



NOTES

The National Committee on United States-China Relations

National Committee Educational Exchanges



19

U.S.-China Labor Law Cooperation Project



20

Public Intellectuals Program Inaugural Conference



24

Successful National Committee Gala Honors Four Business Leaders



4

National Committee Welcomes New President

by *Carla Hills*

A sixty-second conversation in 1970 launched Steve Orlins' China-related journey as a student, diplomat, lawyer, investment banker and investor to his current post as National Committee president. As the Vietnam War heightened political awareness on college campuses, including his home base at Harvard College, he became interested in studying Vietnamese language and history. But in that sixty-second conversation, visiting professor Alex Woodside instead steered him toward Chinese, saying that much of Vietnamese history was written in Chinese and that, in the long run, Chinese would prove much more useful. Another China specialist was born and, six weeks later, Steve was on his way to Stanford University to start intensive language studies.

Two long-time National Committee directors – Jerome Cohen and Herbert Hansell – also played influential roles in Steve's career. Armed with a degree from Harvard in modern Chinese history, Steve planned to pursue a career in Chinese law. But Professor Jerry Cohen, the leading Chinese law

specialist in the United States, advised him, "Your Chinese is not good enough. Go to Taiwan and get fluent!" Steve followed Jerry's advice, and after 15 months of language study in Taiwan, he entered Harvard Law School. He received his J.D. with a concentration in Chinese law in 1976.

Steve subsequently joined the State Department's Office of the Legal Advisor. When Herbert Hansell, then Legal Advisor, learned there was a China specialist in the office, he brought Steve onto the legal team that helped establish diplomatic relations with the People's Republic of China. Steve was involved in drafting the Taiwan Relations Act and the establishment of the American Institute in Taiwan (AIT), the non-profit corporation to carry on unofficial relations with Taiwan. (The cancelled check for the fee to incorporate the AIT now sits on Steve's bookshelf in the NCUSCR office.)

After the establishment of diplomatic relations, China allowed a limited number of foreign lawyers into China, including Jerry Cohen. Steve

joined his mentor (his Chinese had apparently passed muster!) to practice law at Coudert Brothers and Paul, Weiss, Rifkind, Wharton & Garrison in New York, Hong Kong and Beijing. In Beijing, Steve helped do some of the legal work for the first foreign investments into China. In 1983, he moved to the investment banking world, eventually becoming managing director at Lehman Brothers and president of Lehman Brothers Asia, supervising the company's offices in Hong Kong, Korea, China, Taiwan, Thailand, the Philippines and Singapore. His favorite deal from this period was advising the consortium of companies that constructed the Eastern Harbor Tunnel, Hong Kong's second cross-harbor tunnel and the first major financing arrangement in the colony whose payback extended beyond the reversion on July 1, 1997.

In 1991, Steve returned to the United States and his boyhood home on Long Island. He became deeply involved in local politics and ran as the Democratic candidate for Congress in New York's third congressional district. "I had a strong vision of where I thought the country should go and believed representing my boyhood home, where that vision was born and still shared by many, was what I should do. 116,915 voters shared my vision; unfortunately, 124,727 shared my opponent's."

The next phase of Steve's career was in the private equity field, with the firm AEA Investors. A few years later, the Washington-based Carlyle Group recruited Steve to create and run its new Asia fund. This gave him the opportunity to return to Hong Kong and to turn his energies to such diverse transactions as the purchase of Koram Bank (Korea's sixth-largest bank) and the establishment of Taiwan Broadband Communications, one of the largest cable television companies in Taiwan.

Steve joined us as president of the National Committee on May 1, 2005. We are privileged and excited to have a leader with his expertise, experience, enthusiasm and in-depth knowledge of the PRC, Taiwan and Hong Kong, as well as their people and language. He also brings a passion for U.S.-China relations that is inspiring to all who meet him. Welcome aboard, Steve! ■



Right:

Steve Orlins chats with PRC graduate students at the Committee's Foreign Policy Colloquium in Washington, D.C.

U.S.-China Congressional Working Group Visit to China



CNOOC's failed acquisition of UNOCAL last summer as a result of Congressional objections is a vivid reminder of the importance of the Congress in U.S.-China relations. As I said at our November Members' Meeting, since too many on Capitol Hill do not adequately understand China or U.S.-China relations, there is a valuable role for the National Committee to play in Congressional and leadership education.

The NCUSCR took a major step in this direction in January when, for the first time in many years, it arranged, funded and accompanied a Congressional delegation to China. The delegation was composed of the two co-chairs of the newly formed bipartisan U.S.-China Congressional Working Group, Mark Kirk (R-Ill.) and Rick Larsen (D-Wash.), along with a member of the Group, Tom Feeny (R-Fla.). I accompanied the delegation on the eight-day visit to Beijing, Lanzhou, Jiuquan, Shanghai and Hong Kong.

The quality of the meetings and seniority of our interlocutors demon-

strated that our Chinese hosts clearly understood the significance of the Congress in U.S.-China relations and appreciate the role that the Working Group is playing in educating members about China. In Beijing, we met with the chairman of the National People's Congress (NPC), Wu Bangguo, who is second in rank only to President Hu Jintao; the ministers of defense and commerce; the secretary general of the NPC and the chairman of the its Foreign Affairs Committee; the governor of Gansu; and the vice ministers of the National Development and Reform Commission and the Ministry of Foreign Affairs. In addition, the minister counselor/head of Congressional relations in the PRC embassy in Washington accompanied us the entire trip. The Congressmen also welcomed opportunities to hear the frontline perspectives of NCUSCR members, the American business community, the U.S. ambassador and embassy staff.

The Congressmen seized the chance to look beyond the growth and dynamism of Beijing and Shanghai during two days

in Gansu province, where over 25 percent of the population lives below the poverty line. A discussion in Lanzhou with Liu Xiaoming, the deputy governor of the province and former deputy chief of mission at the PRC embassy in Washington, helped to put a human face on the development of the west – as did a pick-up basketball game with local students! From Lanzhou our delegation flew to Jiuquan, the beginning of the Great Wall and the staging area for our four-hour drive across the Gobi Desert to the manned space launch facility. Space agency representatives explained that we were the first foreign delegation to tour the facility since manned space flight began in China and that the visit was personally approved by the Minister of Defense. Congressman Feeny, whose district includes the Kennedy Space Center, concluded that the Chinese facility was more modern and practical than ours. After another four-hour drive across the Gobi we returned to Jiuquan, flew back to Lanzhou and then immediately on to Shanghai. A day which began at 6:00 AM with our setting out across the Gobi to see the space center ended at 2:00 AM in Shanghai – so much for Congressional junkets!

Among the highlights of our 30-hour stay in Shanghai were meetings with the mayor, chairman of the Municipal People's Congress, U.S. counsel general, and the American business community; a Sunday morning church service; and a seven-minute ride to the airport on Shanghai's new magnetic levitation train. Like all of the senior Chinese officials that we met, Shanghai Mayor Han Zheng was well-briefed, helpful and extremely impressive. One of the lighter moments of the trip was the Mayor's surprise that the U.S. wants to play an exhibition soccer game in Shanghai. "We certainly should be able to field a team to compete with the Americans." And the Congressmen's surprise, "Against the Chicago Bears?" And my insertion, "We are talking about olive ball." And the mayor's immediate understanding, "So we will have to reline our field." If the Seahawks and the Bears play an exhibition game in Shanghai in the next few years, we certainly can say the National Committee helped set it up.

