhdar Brahimi will continue the pursuit of an end to the conflict and a peaceful transition in Syria.” “My message to Special Representative Brahimi is simple: The United States stands ready to support you and secure a lasting peace that upholds the legitimate aspirations for a representative government of the people of Syria. And to the Syrian people: you are not alone. The international community remains fully committed to a Syrian-led political transition leading to a pluralistic political system representing the will of the people. The international community is also committed to ensuring that those who commit atrocities will be identified and held accountable.”

- **August 13, 2012 Remarks by Foreign Ministry Spokesperson Qin Gang** ([Foreign Ministry Spokesperson Qin Gang’s Remarks on Syrian President’s Special Envoy’s Visit to China](#))

Quote: “At the invitation of the Chinese Foreign Ministry, Syrian President’s Special Envoy and Political and Media Advisor Bouthaina Shaaban will arrive at China on August 14 for a visit. During the visit, Foreign Minister Yang Jiechi will have talks with him. In order to push for the political resolution of the Syrian issue, China has been actively working on the Syrian government and opposition in a balanced manner, urging them to earnestly implement Annan’s ‘six-point proposal’, relevant UN Security Council resolutions and the communique of the foreign ministers’ meeting of the Action Group on Syria, immediately cease fire, stop violence, concretely protect civilians and dissolve crisis through political dialogue. Shaaban’s visit is part of China’s efforts for the above. At the same time, China is also considering inviting relevant opposition groups in Syria to visit China in the near future.”

- **August 18, 2012 Remarks by Foreign Ministry Spokesperson Qin Gang** ([Foreign Ministry Spokesperson Qin Gang’s Remarks on Brahimi’s Appointment as the UN-AL Joint Special Representative on the Syrian Issue](#))

Quote: “China welcomes Secretary-General Ban Ki-moon’s appointing former Algerian Foreign Minister Brahimi to replace Annan as the UN-AL Joint Special Representative on the Syrian issue. A veteran diplomat, Mr. Brahimi is the right person for the post. China hopes that Mr. Brahimi, after taking office, will continue to stick to the general direction of the political resolution of the Syrian issue, urge parties concerned in Syria to cease fire and stop violence as soon as possible, implement relevant UN Security Council resolutions, Special Envoy Annan’s ‘six-point proposal’ as well as the communique of the foreign ministers’ meeting of the Action Group on the Syrian issue, and push for a peaceful, fair and proper resolution of the Syrian issue. China will actively support and cooperate with Mr. Brahimi’s political mediation to this end.”



Issue 3. Economic Cooperation: U.S.-China Trade Disputes

United States	China
<ul style="list-style-type: none"> ● August 31, 2012 Remarks by U.S. Trade Representative Ron Kirk (United States Wins Dispute Over China's Discrimination Against U.S. Financial Services Companies) <p>Quote: "This decision makes it clear that China should honor its WTO commitments to play by the rules and stop discriminating against American financial services providers. Fair and open financial services markets are critical to facilitating global trade." "Most of the world's leading providers of the services that enable credit and debit card transactions are headquartered in the United States. These companies employ tens of thousands of American workers. A more efficient credit and debit payment system in China will also enable consumers to buy more goods, including made-in-America products." "The WTO panel agreed that China's pervasive and discriminatory practices are unfair to American suppliers of electronic payment services and discriminate at each stage of a payment card transaction. The message to the Government of China is that those practices must end."</p>	<ul style="list-style-type: none"> ● August 22, 2012 <i>China Daily</i> Editorial (Solution to Trade War) <p>Quote: "China is insisting that the United States cease using protectionist measures to shield its renewable energy industry, a step that foreshadows intensified trade disputes between China and its chief trade partners. The Ministry of Commerce has ruled that some of the policies the US has adopted to support its renewable energy industry go against World Trade Organization anti-subsidy rules and is calling on the US to rectify those policies. China has long been the victim of protectionist policies adopted by foreign countries, especially in recent years. According to an International Monetary Fund report released in April, China suffers more harm than any other country in the world by its trade partners' trade remedy measures. In the past, the country has tried to furnish evidence proving that its enterprises were not dumping their products on foreign economies. Meanwhile, it has begun to invoke WTO rules to protect its legitimate rights. As such cases become more common, it is easy to predict that more trade disputes will arise between China and its trade partners."</p>



Issue 4. U.S.-China Military Cooperation: U.S. Missile Defense System and Military Exchanges

United States	China
<ul style="list-style-type: none"> ● August 23, 2012 State Department Daily Press Briefing (Daily Press Briefing) Quote: “Well, we do have a regular conversation with China, both in our mil-mil dialogue and in our S&ED, with regard to the intentions behind U.S. missile defense work with some of our allies – that this is not directed at China, that this reflects concerns about the missile threat from North Korea, that these are defensive systems, and that we are quite open and transparent about what it is that we’re doing and why.” “[...] obviously, our missile defense plans are the subject of interagency planning. We are all involved in it. Again, the Phased Adaptive Approach that we’re working on for Asia mirrors the work that we’re doing in Europe, the efforts that we have in the Middle East.” “These are defensive systems. They don’t engage unless missiles have been fired. And in the case of the Asian systems, they are designed to defend against a missile threat from North Korea. They are not directed at China. And we do have broad dialogue with the Chinese, both in mil-mil channels and in political channels, about the intention of these systems.” ● August 28, 2012 State Department Daily Press Briefing (Daily Press Briefing) Quote: “Well, as you know, we are well aware of China’s extensive military modernization efforts. We continue to monitor them closely, and as I said before, we continue to urge the Chinese Government to be more transparent about what it’s doing.” 	<ul style="list-style-type: none"> ● August 23, 2012 China Daily Editorial (Sino-US Military Ties) Quote: “As China and the United States vow to forge closer ties between their militaries, frequent high-level visits between the two militaries are becoming essential in deepening their mutual trust and avoiding strategic misjudgments. The visit to the US this week by Cai Yingting, deputy chief of the general staff of the Chinese People’s Liberation Army, marks a step forward in keeping this desirable momentum going. It’s good to see both countries working in concert to promote military exchanges and maintain normal military relations. Cai’s trip comes after Liang Guanglie, chief of the general staff of the PLA, paid a weeklong visit to the US in May. Liang’s tour, the first by a Chinese defense chief in nine years, was widely perceived as being a landmark event of its kind in relations between China and the US.” “As a result of the US’ arms sales to Taiwan, which is an inalienable part of China, Sino-US military relations have by and large remained dormant in the past decade. A series of official high-level visits since 2010 has given impetus to the resumption of military exchanges. China and the US have everything to gain from their two militaries deepening their understanding of each other and building more strategic mutual trust.”



