

(Translation)

**Pursue an Independent Foreign Policy of Peace,
And Create a Bright Future
For the Constructive and Cooperative China-US Relationship**

Speech by Vice Foreign Minister Yang Jiechi
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The Honorable Dr. Henry A. Kissinger,
The Honorable President Yang Wenchang,
Ladies and Gentlemen,
Dear Friends,

It gives me a great pleasure to attend today's meeting. It is very much relevant that we gather here to talk freely about the opportunities and challenges facing China's development and about the future of the constructive and cooperative China-US relationship. On this occasion, I want to say a big "thank you" to all of you for your interest in and support for the growth of China-US relations over the years, and I wish the meeting a great success.

Now, I would like to make a few observations on China's independent foreign policy of peace and the constructive and cooperative China-US relationship.

Ladies and Gentlemen,

In the new century, the international situation is generally peaceful, and multipolarization and economic globalization are gaining fresh momentum. To seek peace, development and cooperation has become broadly-based consensus of the international community. On the other hand, non-conventional security threats have increased, such as terrorism, proliferation of weapons and the spread of diseases. They are interwoven with traditional security threats, and the imbalance in development is more acutely felt. Mankind is facing increasingly complicated and diversified challenges. Against this backdrop, stronger international coordination and cooperation has become the call of the times.

China has always been a peace loving nation. We firmly believe peace is invaluable and strongly advocate harmony among all states. In the more than 100 years since the Opium War broke out in 1840, China suffered immensely from wars waged by aggressive powers. Since the founding of the People's Republic in 1949, the Chinese people scored remarkable achievements in their efforts to build an independent and

prosperous nation. In particular, since the launch of the reform and opening up policy at the end of the 1970s, earth-shaking changes have taken place in China on all fronts. However, China remains a developing country. It would require arduous efforts of several generations, a dozen generations or even dozens of generations to fully modernize the country. A long-term peaceful international environment and a stable Neighborhood are essential to China's development.

The world is changing. China is growing. China being a big country with 1.3 billion people, where it will go has increasingly big significance for peace and prosperity in the Asia-Pacific region and the whole world. This is also a question that has caught more and more attention from the international community. What I want to stress here is that China will stick to the path of peaceful development. This is the choice that the Chinese people have made in light of the current global trends, China's historical tradition and its national conditions today. Peaceful development is the only right path to China's modernization. It also represents the basic direction of China's future development.

In China's foreign policy, peaceful development means continuing to pursue an independent foreign policy of peace, safeguard world peace and promote common development. After the founding of the People's Republic, the first generation of leadership with Chairman Mao Zedong at its core established the independent foreign policy of peace. Over more than half a century, no matter what happened in international arena, China has all along adhered to the principle of independence. Taking into account the fundamental interests of the Chinese people and the common interests of people across the world, China has treated all countries as equals, lived in friendship and increased cooperation with them based on the five Principles of Peaceful Coexistence. Under the principle of building a harmonious, secure and prosperous neighborhood, China has deepened good-neighborly friendship and cooperation with its neighboring countries. Japan is an important neighbor of China. Recently, China and Japan reached a common understanding on overcoming the political obstacles to the development of their bilateral relations, thus enabling Prime Minister Shinzo Abe to visit China and opening a window of hope for the improvement of this relationship. Friendship represents the trend of China- Japan relations and accords with the aspiration of all peoples. It serves the fundamental interests of both peoples. It is also conducive to peace and development in Asia. China is committed to promoting South-South cooperation and North-South dialogue and safeguarding the common interests of developing countries. China steps further to grow its relations with developed countries and works hard to expand their common interests.

In light of the changes in the international situation and China's increased overall national strength, China's independent foreign policy of peace has also evolved to keep pace with the times. This policy is very much relevant in today's world and is very rich and substantive in contents.

China firmly safeguards regional and global peace and stability.

China vigorously advocates and practices the new security concept featuring mutual trust, mutual benefit, equality and cooperation. On security affairs, China maintains that countries should trust each other and safeguard regional and international security through mutually beneficial cooperation. China opposes terrorism in whatever form and stands for stronger international cooperation against terrorism. China always believes while both symptoms and root causes of terrorism need to be addressed, high priority should be given to eradicating root causes. China stresses the importance of effective disarmament and arms control in a fair, reasonable, comprehensive and balanced manner to prevent proliferation of weapons of mass destruction. On major international and regional issues, such as the nuclear issue on the Korean Peninsula and the Iranian nuclear issue, China has actively used its good offices to encourage reconciliation and talks among the parties concerned. At present, the situation on the Korean Peninsula is grave and complicated. To bring about denuclearization of the Korean Peninsula and oppose nuclear proliferation is the firm and consistent stand of the Chinese Government. China strongly urges the DPRK to honor its commitment to Denuclearization, stop all moves that may further worsen the situation and return to the Six-Party Talks. To safeguard peace and stability in Northeast Asia serves the interests of all parties involved. China calls on all parties concerned to be cool-headed in response and persist in seeking a peaceful solution through consultation and dialogue. China will continue to make every effort towards this goal.