Our final day and a half was spent in Hong Kong, where the Congressmen found the differing views between the

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Successful National Committee Gala Honors Four Business Leaders



National Committee chair Carla Hills and president Steve Orlins (center) are joined by China's Ambassador Zhou Wenzhong and his wife, Madame Xie Shuming (left) and Ambassador to the United Nations Wang Guangya and his wife, Madame Cong Jun (right). Photo by: Elsa Ruiz



Former Ambassador to China J. Stapleton Roy congratulates honoree Liu Chuanzhi, chairman of Legend Holdings Limited and founder of Lenovo. Photo by: Elsa Ruiz

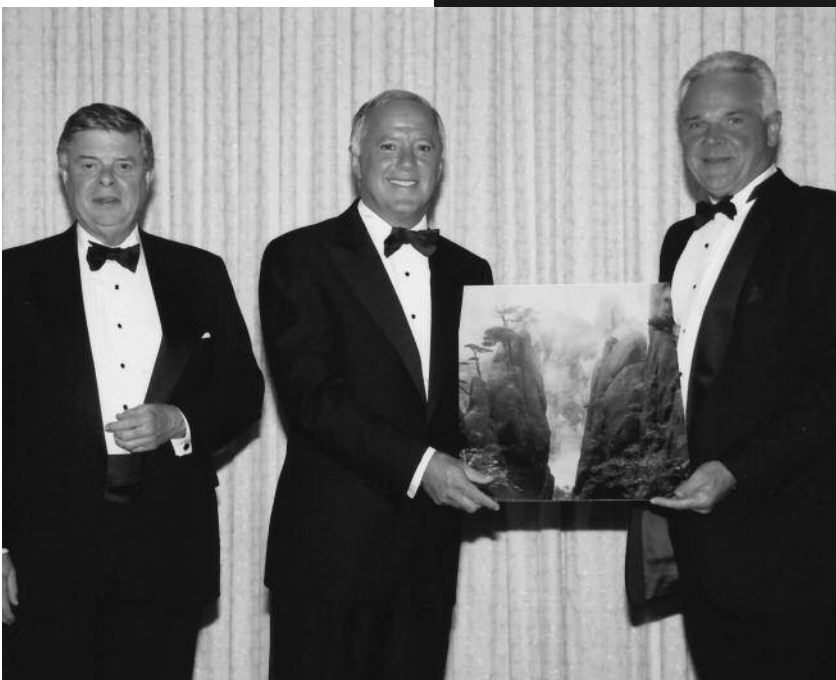
Four leaders in the fields of communications, finance and education were recognized for their outstanding contributions to U.S.-China relations at the National Committee's Gala Dinner, held on September 21 in New York City. Five hundred and fifty guests were on hand to honor Karen Elliott House, publisher of *The Wall Street Journal* and senior vice president of Dow Jones & Co., Inc; Liu Chuanzhi, chairman of Legend Holdings Limited and founder of Lenovo; Frederick W. Smith, chairman, president and chief executive officer of FedEx Corporation; and John L. Thornton, director of the Global Leadership Program at Tsinghua University and former president and co-chief operating officer of Goldman Sachs.

The honorees' professional achievements are clear indicators of the evolving scope and increasing sophistication of Sino-American relations. Karen House oversees the largest publishing staff in China of any English language newspaper and has helped establish the Chinese language *Wall Street Journal Online*. Liu Chuanzhi began his career as an engineer at the Chinese Academy of Science's Institute of Computing Technology and then became one of China's first major entrepreneurs, building the powerhouse Chinese computer company Lenovo—a name that has become more familiar to Americans since its acquisition of IBM's PC business in 2004. Fred Smith who founded and leads FedEx foresaw China's potential two decades ago and since then has contributed tremendously to China's integration in the global economy and closer U.S.-China relations. John Thornton's recognition of China's pivotal role in shaping international political and economic affairs inspired his second career as a professor at Tsinghua University training young leaders in China.

Deputy Secretary of State Robert B. Zoellick gave a major foreign policy address in which he laid out the Bush Administration's views on engaging



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Top Left: News Corp. chairman and chief executive Rupert Murdoch speaks with honoree John Thornton, professor of global leadership at Tsinghua University and chairman of the Board of Brookings Institution.

Above Right: Keynote speaker Robert B. Zoellick (right) is greeted by (left to right) Peter Kann, chairman and CEO of Dow Jones; Robert Hormats, vice chairman of Goldman Sachs; and honoree Karen Elliott House, publisher of The Wall Street Journal.

Bottom Left: Former Ambassador to China James R. Sasser and National Committee president Steve Orlins present an award to Michael Ducker, who represented FedEx leader Frederick W. Smith at the Gala.

All photos this page by: Elsa Ruiz

China as a stakeholder in the international system (see page 6). Letters of congratulation from Presidents George W. Bush and Hu Jintao were read, and we were honored to have had with us Ambassadors Zhou Wenzhong (PRC Ambassador to the United States) and Wang Guangya (PRC Ambassador to the United Nations).

This was the National Committee's most successful Gala, with more than 60 sponsoring companies supporting the event. The Committee extends its deep appreciation to honorees, directors, members, sponsors and others who generously contributed their time and resources to the Gala. ■

“Whither China? From Membership to Responsibility”

Remarks to the National Committee on U.S.-China Relations

September 21, 2005
New York City

Deputy Secretary of State Robert Zoellick's keynote address to the National Committee's Members' Gala calling for China to be a "responsible stakeholder" sparked immediate and still-continuing discussion, not just in the United States and China, but among people everywhere who are interested in the PRC's development as an influential player on the world scene. The following is a transcript of Secretary Zoellick's remarks.

Earlier this year, I had the pleasure of making the acquaintance of Mr. Zheng Bijian, chair of the China Reform Forum, who over some decades has been a counselor to China's leaders. We have spent many hours in Beijing and Washington discussing China's course of development and Sino-American relations. It has been my good fortune to get to know such a thoughtful man who has helped influence, through the Central Party School, the outlook of many officials during a time of tremendous change for China.

This month, in anticipation of President Hu's visit to the United States, Mr. Zheng published the lead article in *Foreign Affairs*, "China's 'Peaceful Rise' to Great Power Status." This evening, I would like to give you a sense of the current dialogue between the United States and China by sharing my perspective.

Some 27 years ago, Chinese leaders took a hard look at their country and didn't like what they saw. China was just emerging from the Cultural Revolution. It was desperately poor, deliberately isolated from the world economy, and opposed to nearly every international institution. Under Deng Xiaoping, as Mr. Zheng explains, China's leaders reversed course and decided "to embrace

globalization rather than detach themselves from it."

Seven U.S. presidents of both parties recognized this strategic shift and worked to integrate China as a full member of the international system. Since 1978, the United States has also encouraged China's economic development through market reforms.

Our policy has succeeded remarkably well: the dragon emerged and joined the world. Today, from the United Nations to the World Trade Organization, from agreements on ozone depletion to pacts on nuclear weapons, China is a player at the table.

And China has experienced exceptional economic growth. Whether in commodities, clothing, computers, or capital markets, China's presence is felt every day.

China is big, it is growing, and it will influence the world in the years ahead.

For the United States and the world, the essential question is – how will China use its influence?

To answer that question, it is time to take our policy beyond opening doors to China's membership into the international system: We need to urge China to become a responsible stakeholder in that system.

China has a responsibility to strengthen the international system that has enabled its success. In doing so, China could achieve the objective identified by Mr. Zheng: "to transcend the traditional ways for great powers to emerge."

As Secretary Rice has stated, the United States welcomes a confident, peaceful, and prosperous China, one that appreciates that its growth and development depends on constructive connections with the rest of the world. Indeed, we hope to intensify work with a China that not only adjusts to the international rules developed over the last century, but also joins us and others to address the challenges of the new century.

From China's perspective, it would seem that its national interest would be much better served by working with us to shape the future international system.



Deputy Secretary of State Robert B. Zoellick gives a major foreign policy address in which he laid out the Bush Administration's views on engaging China as a stakeholder in the international system.

Photo by: Elsa Ruiz

If it isn't clear why the United States should suggest a cooperative relationship with China, consider the alternatives. Picture the wide range of global challenges we face in the years ahead – terrorism and extremists exploiting Islam, the proliferation of weapons of mass destruction, poverty, disease – and ask whether it would be easier or harder to handle those problems if the United States and China were cooperating or at odds.

For fifty years, our policy was to fence in the Soviet Union while its own internal contradictions undermined it. For thirty years, our policy has been to draw out the People's Republic of China. As a result, the China of today is simply not the Soviet Union of the late 1940s:

- It does not seek to spread radical, anti-American ideologies.
- While not yet democratic, it does not see itself in a twilight conflict against democracy around the globe.
- While at times mercantilist, it does not see itself in a death struggle with capitalism.
- And most importantly, China does not believe that its future depends on overturning the fundamental order of the international system. In fact, quite the reverse: Chinese leaders have decided that their success depends on being networked with the modern world.

