



CHINA-US SUMMIT—WARY CO-EXISTENCE

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The recent Hu-Obama Presidential Summit in Washington was like two top ranked sumo wrestlers sizing each other up to assess how to edge the adversary out of the ring. Decisions on important global and strategic issues were, however, finally deferred till after 2012, when new leaderships would assume charge in China and the US. Hu Jintao and Obama, however, both strove to achieve their immediate objectives and were fairly successful.

An important objective of the visit for China was to boost Hu Jintao's domestic image as a statesman and leader who had stamped China's imprimatur on the world stage. China's official print and electronic media described the visit as a "historic masterstroke" and accorded it prominent

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front-page coverage emphasizing especially the ceremonial and protocol aspects. Special mention was made of the 'intimate' private dinner hosted by US President Obama for Hu Jintao on the night of his arrival in Washington, where matters were informally and candidly discussed. Hu Jintao's reception at the airport by US Vice President Joe Biden, ceremonial red-carpet welcome, honour guard and 21-gun salute, Vice Presidential luncheon and the state banquet were reported in detail. Comparisons were suggested with the landmark visit of Deng Xiaoping thirty two years ago. In a public relations exercise, the Chinese authorities publicized Hu Jintao's state visit in the US by showing a 60-minute promotional video on the screens in Times Square in New York on the night prior to his arrival. The promotional video was to play 300 times a day and feature Chinese-origin icons like baseball player Yao Ming, astronaut Yang Liwei and pianist Lang Lang. Reflecting the mood prevalent in China, the China-owned Hong Kong-based newspaper, Ta Kung Pao exulted that Chinese President Hu Jintao's high-level reception by US President Obama was because of the

resoluteness 'displayed by the Chinese government and people in building the nation; superiority of Chinese socialism; unity of the Chinese people; and improvement of Chinese society, which have been acknowledged and are respected by others'.

The state visit materialized after year-long tensions between the US and China as well as China and other countries in the Asia-Pacific. These were exacerbated by Beijing's unresolved maritime territorial claims with Japan, Vietnam and several other

nations. It also coincided with the noticeably increased assertiveness in China's foreign policy. High on Beijing's agenda for the Summit, therefore, was securing acknowledgement of China's pivotal role in the Asia-Pacific region. In his speech at a luncheon hosted by US

Friendship Groups in Washington on Jan 20, and attended by 500 CEOs, Chinese President Hu Jintao described the Asia-Pacific region as where the US and China have 'the most overlapping interests', adding that both are committed to promoting development and prosperity in the region. Hu Jintao stressed that Sino-US cooperation is 'crucial' to the regional situation and development of Sino-US relations. The 4000-word joint communiqué issued after the visit devoted three entire clauses to noting the importance of Sino-US cooperation in the Asia-Pacific region. The statement that 'China welcomes the US as an Asia-Pacific nation' implies China's acquiescence of continuing US presence in the region and its waters. In his speeches in the US, Hu Jintao had significantly omitted categorising the South China Sea as a 'core issue' for China while, for the first time, publicly describing Taiwan and Tibet as 'core issues' for China. Taiwan, described by China as a 'core issue', was anticipatedly mentioned in the joint communiqué. North Korea, an important issue for the US and an ally of China, was also mentioned at length in the joint communiqué with China, for the first time, expressing concern

regarding the DPRK's 'claimed uranium enrichment programme'. The formulation was arrived at after many hours of negotiations between Chinese and US officials. The Iran nuclear issue, Sudan and Darfur were mentioned. At the joint press conference, Hu Jintao had asserted that 'Beijing and Washington shared expanding common interests and shoulder increasing common responsibilities in addressing global challenges'.

South Asia, including the Af-Pak region, was pertinently not mentioned in the joint communiqué despite its importance to the US and China because of India's sensitivities. India had criticised inclusion of the term 'South Asia' in the joint communiqués issued on two previous occasions in March and September 2009. This time the joint communiqué confined itself to mentioning only that China and the US had 'agreed to enhance communication and coordination to address pressing regional and global challenges'. That these 'pressing regional...challenges' referred to South Asia was, however, made clear by Hu Jintao in his speech to the US-China Business Council in Washington where he specifically referred to 'South Asia'. At other forums he made repeated references to 'hot-button regional issues', thereby clarifying that the US and China will continue to coordinate closely on matters concerning South Asia.