Issue 5. North Korea: North Korea Under New Leadership

United States	China
<ul style="list-style-type: none"> ● August 13, 2012 State Department Daily Press Briefing (Daily Press Briefing) Quote: “[...] we always encourage our Chinese partners to make our broader, more general agreed points with DPRK leaders when they are there about the importance of coming back into compliance with their international obligations.” “More broadly, I think the Secretary has been very clear on what we hope to see with the new leadership in the DPRK. They have a choice now. They can open their country, come back into compliance, and live in a place that respects human rights, respects the needs of their people, or they can keep doing what they’ve been doing and continue to face isolation and continue to face misery. So we’re hopeful that the new leadership will consider changing course, because that’s obviously what’s in the best interest of the North Korean people, in the best interest of peace and security.” ● August 22, 2012 State Department Daily Press Briefing (Daily Press Briefing) Quote: “Well, what we have seen reported in the press [North Korea putting a dome on the light water reactor] doesn’t change our view that North Korea has a choice to make. We want to see the new leader of North Korea come back into compliance, come back to the Six-Party Talks ready to deal with the international community’s concerns.” “The concerns with regard to their nuclear program are not changed. They remain as they were. We want to see North Korea comply not only with its 2005 commitments but with all of its obligations to the Security Council.” 	<ul style="list-style-type: none"> ● August 15, 2012 <i>China Daily</i> Editorial (Helping DPRK economy) Quote: “The package of economic agreements signed by China and the Democratic People’s Republic of Korea on Tuesday marks the solid progress that has been made in bilateral trade and investment cooperation. They will not only help boost the DPRK’s battered economy. More importantly, they will contribute to the overall stability of the Korean Peninsula.” “The agreements, which have been reached at a time when China is suffering as a result of the current global economic difficulties, are testimony to China’s consistent commitment to helping the DPRK develop its economy and improve the well-being of its people.” “Despite the many political and security incidents that have erupted on the Korean Peninsula in recent years, China-DPRK trade relations have been continually growing. The bilateral trade volume jumped to about \$3.5 billion in 2010 from about \$1 billion in 2003. Last year, it rocketed to \$5.7 billion.” “The growing trade links will provide the DPRK with the commodities and equipment necessary to feed its people and improve the productivity of its industry.” “But what could be even more valuable is that such cooperation will enable China to offer the DPRK its expertise in managing a transitional economy. China has made remarkable achievements in shaking off poverty and finding a development path that best suits its conditions and the DPRK could benefit tremendously from China’s experience.”



Issue 6. Human Rights: Refugees on China-Burma Border

United States	China
<ul style="list-style-type: none"> ● August 29, 2012 State Department Daily Press Briefing (Daily Press Briefing) Quote: "We've, in our conversations with the Chinese about Burma, urged them to keep the borders open and to support the efforts of the Burmese Government to settle these longstanding ethnic concerns and disputes. But I don't have anything particular about the situation up there today." "[...] we have, in our conversations about this, urged them [Chinese] to keep borders open to allow refugees to move as necessary to allow the UN into these areas as we have also urged the Burmese as appropriate to make sure that people who are moving as a result of violence and other circumstances are served by the international community." ● August 30, 2012 State Department Daily Press Briefing (Daily Press Briefing) Quote: "We indeed remain concerned about the welfare of vulnerable Kachin on the China-Burma border. We have urged China to implement a temporary protection program for those seeking refuge from the conflict, which would provide protection from forced return until conditions are appropriate for their return home. The U.S. Government believes that the refugees should only return home by their own choice and in conditions of safety and dignity. And so we consistently urge China to adhere to its international obligations as a party to the 1951 Convention Relating to the Status of Refugees and its 1967 protocol." 	<ul style="list-style-type: none"> ● August 2, 2012 Remarks by Foreign Ministry Spokesperson Hong Lei (Foreign Ministry Spokesperson Hong Lei's Remarks on the China-related Content in US State Department's Annual Report on International Religious Freedom for 2011) Quote: "The Chinese Government protects the religious freedom of citizens according to law. People of different ethnic groups in China enjoy full religious freedom according to law. The Chinese people are the best qualified to speak about China's religious conditions. We don't need finger-pointing from the US. The US should discard its prejudice, respect facts and view China's religious policies and conditions in an objective and fair manner. It should also stop using religious issues to interfere in China's internal affairs and do not engage in actions that will hurt China-US relations or mutual trust and cooperation."



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- The East Asia Institute, an Asia Security Initiative core institution, acknowledges the MacArthur Foundation for its generous grant and continued support.
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