If the Cold War analogy does not apply, neither does the distant balance-of-power politics of 19th Century Europe. The global economy of the 21st Century is a tightly woven fabric. We are too interconnected to try to hold China at arm's length, hoping to promote other powers in Asia at its expense. Nor would the other powers hold China at bay, initiating and terminating ties based on an old model of drawing-room diplomacy. The United States seeks constructive relations with all countries that do not threaten peace and security.

So if the templates of the past do not fit, how should we view China at the dawn of the 21st century?

On both sides, there is a gulf in perceptions. The overwhelming priority of China's senior officials is to develop and modernize a China that still faces

enormous internal challenges. While proud of their accomplishments, China's leaders recognize their country's perceived weaknesses, its rural poverty, and the challenges of political and social change. Two-thirds of China's population – nearly 900 million people – are in poor rural areas, living mostly as subsistence farmers, and 200 million Chinese live on less than a dollar a day. In China, economic growth is seen as an internal imperative, not as a challenge to the United States.

Therefore, China clearly needs a benign international environment for its work at home. Of course, the Chinese expect to be treated with respect and will want to have their views and interests recognized. But China does not want a conflict with the United States.

Nevertheless, many Americans worry

...the United States welcomes a confident, peaceful, and prosperous China, one that appreciates that its growth and development depend on constructive connections with the rest of the world...

that the Chinese dragon will prove to be a fire-breather. There is a cauldron of anxiety about China.

The U.S. business community, which in the 1990s saw China as a land of opportunity, now has a more mixed assessment. Smaller companies worry about Chinese competition, rampant piracy, counterfeiting, and currency manipulation. Even larger U.S. businesses – once the backbone of support for economic engagement – are concerned that mercantilist Chinese policies will try to direct controlled markets instead of opening competitive markets. American workers wonder if they can compete.

China needs to recognize how its actions are perceived by others. China's involvement with troublesome states

indicates at best a blindness to consequences and at worst something more ominous. China's actions – combined with a lack of transparency – can create risks. Uncertainties about how China will use its power will lead the United States – and others as well – to hedge relations with China. Many countries hope China will pursue a "Peaceful Rise," but none will bet their future on it.

For example, China's rapid military modernization and increases in capabilities raise questions about the purposes of this buildup and China's lack of transparency. The recent report by the U.S. Department of Defense on China's military posture was not confrontational, although China's reaction to it was. The U.S. report described facts, including what we know about China's military, and discussed alternative scenarios. If China wants to lessen anxieties, it should openly explain its defense spending, intentions, doctrine, and military exercises.

Views about China are also shaped by its growing economic footprint. China has gained much from its membership in an open, rules-based international economic system, and the U.S. market is particularly important for China's development strategy. Many gain from this trade, including millions of U.S. farmers and workers who produce the commodities, components, and capital goods that China is so voraciously consuming.

But no other country – certainly not those of the European Union or Japan – would accept a \$162 billion bilateral trade deficit, contributing to a \$665 billion global current account deficit. China – and others that sell to China – cannot take its access to the U.S. market for granted. Protectionist pressures are growing.

China has been more open than many developing countries, but there are increasing signs of mercantilism, with policies that seek to direct markets rather than opening them. The United States will not be able to sustain an open international economic system – or domestic U.S. support for such a system – without greater cooperation from China, as a stakeholder that shares responsibility on international economic issues.

For example, a responsible major global player shouldn't tolerate rampant

continued on next page

"Whither China?...",
continued from page 7

theft of intellectual property and counterfeiting, both of which strike at the heart of America's knowledge economy. China's pledges – including a statement just last week by President Hu in New York – to crack down on the criminals who ply this trade are welcome, but the results are not yet evident. China needs to fully live up to its commitments to markets where America has a strong competitive advantage, such as in services, agriculture, and certain manufactured goods. And while China's exchange rate policy offered stability in the past, times have changed. China may have a global current account surplus this year of nearly \$150 billion, among the highest in the world. This suggests that China's recent policy adjustments are an initial step, but much more remains to be done to permit markets to adjust to imbalances. China also shares a strong interest with the United States in negotiating a successful WTO Doha agreement that opens markets and expands global growth.

China's economic growth is driving its thirst for energy. In response, China is acting as if it can somehow "lock up" energy supplies around the world. This is not a sensible path to achieving energy security. Moreover, a mercantilist strategy leads to partnerships with regimes that hurt China's reputation and lead others to question its intentions. In contrast, market strategies can lessen volatility, instability, and hoarding. China should work with the United States and others to develop diverse sources of energy, including through clean coal technology, nuclear, renewables, hydrogen, and biofuels. Our new Asia Pacific Partnership on Clean Development and Climate – as well as the bilateral dialogue conducted by the U.S. Department of Energy and China's National Development and Reform Commission – offer practical mechanisms for this cooperation. We should also encourage the opening of oil and gas production in more places around the world. We can work on energy conservation and efficiency, including through standards for the many appliances made in China. Through the IEA we can strengthen the building and management of strategic reserves. We also have a common interest in secure transport routes and security in producing countries.

All nations conduct diplomacy to

promote their national interests. Responsible stakeholders go further: They recognize that the international system sustains their peaceful prosperity, so they work to sustain that system. In its foreign policy, China has many opportunities to be a responsible stakeholder.

The most pressing opportunity is North Korea. Since hosting the Six-Party Talks at their inception in 2003, China has played a constructive role. This week we achieved a Joint Statement of Principles, with an agreement on the goal of "verifiable denuclearization of the Korean peninsula in a peaceful manner." But the hard work of implementation lies ahead, and China should share our interest in effective and comprehensive compliance.

*How to deal with
China's rising power
is a central question
in American
foreign policy.*

Moreover, the North Korea problem is about more than just the spread of dangerous weapons. Without broad economic and political reform, North Korea poses a threat to itself and others. It is time to move beyond the half century-old armistice on the Korean peninsula to a true peace, with regional security and development. A Korean peninsula without nuclear weapons opens the door to this future. Some 30 years ago America ended its war in Viet Nam. Today Viet Nam looks to the United States to help integrate it into the world market economic system so Viet Nam can improve the lives of its people. By contrast, North Korea, with a 50 year-old

cold armistice, just falls further behind.

Beijing also has a strong interest in working with us to halt the proliferation of weapons of mass destruction and missiles that can deliver them. The proliferation of danger will undermine the benign security environment and healthy international economy that China needs for its development.

China's actions on Iran's nuclear program will reveal the seriousness of China's commitment to non-proliferation. And while we welcome China's efforts to police its own behavior through new export controls on sensitive technology, we still need to see tough legal punishments for violators.

China and the United States can do more together in the global fight against terrorism. Chinese citizens have been victims of terror attacks in Pakistan and Afghanistan. China can help destroy the supply lines of global terrorism. We have made a good start by working together at the UN and searching for terrorist money in Chinese banks, but can expand our cooperation further.

China pledged \$150 million in assistance to Afghanistan, and \$25 million to Iraq. These pledges were welcome, and we look forward to their full implementation. China would build stronger ties with both through follow-on pledges. Other countries are assisting the new Iraqi government with major debt forgiveness, focusing attention on the \$7 billion in Iraqi debt still held by Chinese state companies.

On my early morning runs in Khartoum, I saw Chinese doing tai chi exercises. I suspect they were in Sudan for the oil business. But China should take more than oil from Sudan – it should take some responsibility for resolving Sudan's human crisis. It could work with the United States, the UN, and others to support the African Union's peace-keeping mission, to provide humanitarian relief to Darfur, and to promote a solution to Sudan's conflicts.

In Asia, China is already playing a larger role. The United States respects China's interests in the region, and recognizes the useful role of multilateral diplomacy in Asia. But concerns will grow if China seeks to maneuver toward a predominance of power. Instead, we should work together with ASEAN, Japan, Australia, and others for regional security and prosperity through the ASEAN Regional Forum and the Asia

Pacific Economic Cooperation forum.

China's choices about Taiwan will send an important message, too. We have made clear that our "one China" policy remains based on the three communiqués and the Taiwan Relations Act. It is important for China to resolve its differences with Taiwan peacefully.

The United States, Japan, and China will need to cooperate effectively together on both regional and global challenges. Given China's terrible losses in World War II, I appreciate the sensitivity of historical issues with Japan. But as I have told my Chinese colleagues, I have observed some sizeable gaps in China's telling of history, too. When I visited the "918" museum at the site of the 1931 "Manchurian Incident," I noted that the chronological account jumped from 1941 to the Soviet offensive against Japan in August 1945, overlooking the United States involvement in the Pacific from 1941 to 1945! Perhaps we could start to ease some misapprehensions by opening a three-way dialogue among historians.