US President Obama, in turn, sought to use the visit to dispel the chill that had settled over Sino-US relations throughout the past year, and also to boost his domestic popularity by raising issues of concern to the US that his Administration had earlier soft-pedalled. In the process he effected a mid-course correction in his Administration's China policy. Obama mentioned these at the joint press conference. Human Rights was one such issue. He also urged continuation of talks between China and the Dalai Lama. Interestingly, in a display of China's stringent controls on the media and reminiscent of the treatment accorded some months ago to Premier Wen Jiabao's remarks to Fareed Zakaria on CNN, Hu Jintao's response at the joint press conference to a question on human rights, despite his having stressed that interpretations of human rights differ, was blanked out by China's official media except for the English-language 'China Daily', CCTV-

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International and the China News Service. The joint communiqué noted that promotion of human rights and democracy is an important part of US foreign policy. It simultaneously observed that China had 'stressed there should be no interference in any country's internal affairs'. Earlier, the joint communiqué noted the commitment of both countries to the promotion and protection of human rights 'even as they continue to have significant differences on these issues'.

Sino-US bilateral relations were smoothed during this visit with both countries, according to the joint communiqué, supporting the early entry into force of the CTBT, early negotiations on a Fissile Material Cutoff Treaty (FMCT) and cooperation on a range of other subjects. In the defence sector, the groundwork had been done by US Defence Secretary Robert Gates during his visit to Beijing from Jan 10-13, when he met his Chinese counterparts, including PLA Deputy Chief of General Staff, General Ma Xiaotian and Chinese President Hu Jintao. Gates' meeting with General Ma Xiaotian would have been important as he is a close associate of Hu Jintao and the putative President Xi Jinping and will bridge the transfer of power between the two. Gates discussed defence issues in detail and asserted that defence contacts should not be vulnerable to the vagaries of politics. He had suggested a new dialogue on nuclear weapons, space, cyber and missile defence but that elicited no positive response. The Chinese used the occasion of his visit to underscore China's technological advances in the manufacture of defence hardware and unveiled the J-20 Stealth fighter aircraft. In recent months China had announced the successful launch of the space vehicle Chang'e-2 and tested an Anti Ship Ballistic Missile (ASBM) capable of attacking aircraft carrier groups. Hu Jintao, in fact, personally confirmed the J-20's successful test flight to US Defence Secretary Gates during their

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meeting. The joint communiqué also noted US acceptance of a visit by PLA Chief General Chen Bingde in the first half of 2011 and agreement that the Defence Consultative Talks, Defence Policy Coordination Talks and Military Maritime Consultative Agreement will remain operative. A Chinese delegation was invited to visit NASA headquarters and facilities this

year. It was decided that US Vice President Biden would visit China this year and that Chinese Vice President Xi Jinping would return the visit.

Economic issues were at the heart of the visit and used by both leaders to share their respective positions. This was reflected in the joint communiqué, which asserted the importance of the Strategic and Economic Dialogue, and was dominated by clauses relating to economic issues. It noted that China had agreed to promote RMB exchange rate reform and enhance exchange rate flexibility as also strengthen IPR protection efforts.

Obama had separately pointed out that the RMB remains undervalued and there needs to be further adjustment in the exchange rate. Hu Jintao did, however, mention at the press conference that the trade deficit could only be reduced if the US allowed hi-tech exports to China. The importance of the economic aspect of the relationship was additionally highlighted by Hu Jintao in his speeches, where he pointed out that bilateral trade presently exceeded US\$ 350 billion, that US consumers were annually saving US\$ 70 billion by purchasing Chinese-made goods and, that China currently held US debts valued at US\$ 895 billion. US investments in China currently exceed US\$ 60 billion while Chinese investments in USA now total US\$ 4.4 billion. To emphasise China's economic might, agreements worth US\$ 45 billion were signed during the visit, including an order for 200 Boeing aircraft valued at US\$ 19 billion. Hu Jintao and Obama both highlighted that these would create 235,000 jobs in America.

Economic issues equally dominated Hu Jintao's visit to Chicago, where Mayor Richard Daley said Chicago's 'long-range goal was to be the most China-friendly city in the US'. The importance of economic relations with China was underscored by ensuring the presence in Chicago of a number of CEOs of Chinese companies. Wu Guangui, Chairman of China's biggest auto parts manufacturer Wanxing, showed Hu Jintao the dashboards for the Chevy Volt made at his US-based company employing 5,600 workers. Dalian Machine Tool Group, which acquired machine-tool maker 'Ingersoll' a decade ago, disclosed plans to build a new factory in the US employing 200 workers. Zhu Chunping, President of BFM Fire and Security Inc., which imports Chinese-made fire extinguishers, informed Hu Jintao that the company plans to build new plants in California and Ontario while the Tianjin Pipe Group