China works hard to advance mutually beneficial international economic cooperation. China has increasingly opened up its economy and has become an inseparable part of the world economy. China has established complementary trade ties with most countries, and successfully created an international trade structure that is win-win for all. In the coming years, China's annual import will exceed US\$ 600 billion, which will keep growing and top US\$ one trillion by 2010. This will bring more opportunities for the mutually beneficial cooperation between China and other countries, and further boost global economic growth. China holds that the international community should strengthen coordination, promote the development of economic globalization in a direction that brings prosperity to all, and guarantee developing countries' equal participation in international economic affairs. China calls for the establishment of an open and fair trade regime. And it calls for reforming

and improving the international financial system and properly resolving economic and trade frictions through dialogue.

China works vigorously to build a fair and reasonable international order. China faithfully fulfils its international obligations and responsibilities. It stands for multilateralism and promotes democracy and the rule of law in international relations. As a founding member of the United Nations and a permanent member of its Security Council, China actively carries out multilateral diplomacy, upholds the authority of the United Nations and its Security Council, and extensively participates in international cooperation in counter-terrorism, arms control, peacekeeping and other fields. Up to now, China has joined more than 130 inter-governmental organizations, acceded to nearly 300 multilateral treaties, and sent more than 5,000 military personnel, police officers and civilian officials to 15 UN peacekeeping operations. China takes an active part in APEC and ASEM and contributes to the related regional and inter-regional cooperation.

China strongly advocates harmony without uniformity and building a harmonious world. Cultural diversity is a basic fact of human society. China champions a new culture concept based on respect for diversity. It is an undeniable right for people in different countries to independently choose their development road in light of their own national conditions, and this right must be respected. On the basis of equality, countries should seek common ground while reserving differences through dialogue, learn from each other and draw on each other's strength. On the world summit marking the 60th anniversary of the United Nations, President Hu Jintao made an important proposal on building a harmonious world of enduring peace and common prosperity. This proposal has been widely acclaimed by the international community. In the spirit of democracy, harmony, equity and tolerance, China is working together with all other countries to achieve the lofty goal of building a harmonious world.

Facts have proved and will continue to prove that as a country with one-fifth of the world's population, the more developed China becomes, the bigger contribution it will make to peace, stability and prosperity of the Asia-Pacific region and the whole world. A China that grows fast and pursues an independent foreign policy of peace will increasingly become a major positive factor in international relations and make more and bigger contribution to world peace and common development.

Ladies and Gentlemen,

China-US relationship is among the most important state-to-state relations in today's world. A sound and stable China-US relationship

features prominently in China's independent foreign policy of peace.

The resumption of contact between China and the United States in the 1970s brought about a profound change in the global strategic configuration. This relationship has moved forward in the past 35 years despite twists and turns. After the end of the Cold War, our relations stood the test posed by the major change in the international environment. Overcoming various difficulties, China-US relations continued to improve and grow. In recent years, thanks to our joint efforts, bilateral relationship has, on the whole, maintained a good growth momentum. And there are important opportunities for its further growth. I believe that the current China-US relations have the following distinctive features.

First, the nature of our bilateral relationship is more clearly defined. During their meeting in Shanghai on the sidelines of the APEC economic leaders meeting in 2001, President Jiang Zemin and President Bush reached important agreement on developing the constructive and cooperative China-US relationship, lending a strong impetus to the growth of China-US ties in recent years. In April this year, President Hu Jintao paid a successful visit to the United States. The two presidents reached new important agreement on advancing the all-round growth of the constructive and cooperative relationship in the 21st century. They agreed that China and the United States have broad and important common strategic interests. China and the United States are not only stakeholders, but also constructive partners. A good China-US relationship is of strategic significance to maintaining and promoting peace, stability and prosperity in the Asia-Pacific region and the world. This gives a clear and accurate characterization to China-US relationship, as to what it is today and what it will be in future. It has charted the course and provided strong impetus for its growth.

Second, bilateral mutually beneficial cooperation becomes more fruitful. High level exchanges are on the increase. The two presidents maintained close communication on major issues of mutual interest through telephone calls, correspondence, meetings and various other channels. In 2005, President Hu Jintao and President Bush met on five occasions. This year, they already met twice, had four telephone conversations and wrote to each other for a number of times. Based on the agreement reached by the two presidents, the first and second rounds of strategic dialogue were held last year. In addition, the strategic economic dialogue was officially launched not long ago. The win-win business cooperation is growing steadily and rapidly. China has become the third largest trading partner and the fastest-growing export market for the United States. The United States is now China's second largest trading partner and its biggest export market. US export to China grew by 20% annually from 2001 to 2005, four times the annual growth rate of US

global export. We have very fruitful exchange and cooperation in science, technology, education, culture, law enforcement and other fields.

Third, bilateral relationship gains more strategic significance.