Clearly, there are many common interests and opportunities for cooperation. But some say America's commitment to democracy will preclude long-term cooperation with China. Let me suggest why this need not be so.

Freedom lies at the heart of what America is... as a nation, we stand for what President Bush calls the non-negotiable demands of human dignity. As I have seen over the 25 years since I lived in Hong Kong, Asians have also pressed for more freedom and built many more democracies. Indeed, President Hu and Premier Wen are talking about the importance of China strengthening the rule of law and developing democratic institutions.

We do not urge the cause of freedom to weaken China. To the contrary, President Bush has stressed that the terrible experience of 9/11 has driven home that in the absence of freedom, unhealthy societies will breed deadly cancers. In his Second Inaugural, President Bush recognized that democratic institutions must reflect the values and culture of diverse societies. As he said, "Our goal... is to help others find their own voice, attain their own freedom, and make their own way."

Being born ethnically Chinese does not predispose people against democracy – just look at Taiwan's vibrant politics.

Japan and South Korea have successfully blended a Confucian heritage with modern democratic principles.

Closed politics cannot be a permanent feature of Chinese society. It is simply not sustainable – as economic growth continues, better-off Chinese will want a greater say in their future, and pressure builds for political reform:

- China has one umbrella labor union, but waves of strikes.
- A party that came to power as a movement of peasants now confronts violent rural protests, especially against corruption.
- A government with massive police powers cannot control spreading crime.

Cooperation as stakeholders will not mean the absence of differences – we will have disputes that we need to manage. But that management can take place within a larger framework where the parties recognize a shared interest in sustaining political, economic and security systems that provide common benefits.

Some in China believe they can secure the Communist Party's monopoly on power through emphasizing economic growth and heightened nationalism. This is risky and mistaken.

China needs a peaceful political transition to make its government responsible and accountable to its people. Village and grassroots elections are a start. They might be expanded – perhaps to counties and provinces – as a next step. China needs to reform its judiciary. It should open government processes to the involvement of civil society and stop harassing journalists who point out problems. China should also expand religious freedom and make real the

guarantees of rights that exist on paper – but not in practice.

Ladies and Gentlemen: How we deal with China's rising power is a central question in American foreign policy.

In China and the United States, Mr. Zheng's idea of a "peaceful rise" will spur vibrant debate. The world will look to the evidence of actions.

Tonight I have suggested that the U.S. response should be to help foster constructive action by transforming our thirty-year policy of integration: We now need to encourage China to become a responsible stakeholder in the international system. As a responsible stakeholder, China would be more than just a member – it would work with us to sustain the international system that has enabled its success.

Cooperation as stakeholders will not mean the absence of differences – we will have disputes that we need to manage. But that management can take place within a larger framework where the parties recognize a shared interest in sustaining political, economic, and security systems that provide common benefits.

To achieve this transformation of the Sino-American relationship, this Administration – and those that follow it – will need to build the foundation of support at home. That's particularly why I wanted to join you tonight. You hear the voices that perceive China solely through the lens of fear. But America succeeds when we look to the future as an opportunity, not when we fear what the future might bring. To succeed now, we will need all of you to press both the Chinese and your fellow citizens.

When President Nixon visited Beijing in 1972, our relationship with China was defined by what we were both against. Now we have the opportunity to define our relationship by what are both for.

We have many common interests with China. But relationships built only on a coincidence of interests have shallow roots. Relationships built on shared interests and shared values are deep and lasting. We can cooperate with the emerging China of today, even as we work for the democratic China of tomorrow. ■

Transcript can also be viewed at
<http://www.state.gov/s/d/rem/53682.htm>

Members Meeting Focuses on U.S.-China Security Relations

Two distinguished experts told National Committee members that increasing transparency in China's military planning would be an important step in improving U.S.-China security relations and that military-to-military relations are a significant means of reducing the misperceptions and miscalculations that can lead to conflict. Richard Lawless, undersecretary of defense for Asian and Pacific Affairs and National Committee board member Admiral Dennis Blair, president of the Institute for Defense Analyses and former commander-in-chief of the U.S. Pacific Command, shared their perspectives from inside and outside the Pentagon at the Annual Members Meeting held November 9 in New York City. Secretary of Defense Donald Rumsfeld's October trip to China and the Defense Department's July report to Congress, "The Military Power of the People's Republic of China", were the foci of Secretary Lawless and Admiral Blair in their off-the-record talk to over one hundred Committee members and friends.

During the business portion of the meeting, Chair Carla Hills and President Steve Orlins highlighted some of the National Committee's plans for the coming year. One key focus for 2006 will be increased public outreach, particularly in areas outside New York and Washington. A rapidly developing China has implications for Americans throughout the country, but programming on developments within China or in the Sino-American relationship tend to be limited to major cities. The National Committee expects to cooperate with local civic organizations in bringing China specialists to different areas of the country to address key topics.

Members elected new directors to the board of the National Committee, which met the following day (see sidebar). The Committee is also pleased to have the following directors returning to the board: Dennis C. Blair, David R. Gergen, Maurice R. Greenberg, Jamie P. Horsley, Robert A. Levinson, D. Bruce McMahan, Robert S. MacNamara, Jerome A. Cohen, David M. Lampton, and Douglas P. Murray.



Right: Undersecretary of defense for Asian and Pacific Affairs Richard Lawless (left) and president of the Institute for Defense Analyses and former commander-in-chief of the U.S. Pacific Command Admiral Dennis Blair share perspectives on China's increasing militarization.

New Board Appointments

Keith Abell

Vice-Chairman, GSC Partners. Founder and Chairman of China Interactive Media Group; Publisher of *Time Out Beijing*, *Time Out Shanghai*, *Seventeen*, among others. Former executive with The Blackstone Group, and Goldman, Sachs & Co. New York, NY

Charles W. Freeman, III

Counsel and Managing Director, China Alliance, Armstrong, Teasdale LLP. Former Assistant U.S. Trade Representative for China and aide to Senator Frank Murkowski. Washington, DC

Cheng Li

William R. Kenan Professor of Government and Chair of Asian Studies Program, Hamilton College. Non-resident Senior Fellow, The Brookings Institution. Clinton, NY

Mark A. Schulz

Executive Vice President, Ford Motor Company and President, International Operations. Dearborn, MI

John L. Thornton

Chairman, The Brookings Institution. Professor and Director, Global Leadership Program, Tsinghua University. Former President and Co-Chief Operating Officer, Goldman Sachs Group. Far Hills, NJ

With Gratitude and Wonderful Memories

by Jan Berris

Several deaths occurred in the second half of 2005 that diminished the National Committee family.

Caroline Ahmanson died in June at the age of 83. One of our most active and longest serving board members, Caroline was fascinated by China from her first visit there in 1973. Upon her return to the United States, she contacted the National Committee, offering to become involved; and she did just that, joining our Board almost immediately and serving on it for twenty years and then, after a brief hiatus, returning for another seven years. During much of that time, she was one of our vice chairmen; during all of that time, she worked energetically on behalf of the Committee – providing thoughtful advice; arranging access to key American leaders in the corporate, political and cultural worlds; helping raise funds and



contributing very generously herself; and welcoming countless Chinese visitors to her beloved Los Angeles (often waiting at the airport to greet them and waving goodbye as they departed) and to her beautiful penthouse apartment. Nothing was too large or small a task for her; and whatever she did, it was always with charm, grace, generosity, and a big smile.

The Committee was but one of many

organizations that benefited from Caroline's drive and determination. Her other major China-related work was as founder, chair and unflagging enthusiast of the Los Angeles-Guangdong Sister City Committee, but she was also a strong supporter of causes ranging from education to conservation to finance to the arts both locally and nationally. She was a board member of some of the largest companies and arts institutions in Southern California, including the Walt Disney Company (her help in getting us special treatment at Disneyland and Disneyworld made two decades of Chinese visitors very happy!) and the Ahmanson Music center, named after her late husband; she was the first woman to chair a Federal Reserve Bank; and she sat on several gubernatorial and presidential committees.