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Co disclosed plans to establish a US\$ 1 billion factory on the Texas coast. Five months earlier, as part of preparations for Hu Jintao's visit, China's Commerce Minister had led a delegation to the US when agreements worth US\$ 574 million were signed in Houston. Hu Jintao also delivered his first public speech in Chicago. His itinerary was obviously cast to highlight China's strengths and, more subtly, its soft power and included a visit to a secondary school where Chinese is taught. China has, incidentally, established over 60 Confucius Centres in the US and there are more than 500 schools in the US where

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An important agreement signed was one between General Electric and the Aviation Industry Corporation of China (AVIC) for setting up a hi-tech joint venture in Shanghai that will focus on avionics including the electronics for communications, navigation, cockpit displays and controls and a high performance computer system that operates as the avionics brain of the Boeing's new 787 'Dreamliner'. GE dismissed objections to the deal by other US defence manufacturers by saying that competition was inevitable and to stay ahead the US companies would have to develop more advanced technologies and equipment.

There were some discordant notes during the visit, which was carefully crafted and choreographed by the Chinese and US Administration. Three of the top four Congressional leaders including House Speaker Joe Boehner, Senate Majority leader Harry Reid and Senate Minority leader Mitch McConnell stayed away from the state dinner hosted for the visiting Chinese President, though they cordially received Hu Jintao when he called at the Capitol to meet them. Congresswoman Ileana Ros-Lehtinen, Head of the House Foreign Affairs Committee, said she handed a letter to Hu Jintao concerning China's treatment of the Tibetan and Uyghur minorities and the Falungong spiritual movement. Tibetan, Uyghur and Falungong protestors also staged noisy demonstrations outside the White House and Capitol each day of the visit. On occasion they faced flag-waving nationalistic Chinese youth. There were critical foreign and domestic media comments too. Interestingly, at least one leading Russian newspaper and some from former Soviet bloc East European countries regretted that the leader of the 'world's largest democracy' was playing host to the leader of the 'world's largest dictatorship'. A few others suggested that US President Obama more

forcefully raise the issues of Human Rights, democracy etc. The New York Times regretted that Li Xiaobo, the Chinese dissident and Nobel Prize winner remained incarcerated while another Nobel Prize winner hosted his 'jailor'. The mood of the Chinese, who had felt under pressure from the US over the past year, was reflected in their spontaneous reaction when US President Obama's favourite and Chinese-origin pianist, Lang Lang, played 'The Motherland' at the White House state dinner. 'My Motherland' is the theme of a 1956 Chinese movie set during the Korean War and features the defeat of the US on the battlefield! The Chinese invitees to the state dinner cheered loudly and Chinese President Hu Jintao, who normally betrays no emotion, warmly hugged the pianist after his performance. While Lang Lang, on his blog, said that playing the theme seemed to him 'like I was telling them about the power of China and the unity of the Chinese', Chinese 'netizens' promptly flooded cyber space with thousands of jubilant messages lauding Lang Lang for his 'insult' to the Americans. Chinese dissident Wei Jingsheng, exiled in the US since 1997, wrote to US Secretary of State Hillary Clinton expressing his 'shock' and explaining that 'My Motherland' was the best known Chinese Communist propaganda movie about the Korean War. American journalists subsequently lamented that the Obama Administration had bungled and created the opportunity for a 'great Chinese Communist Party propaganda victory'.

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Chinese President Hu Jintao's 4-day state visit to the US, closely watched by nations around the world, was an important opportunity for China to demonstrate its economic might, portray itself as an important partner that the US needs, and project itself as a country almost comparable to the US in international influence. The joint communiqué confirmed close US-China cooperation on a range of international and other issues. China's official news agency Xinhua described the joint communiqué as the 'new guide to the development of China-US relations...'. It added that Hu and Obama had 'worked closely on major regional and international issues. These have all expanded the strategic content and global influence of China-US relations'.

Hu Jintao came to the US as the leader of a confident, powerful nation that had long term ambitions. Though during his visit he repeatedly emphasized that China is a developing country and 'China is not a military threat to any country...will never seek to dominate or pursue an expansionist policy', the visit did not succeed in dispelling mutual distrust. US President Obama also tried to deftly manage the visit to boost his own domestic popularity while simultaneously assertively re-setting his Administration's policy towards China. There was, however, sufficient indication that major global and strategic issues remain to be sorted out and that the next couple of years would be marked by caution, cooperation and competition.



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