China is the largest developing country, while the United States the largest developed country. Both countries are permanent members of the UN Security Council. The significance of their relations has gone far beyond the bilateral context and is increasingly felt in the international political, economic, security and other areas. On many important issues bearing on international and regional peace and stability, China and the United States have common or similar interests and maintain good coordination and consultation. As the two countries share important stakes in counter-terrorism and non-proliferation, they have established a medium - and long-term exchange and cooperation mechanism on combating terrorism and signed an MOU on cooperation on the Mega-Port Initiative. China and the United States have worked more closely in many fields relating to peace and welfare of humankind, including public health, environmental protection, climate change and disaster relief. Such coordination and cooperation has added new strategic dimensions to China-US relationship and had a far-reaching impact on peace and prosperity around the world.

Fourth, bilateral relationship is more solidly based. China's National People's Congress has established inter-parliamentary exchange mechanisms with both the Senate and the House of Representatives of the United States. Since last year, more than 100 US congressional members have visited China. This has played an important role in enhancing understanding and mutual trust and growing the relationship between the two countries. At the local level, 35 pairs of twinned provinces/states and 126 twinned cities have become an important bond of friendship linking the two peoples. Mutual visits have exceeded one million person/times a year. Nearly one-third of the 900,000 overseas Chinese students chose to have their education in the United State, and more than 10,000 American students came to study in China in 2005. These friendly exchanges have lent fresh impetus to the growth of the relationship and put it on a more solid foundation.

Admittedly, some problems still remain in China-US relationship, which should not be overlooked. How to seize the opportunities, how to address the problems, how to strengthen cooperation, and how to promote the sustained, healthy and stable growth of the constructive and cooperative China-US relationship? These are major questions that the two countries need to answer. In my view, we should focus our efforts on the following areas.

First, we need to always view and handle our relations from a strategic and long-term perspective. Along with the marching of the times, our common interests are expanding and the significance of our relations is growing. In this context, China and the United States must always take into account the fundamental interests of the two peoples and the common interests of people across the world. The two countries need to have a broader view and longer vision. We should increase exchanges at both high level and other levels, expand areas where our interests overlap, reduce and remove negative factors to ensure that our relations will progress on the track of constructive cooperation.

Second, we need to expand the scope of our cooperation from a dynamic perspective and with an open mind. We need to continue to strengthen our bond of common interests in all areas. We should expand our existing business ties and foster new areas of cooperation. As both countries are big energy producers and consumers, China and the United States should enhance consultation and cooperation on energy strategy. We need to ensure that our relations will also grow in terms of strategic significance. We need to deepen counter-terrorism cooperation on a reciprocal and mutually beneficial basis. We should work together to safeguard the international non-proliferation regime. We should promote a proper settlement of the Iranian nuclear issue through diplomatic negotiation. And we need to continue our efforts to peacefully resolve the nuclear issue on the Korean Peninsula through the Six-Party Talks and further commit ourselves to stability and prosperity in the Asia-Pacific region.

Third, we need to properly handle differences and sensitive issues to safeguard the overall interest of China-US relations. The Taiwan question represents China's core interests and biggest concern. We hope that United States will honor in good faith its commitment to the one China policy, the three Sino-US joint communiqués and opposition to "Taiwan independence". We hope that the United States will have no official contact with the Taiwan authorities, stop selling advanced weapons to Taiwan, and refrain from sending any wrong signals to the secessionist forces for "Taiwan independence". This serves the common strategic interests of China and the United States, and also helps to ensure peace and stability in the Taiwan Straits and the Asia-Pacific region. As for those frictions in our fast growing business relations, we should have consultation on an equal footing and act in a spirit of mutual understanding and accommodation in order to bring about a win-win outcome. Given our respective national conditions, we do have certain different views on human rights and religion. Therefore, it is necessary for us to enhance mutual understanding and narrow differences through dialogue on the basis of equality and mutual respect, and seek common ground while reserving differences.

Fourth, we need to strengthen dialogue and communication in order to enhance mutual trust. Mutual trust is an important precondition for the growth of state-to-state relations. The Government and people of China always attach great importance to China's relations with the United States. Today, although more and more people in the United States support the development of our relations, various forms of "China threat" theory, which strike a discordant note, still have their market. This will disturb or even undermine the long-term development of China-US relations. We should have more contact at various levels, promote exchange in academic, cultural, educational and other fields, and enhance mutual understanding and friendship between the two peoples. It is my hope that the CSIS, as a think-tank with an important influence in the United States, will commit itself to China-US academic exchange, introduce a peacefully-developing China to people from all quarters in the United States in a comprehensive and objective way, and continue to play an important role in promoting the growth of China-US relations.

Ladies and Gentlemen,

“Drinking the water of a well, one should not forget those who dig it.” China-US relationship, as it is today, always reminds me of the extraordinary political vision and courage of the older generation of Chinese leaders and President Nixon and Dr. Kissinger. By working together, they broke the ice in our relations more than 30 years ago. Today, we shoulder an important mission to advance the constructive and cooperative China-US relations. Let's work together, give priority to our overall interests, seize the opportunities, expand cooperation, remove obstacles, and make unremitting efforts for a better future of China-US relations.

Thank you.