Henry Luce III died in September at the age of 80. As the elder son of the founder and editor in chief of Time, Inc., it's not surprising that Hank, as he preferred to be known, went into the news business, beginning as a correspondent for *Time* magazine and subsequently moving into administration, culminating with his service as publisher of both *Fortune* and *Time* magazines. However, it was through his devoted work with the Henry Luce Foundation that the Committee knew him best. He became president and chief executive of the Foundation in 1958 and was chairman and CEO from 1990 until 2002, when he was named chairman emeritus. The Foundation, established in 1936 with Time, Inc. stock, supports programs in Asian affairs, higher education, theology, engineering, environment, and women in science. Hank was extremely knowledgeable and very passionate about all of these areas. However, given his family's close connection with China, that was where his heart lay.

A member of the National Committee for 20 years, Hank joined the Board in 1992, serving until his death. He was conscientious about attending meetings, where he dispensed straightforward, incisive advice that challenged the Committee and his fellow board members to think carefully about the course it was charting and the best way to reach our goals. His sometimes gruff, non-sense exterior belied a compassionate, generous personality.

The Committee paid tribute to Hank at our 1993 gala that honored the Luce and Rockefeller families, and Caroline was one of five women honored at our 1995 gala. We are grateful that we had the opportunity to publicly acknowledge how much they had both done not only for the Committee, but for U.S.-China relations as well.



Patty Crowley died in November. She was 92, but the members of the many Chinese delegations she so graciously hosted for us in her home always thought she was at least 20 years younger. They could hardly believe that someone her age could be so energetic and were amazed that she lived alone (on the 88th floor of the Hancock Building with an incredible view of Chicago), single-handedly cooked them a delicious meal, engaged them in spirited discussion about a variety of political and social issues and was so active in the community.

Patty and her husband Patrick became members of the National Committee in 1973, having served as the co-chairs of the Chicago Welcoming Committee for the Shenyang Acrobats. Both were warm,

continued on next page

*Left:
Caroline Ahmanson
at a National
Committee board
meeting.*

*Above Right:
Hank Luce and
Chinese Ambassador
to the United States
Zhou Wenzhong.*



generous, gregarious people who were very active in the Catholic church (for which they were awarded a papal medal by Pope Pius XII) and in Democratic politics. They shared a love of children: they had five of their own, took in 14 foster children (adopting the last of these), and welcomed scores of foreign students and countless visitors to their home. Even after Pat died, Patty continued to open her home and heart to those who needed her. She was a board member of the Chicago Housing Authority, and served on the boards of variety of civic, religious and feminist groups. In 1985 she and a few friends founded Deborah's Place, which has become the largest private, multi-service shelter operation for homeless women in Chicago. She served on the National Committee board from 1974 to 1979 but was always available to help whenever we called.

As a Harvard Business school student, **John Diebold** wrote a paper which he later expanded into a book titled *Automation: the Advent of the Automatic Factory*, popularizing the word to the

extent that he was known to many as "Mr. Automation."

His obituary in *The New York Times* called him a visionary thinker and a prophet of high technology; he was a visionary on China as well, joining the National Committee in our early years and having the foresight to encourage his 11-year-old daughter to study Chinese.

John joined the Committee Board in 1969 and went to China with the first board delegation in November, 1972. He served for many years on the executive committee and as our treasurer, providing over two decades of sound, practical advice. He encouraged the Committee to conceptualize its work better, and his acumen and expertise in finances and management assisted in shaping the Committee's structure and efficiency. His office, his home and his Harvard club membership were always available for Committee use. He was polite and gracious: his member's file at the

The Committee was extraordinarily fortunate to have benefited from the integrity, strength, munificence, foresight and commitment of these people.

Committee is filled with brief notes, thanking various staff members for their assistance in matters large and small. We are grateful that he shared his many talents with us and we are a better organization for it.

The Committee was extraordinarily fortunate to have benefited from the integrity, strength, munificence, foresight and commitment of these four people. Between them they served on the board for 61 years, and we were privileged to have had so much of their time and attention, especially given how involved they all were with their own work, and other public service. We will miss their wise counsel, wonderful hospitality, financial generosity, and passion for China and the Chinese people.

The National Committee also lost a good Chinese friend in December – **Wang Daohan**, former mayor of Shanghai and head of the Association for Relations across the Taiwan Strait (ARATS), who died at the age of 85.

His first trip to the United States, in 1983, was at the invitation of then-San Francisco Mayor Diane Feinstein; her office asked the Committee to host the New York City portion of Mayor Wang's



visit. In 1991, he was the senior advisor to a delegation of mayors, led by then-Shanghai Mayor Zhu Rongji, that came to the States under National Committee auspices. In 1997, the Committee welcomed Mayor Wang on a 4-city private visit to this country. From 1998 to quite recently, Mayor Wang headed the Chinese team that worked with the National Committee joint Stanford-Harvard Preventive Defense Project on an annual dialogue on cross-Strait and Northeast Asia security issues.

He was a powerful force, accomplishing much both in and out of his various government positions. He will be remembered by millions for his political accomplishments and for the amazing energy and passion he devoted to Shanghai, to China as a whole and to cross-Strait issues.

We at the National Committee will remember him for those accomplishments as well, but as we were privileged to know him personally, we will also remember him for the gentle side of his nature, his courtliness, his unquenchable thirst for new knowledge, the ever-present twinkle in his eye, and his love of a good, bowl of steaming hot noodles late at night! ■

*Above Left:
Patty Crowley with
a member of the
People's Bank of
China Workshop
Delegation.*

*Right:
Wang Daohan with
General Brent
Scowcroft*

*Below Left:
John Diebold*



A. Doak Barnett Essay Contest

The annual A. Doak Barnett essay contest was established four years ago with generous donations from his family and friends.

The contest honors the founding National Committee member and former chairman by encouraging and recognizing original thinking and clear writing on Sino-American relations. It is open to American and Chinese students who are currently enrolled in a graduate program or who have received a graduate degree within the past 12 months. All students are asked to write about the same topic. This year, applicants were asked to discuss any issue of consequence in U.S. - China relations, and what might be done to address this issue.

Members of the contest's planning committee select one winner and one honorable mention each from the American and Chinese entries. This issue of Notes features the full-length essay of American winner Allison Kaufman, a Ph.D. candidate in Political Science at the University of California-Berkeley, and the abridged version of the essay of Chinese honorable mention Tao Xie, a Ph.D. candidate in Political Science at Northwestern University. In the next issue, we will publish the essay of Chinese winner Wei Han, a Master's candidate in International Relations at Tufts University, and an abridged version of American honorable mention Benjamin Hopkins, a Ph.D. candidate in Anthropology at Columbia University. All four selected essays will be published in their entirety on the National Committee website.

**FIRST PLACE-
AMERICAN**

**Allison Kaufman,
University of
California, Berkeley**

***“Talk Matters:
Misperception and
the Management
of Disagreement
in U.S.-China
Relations”***

While there are a number of areas of disagreement between the United States and China, one fundamental and ongoing issue in the bilateral relationship is the perception, and misperception, of one another's major concerns. The seriousness of this issue cannot be overlooked: existing tensions are exacerbated or calmed by the rhetoric and perceptions on each side. As an example, consider the 1999 U.S. bombing of the Chinese embassy in Belgrade. While the United States explained that the disaster was an accident and issued a public apology, many Chinese people viewed it as a deliberate attempt to violate the PRC's "sovereignty and dignity."¹ Such varied interpretations reflect long-standing misunderstandings and grievances about the intentions of the other side. These intentions remain especially clouded by the entanglement on both sides of material interests, such as trade and arms control, and value-based interests, such as human rights and national sovereignty.

Publicly, both countries often approach their concerns in terms of values – the United States emphasizing human rights and freedoms, the Chinese side

continued on next page

*A. Doak Barnett Essay Contest,
continued from page 13*

pushing for national sovereignty and the ability of states to handle domestic affairs without outside interference, while remaining convinced that the other side is merely using such talk to mask its “true” material interests. Hence, the Chinese government and popular media depict the United States as a nation seeking to maintain global hegemony and “contain” China, while one American perception is that China has expansionist aspirations.

Both sides scoff at the other’s value-based rhetoric. Policies that have directly tied value-oriented language to material interests have increased these tensions: consider the annual review of China’s Most Favored Nation (MFN) status, tied until 2000 to China’s human rights record. Although Congressional reports often showed little progress on the issues, MFN status was nonetheless renewed year after year, increasing suspicions on the Chinese side that the Congress’s main aim was to publicly humiliate China without harming U.S. trade interests. Similarly, many American observers are convinced that the Chinese government manipulates nationalistic language on issues such as the Belgrade bombing and territorial disputes with Japan, rather than understanding that these expressions of nationalism may reflect genuine concerns on the part of the Chinese government and people. The fact that such value-based discussions are muted when pressing national interests come to the fore – as with the war on terror – further heightens both sides’ sense that the other is insincere.

Yet eliminating values as a topic of discussion in U.S.-China relations will not do. These are real, substantial differences, highlighting distinct beliefs and aspirations. China indeed has a long-standing, historical grievance against other countries’ attempts to infringe on its national borders. Conversely, many American citizens and members of Congress fervently believe that it is America’s mission and duty to promote human rights around the world. To say that these beliefs are off the mark, or that they reflect unrealistic assumptions, is

beside the point. Beliefs are a real factor in international relations, and must be carefully considered in negotiating a way forward. Of course, there are some areas of disagreement that are likely to remain intractable. Nonetheless, the ability of the two sides to compromise on difficult issues is hampered by misperceptions that are, to a considerable extent, within the power of the two sides to correct.

To begin to ameliorate these misperceptions, the United States and China need to do two things: first, they must show that their beliefs are sincere rather than a hedge for material interests; and second, they must separate discussion of the two so that issues which require different solutions are not conflated. This means devising a plan that is, as one recent report put it, “long-range” and “consistent,”² rather than coming up with solutions in one sphere – trade sanctions, for instance – to solve

The problem is not just that the United States seeks an expansion of specifically-defined human rights in China, or that China seeks sanction for its protection of sovereignty in various spheres...but that both countries are suspicious of the motives of the other in pursuing these goals.

problems in the other. By maintaining a consistently strong message on value-based issues even in times of crisis, the stage is set for longer-term negotiations.

The approach of John Kamm, director of the Duihua (“Dialogue”) Foundation, is instructive in this regard. Kamm works for the release, or at least improved treatment, of persons who are viewed in the United States as Chinese political prisoners, and who represent an important element of American value-based discussions. His strategy revolves around uncovering the names of Chinese non-violent criminals from publicly available sources, inquiring after them using the names of the crimes under which they were incarcerated (e.g. endangering state security) rather than the generic and inflammatory term political prisoner, and following up with appropriate Chinese officials. By limiting his demands to specific people, by depoliticizing his concerns by focusing on improved conditions for all prisoners of

non-violent crimes rather than for a specific group of people (e.g. Christians or democracy activists), and by using the language of the Chinese government rather than of American-based human rights groups, Kamm believes that he is able to convey both his respect for Chinese concerns, and the seriousness of his commitment to human rights. By pursuing the same issue for an extended period of time, and building relationships with the Chinese government officials in charge of such affairs, he shows that he can be considered a long-term partner in these efforts.

This example suggests that trust is a vital component of improving perceptions. This trust must be built both on an individual basis – hence the importance of filling national advisory and diplomatic positions with people who have deep experience in the other country – and on an institutional level.

This suggests several interrelated strategies:

1. Value-based and material interests need to be decoupled in bilateral diplomacy. The problem is not just that the United States seeks an expansion of specifically-defined human rights in China, or that China seeks sanction for its protection of sovereignty in various spheres – goals that the other side might not support – but that both countries are suspicious of the motives of the other in pursuing these goals. One might argue that decoupling value-based from material concerns may decrease the incentives to focus on values at all, but there is little evidence to suggest that combining them has positive long-term effects. Indeed, given the tendency of both sides to tone down value-based concerns in times of crisis, separating the two sets of issues may be the only way to ensure that value-based issues remain a consistent point of discussion.

2. Leaders appealing to domestic constituencies in both countries – as they inevitably must do – need to consider alternate and possibly narrower language that will satisfy these constituencies while not unnecessarily raising hackles in the bilateral relationship. Kamm’s example is useful here: by using the Chinese terms to refer to specific crimes, he acknowledges that the Chinese

perspective differs from the American perspective, without softening his actual demands for information. Excessively generalized language can also backfire: China, for instance, has recently released its own highly publicized human rights report castigating the United States for its offenses. With a narrower focus on particular elements that concern each side, rather than a generalized (and insoluble) language of human rights or sovereignty, more actual progress may be made without risking unnecessary tensions over language that could easily be modified.

3. Leaders and policy-makers should learn to apply their labels more sparingly. Not every issue in China is a human rights violation, and not every decision against the PRC in the international arena exemplifies an attempt to infringe on China's internal affairs. This means downplaying inflammatory language where it does not apply. There are, of course, other reasons to use such language, particularly to fan the flames of domestic nationalism or other sources of regime legitimacy, which applies to both countries, but, ultimately, stimulating reactions from citizens and officials can curtail the government's ability to modify its policies at a later time, thus decreasing the possibility for substantive diplomatic progress.

4. Areas where progress has been made on value-based issues should be recognized. Censures by Congress of China's human rights violations, or China's continued insistence that the United States does not respect other nations' sovereignty, lose their power if they do not acknowledge that each side is aware of what the other has actually been doing. By pointing to positive models of desirable outcomes and giving praise for areas in which progress has been made, the two countries show a mutual respect and attention that is necessary for them to treat one another like equal partners in a crucial relationship.

Thus, both sides must learn to take each other's beliefs seriously, and to promote their own beliefs in such a way that they deserve to be taken seriously. Will decoupling values and material concerns, and narrowing the language used to discuss value-based issues, solve all the problems existing in U.S.-China relations? Of course not. There remain many substantive difficulties that require serious and continuous reflection. And, if the two countries are indeed both seeking

a larger part in international affairs, some conflict over this power balance remains inevitable. Nonetheless, beginning to repair the largely damaged perceptual relationship between the United States and the People's Republic of China is a crucial step toward productive and long-term dialogue. ■

¹Quoted in Peter Hays Gries, "Tears of Rage: Chinese Nationalist Reactions to the Belgrade Embassy Bombing," *The China Journal* 46 (July 2001), p. 32.

²"Formulating U.S. Strategies toward the 'China Challenge,'" *U.S. Institute of Peace*, http://www.usip.org/pubs/peaceworks/chen21/chap4_21.html

Abridged version of

HONORABLE MENTION- CHINESE

Tao Xie,
Tufts University

"How to Deal
with a
China-Unfriendly
Congress?"

The relationship between the United States and the People's Republic of China is arguably the most important international relationship in the world today. This relationship is a highly controversial and contentious one, involving such issues as Taiwan, Tibet, human rights, trade, and strategic rivalry. The relationship is also a fragile one that can, and has been, severely upset by domestic factors in both societies, as well

as by international forces. Consummate leadership, subtle diplomacy, and mutual understanding are required to manage this relationship.

From the Chinese perspective, Congress is the single most important domestic force in the United States that has made the management of this relationship anything but easy. Now the crucial question for the Chinese government is the following: what, if anything, can be done to deal with a China-unfriendly Congress?

First, policymakers in Beijing must have an adequate understanding of Congress' role in the formulation of China policy. Second, China must realize that in a representative democracy, the influence of constituency interests is pervasive and powerful. Third, Chinese leadership should be cautious in responding to partisan Congressional skirmishes related to China policy. Fourth, China's leaders should pay special attention to the Senate. After all, without Senate consent, no bill can become public law; and, more importantly, the Senate has more power in the foreign policy arena than the House of Representatives. Last, but not least, the Chinese leadership should avoid overreacting to congressional action on human rights and Taiwan, two areas in which Congress is most vocal. The best approaches are practical: China can admit to human rights problems while engaging in constructive talks with her American counterparts, and China can also give the benefit of the doubt to the executive branch when disputes over Taiwan arise, while at the same time speaking candidly to members of Congress – senators in particular – about her concerns.

Congress has adopted an unambiguously unfriendly stance toward China for a variety of reasons: power struggles with the executive branch, constituency interests, ideological considerations, and partisan politics. Therefore, it is imperative that the Chinese government develop strategies to manage an unfriendly Congress. In the end, Chinese policymakers must understand that whether they like it or not, Congress is a powerful force, and if China's leaders continue to ignore Congress, it is truly at their own peril. ■

*Full text available on the
National Committee website.*

The Fourth Annual Young Leaders Forum

The National Committee launched the Young Leaders Forum (YLF) in 2002 as a way of building personal and professional bridges between the next generation of leaders from the United States and China. The venue for the annual 4-day Forum alternates between the United States and China, and membership lasts for a minimum of 2 years, allowing each YLFer to attend a conference in each country.

At the fourth annual Forum in October, 2005, Fellows from the classes of 2003 through 2005 (along with a few alumni from 2002) met together in Chengdu and Jiuzhaigou, Sichuan. In this piece, Roslyn Brock, a three-year veteran of YLF (who is also the director of System Fund Development at Bon Secours Health System, as well as the youngest person and first woman to serve as vice chair of the NAACP Board of Directors), shares her observations and insights on the Forum.

“What’s Next?”

by Roslyn Brock

The October 24, 2005 cover of *Time* magazine shows Apple CEO Steve Jobs proudly holding his company’s latest technological breakthrough, the new video iPod, in visual response to the bold, block-lettered question-posed-as-a-statement displayed on the giant iMac screen hovering below him: “What’s Next.” The entire edition was devoted to exploring new developments from technology to biology and beyond.

Coincidentally, that same basic question, framed as “The Next Big

Thing,” was the theme for the fourth annual Young Leaders Forum (YLF), held October 21-25, 2005, in Chengdu and Jiuzhaigou in Sichuan Province. Similar to *Time* magazine, the Young Leaders Forum assembled a group of leaders who explored important trends and ideas of the future via panel discussions and personal exchanges. We probed, discussed, and critiqued each other’s presentations in an interactive cross-cultural laboratory that enhanced our understanding of the “The Next Big Thing” from a comparative and global perspective.

The Young Leaders Forum brings together exceptional American and Chinese leaders, age 40 and under, to stimulate dialogue, improve communication, and develop lasting friendships. The annual program is held alternatively in China and the United States. This unique social experiment, begun in 2002, continues to reap a bountiful harvest for its participants and sponsors. In 2005, the latter included The Thornton Foundation, Time Warner, Inc., Shaklee Corporation and UPS.

I was tapped as a new YLFer in 2003 and, in October of that year, made my first trip to China. I’ll never forget the early morning hike up Huang Shan or the breathtaking view from the banks of Hangzhou’s West Lake. Looking back on the ‘03 trip and its theme – “Balancing

YLFers at the 2005 Forum

2005 Fellows

Martha Aronson

Vice President, Medtronic S.A.
Tolochenaz, Switzerland

Bai Guangzhao

Vice Secretary General, Qingdao
Municipal People’s Government
Qingdao, Shandong

Vishaan Chakrabarti

Vice President, The Related Companies
New York, New York

Mark Lundstrom

CEO, BioScale, Inc.
Cambridge, Massachusetts

Andrew McLaughlin

Senior Policy Counsel, Google Inc.
New York, New York

Erik Paulsen

Majority Leader,
Minnesota House of Representatives
St. Paul, Minnesota

James Ryan

William M. Matheson and Robert M.
Morgenthau Distinguished Professor,
University of Virginia School of Law
Charlottesville, Virginia

George Steel

Executive Director, Miller Theatre,
Columbia University
New York, New York

Dacia Toll

President, Achievement First
New Haven, Connecticut

Xiang Feng

Senior Manager, Public Affair for
Greater China, UPS
Beijing

Xu Zhiyong

Founder, The Open Constitution
Initiative; Lecturer of Law, University
of Post and Telecommunications
Beijing

Yu Rongjun

Playwright and Director of
Programming and Marketing,
Shanghai Dramatic Arts Centre
Shanghai

Zhang Yong

Deputy Chief for Economic Policy
Research, Policy Research Office,
Zhejiang Provincial Government
Hangzhou, Zhejiang

Zhu Yongzhong

Founder and Director, Sanchuan
Development Association
Xining, Qinghai



Change and Tradition” – I realized that I gained a new appreciation for the challenges associated with change in a growing social and political economy. My recollection of China was a country full of activity and promise. Cars, bicycles and people walking crowded busy narrow streets in the business districts. In rural communities, new structures sprang from the earth symbolizing prosperity and hope. On this return trip to China in 2005, I noticed many new developments in the country, as well as a sense of pride in the air that Beijing would be hosting the 2008 Summer Olympics.

For “The Next Big Thing,” Fellows were asked to share their thoughts on future innovations and trends based upon their professional or personal expertise in one of six areas: Health, Medicine & Science; Technology; Art & Design; Business & Finance; Government; and Civil Society. Following our first breakfast in Chengdu, we got right down to substance. I was selected to be the team leader for the Health, Medicine and Science Panel that included Martha Aronson, vice president of Medtronic Europe; Roger Barnett, chairman and CEO of the Shaklee Corporation; Hu

Kanping, editor of *Green China Times*; and Dr. Adam Kaplin, assistant professor of psychiatry at Johns Hopkins University. Together, we undertook the difficult task of trying to engage a diverse group of leaders in a discussion of where healthcare, mental health, pharmaceuticals, medical devices, even folk remedies, are heading next. Based on the lively discussion that ensued, even from the jet-lagged Americans, the 2005 YLF was off to a good start.

The remaining four panel groups led discussions over the next two days that were equally interesting, informative and often quite spirited. A few highlights: As part of the What’s Next in Technology discussion, Mark Lundstrom, a technology entrepreneur and CEO at BioScale, Inc., gave a riveting presentation on how his company has used nanotechnology to develop the world’s most sensitive scales, capable of measuring cells, proteins, and other molecules. Tang Haisong, founder and CEO of eTang.com, followed with a discussion of what’s next on the Web, quickly getting less Web-savvy YLFers up-to-date on Google maps, Flickr.com, blogging tools, and their Chinese online equivalents.

The Civil Society panel, headlined by 2005 Fellows Zhu Yongzhong, founder and director of the Sanchuan

*Above Left:
2005 YLFers (and
some Tibetan
performers) at the
farewell dinner in
Jiuzhaigou, Sichuan.*

continued on next page

2004 Fellows

Angela Chao

Senior Vice President,
Foremost Maritime Corporation
New York, New York

Hu Kanping

Founder and Editor,
Green China Times
Beijing

Adam Kaplin

Assistant Professor of Psychiatry,
Department of Psychiatry and
Behavioral Sciences, Johns Hopkins
University School of Medicine
Baltimore, Maryland

Tang Haisong

Founder and CEO, etang
Shanghai

2003 Fellows

Roger Barnett

Chairman and CEO, Shaklee Corp.
Pleasanton, California

Roslyn Brock

Director, Fund Development,
Bon Secours Health System, Inc.;
Vice Chair, NAACP
Marriottsville, Maryland

Du Chang-ping

Vice Mayor, Fuyang
Fuyang, Anhui

Stephan Fowlkes

Visual Artist and Educator
Brooklyn, New York

Gabrielle Giffords

Arizona State Senator
Managing Partner,
Giffords Capital Management

Tucson, Arizona

Alexandra Harney

South China Correspondent,
Financial Times
Hong Kong

Mark Kelly

Astronaut, National Aeronautics and
Space Agency (NASA)
Houston, Texas

Li Hong

Partner, Concord and Partners
Law Offices
Shanghai

William Wechsler

Vice President, Greenwich Associates
Greenwich, Connecticut

Weng Ling

Director, Shanghai Gallery of Art,
Three On The Bund
Shanghai

*Young Leaders Forum,
continued from page 17*

Development Association in Qinghai, and Dacia Toll, president of Achievement First, shared lessons learned in addressing the range of educational needs of children from impoverished communities. Later in the day, Vishaan Chakrabarti, vice president of The Related Companies, and Will Wechsler, vice president at Greenwich Associates, engaged in an interesting cross-panel political debate about the implications of space and density in large-scale urban development projects.

An important element of YLF is the opportunity to experience indigenous culture and natural environments in the host country. Our time in Sichuan Province was peppered with activities that enhanced our understanding of China's natural and historical resources as well as its economic growth. One was the breeding farm of Ren Xuping, a peasant entrepreneur known as the Rabbit King, whose hard work and assistance from Heifer International, an NGO that helps families achieve sustainable livelihood and provides training and economic assistance to communities, has made him a multi-millionaire. Another was the incredible beauty of the Jiuzhaigou

Nature Reserve, one of China's most impressive national parks, where we enjoyed not only pristine natural settings, but performances from residents of one of the nine Tibetan villages in the valley.

There are so many terrific memories that I could describe. One of the most memorable was the farewell dinner. After the formal entertainment of Tibetan songs and dances ended (and a bit of "social lubricant" had been applied), I was particularly struck by how the entire

On the walk up the mountain, Mayor of Fuyang Du Chang-ping said, "So Rosalyn, tell me about this woman you call Rosa Parks."

group continued to bond together through music and singing. It was amazing to witness how the Americans and Chinese separated into their respective corners and huddled together to ask each other, "What's Next? What will we sing?" in a sort of "American Idol" type frenzy. 2003 Fellow Fuyang Vice

Mayor Du Changping led the Chinese delegation in singing Chinese revolutionary songs. Although I could not understand the words she sang, I felt the energy and passion that gave rise to each song. Her rhythmic voice told the story of struggle and progress for the citizens of her country. In contrast, Americans sang "Swing Low, Sweet Chariot," chock full with dramatizations and emphasis on 'swing low.' "What's Next?" The Chinese delegation sang "Do-Re-Mi" from the Sound of Music in perfect harmony. The Americans applauded wildly and joined in the singing. And to our delight, the Tibetan performers returned (after duties to the other patrons were fulfilled) to join in the fun. Finally, after two hours of songs that spanned every genre of Chinese and American music, we all stood together, locked arm-in-arm and raised our collective voice to sing "Auld Lang Syne." What a powerful testament to share with the world about strengthening alliances and enhancing communication in our global village. Our time together was enhanced by our ability to put aside differences and seek a common understanding around issues that were important to us. Despite language barriers, as well as cultural traditions and political ideologies, a relative group of strangers became true friends in the course of only a handful of days.

For me, the most memorable experience of my three years as a YLFeer took place during this year's extension trip. Civil Rights icon Rosa Parks had died the day before and her picture was on the front page of the *China Daily*. On the walk up the mountain to view the immense Leshan Buddha, Mayor Du took me by the arm and said, "So Rosalyn, tell me about this woman you call Rosa Parks." For her to ask me that question, and for me to be able to share something so meaningful to me, was an intense, affirming and gratifying moment that captures the essence of the Young Leaders Forum and the bridges that it can build.

The memory of this final gathering will linger in the minds of all who participated in this year's YLF as they contemplate "What's Next" for 2006. ■



YLFers on the Huanglong extension trip: (front, left to right) Zhang Yong, Xiang Feng, Gabrielle Giffords, Mark Kelly (back, left to right) Yu Rongjun, Erik Paulsen, Zhu Yongzhong, Stephan Fowlkes.

National Committee Educational Exchanges



For over two decades, the National Committee has worked with the U.S. Department of Education and the Chinese Ministry of Education to carry out the terms of the Memorandum of Understanding that governs education exchanges between the two countries. Each year, the Committee sends American high school and college educators to China under the Fulbright-Hays Seminars Abroad program and the Ministry of Education sends two delegations to the United States. Generally, the latter two cover different topics; in 2005, however, both focused on public higher education.

The spring 2005 delegation from China, while interested in many educational management and finance issues, was particularly eager to learn about the relationship between academic institutions and local economic development and how each influences and supports the other. The 12-member delegation was in the States June 4-18. It

comprised university presidents and officials from provincial level education bureaus in western China (Gansu, Guizhou, Inner Mongolia, Ningxia, Qinghai, Shaanxi, and Xinjiang) as well as two Ministry officials. The Ministry specifically requested that the group not spend time on either coast, preferring instead areas of the United States that would be somewhat analogous to western China and the delegation members' home cities. We therefore arranged a brief stop in Washington, D.C., and then spent the bulk of the time in Brownsville, Texas (University of Texas at Brownsville and Texas Southmost College); Athens and Atlanta, Georgia (University of Georgia, Georgia State University, Georgia Institute of Technology, Kennesaw State University); and Missoula, Montana (University of Montana).

We were fortunate to have several terrific hosts. One of them was Dr. Jose Martin, alumnus of the June 2004 Special

Fulbright-Hays Summer Seminar to China for Leaders of Minority Serving Institutions and provost of the University of Texas at Brownsville and Texas Southmost College (see Notes, Winter/Spring 2005, p. 18). He arranged a broad array of briefings and meetings at development sites that work closely with the college, such as the International Technology, Education and Commerce Campus, a former failing shopping center purchased by the university several years ago. It now serves as a site for traditional classroom-based courses, a center for distance learning, a host for a business incubator, and a landlord for commercial and non-profit tenants of enterprises with innovative and educational components.

The group had the opportunity to spend time at a wide array of economic enterprises with university ties or university offices with local economic links such as a lab at the University of Georgia dedicated to genetic engineering of crops grown on nearby farms, and a startup company in Athens that uses the results of university stem cell research in seeking a cure for diabetes.

Serendipitous moment: The president of UT Brownsville and Texas Southmost College welcomed the delegation at a lunch. One of the guests, a faculty member, had been a Fulbright lecturer in Xiamen five years earlier. It turns out that during her travels in China, she had been hosted by our delegation leader, An Chunren, and his wife in Yinchuan (Ningxia). She presented the surprised Mr. An with photographs from their first meeting.

The second delegation visited the United States from October 17 to 29. Once again, the group consisted of higher education leaders from western China (Chongqing, Guangxi, Ningxia, Qinghai, Shaanxi, Sichuan, Xinjiang, and Yunnan) and Ministry officials. Its focus was federal and state government oversight and financing of public higher education. Thus, the schedule included public research universities, four-year colleges, and community colleges, as well as briefings by officials at the U.S. Department of Education, state legislatures, and state commissions on

*Left:
Fall Education
Delegation after
meeting the director of
the St. Michael-
Albertville
Community
Education Center in
Minnesota*

*National Committee Educational Exchanges,
continued from page 19*

higher education in Boston, Washington, D.C., Minneapolis-St. Paul, and the San Francisco Bay Area. We are particularly grateful to Majority Leader of the Minnesota House of Representatives and National Committee Young Leaders Forum member Erik Paulsen for his assistance in arranging excellent meetings with state agencies. The group also heard from representatives of several NGOs working on education policy including the National Governors Association, the New America Foundation, and the Carnegie Foundation for the Advancement of Teaching.

The theme for this year's Fulbright-Hays Seminar Abroad to China (June 27-July 31) was "Tradition and Transformation"; lectures and site visits during the four-week program emphasized China's history and culture, and addressed the major social, economic and political changes in contemporary China. The sixteen participants from around the United States first went to Beijing for two weeks of lectures and complementary site visits, and then on to Xi'an, Kunming, and Shanghai.

The National Committee offers participants the chance to add several days in Hong Kong to the end of the trip, with generous support from an anonymous donor and partial payment by the participants themselves; all but two of the Fulbrighters took advantage of the opportunity.

For all of these programs, we are grateful to individuals and institutions for their assistance, both programmatic and financial: the many hosts, the U.S. Department of Education and the Chinese Ministry of Education, the China Education Association for International Exchange, the Hong Kong Information Services Department and National Committee member Gerald Postiglione. ■

U.S.-China Labor Law Cooperation Project



The delegation of Chinese labor contract law drafters, after a meeting with the California State Senate Labor Committee in Sacramento.

Under a contract from the U. S. Department of Labor, the National Committee and its two consortium partners – The Asia Foundation and Worldwide Strategies, Inc. – are working with the Ministry of Labor and Social Security (MOLSS) on a multi-year effort to assist the Chinese government in its efforts to strengthen protection of workers' rights and to comply with internationally recognized labor standards. Now into the second year of the program, the Committee's most recent efforts have focused on labor contract legislation. This article describes several of these activities.

First introduced in the mid-80s, China's labor contract system theoretically provides a legal mechanism for establishing employment relationships and all attendant rights and obligations of the parties, as well as a mutually agreed basis for protecting the lawful rights of the employees. However, because of the country's accelerating economic restructuring and large-scale rural-urban

migration, labor is both cheap and abundant, and workers often have little bargaining power. In practice, less than 20 percent of non-State-owned enterprises use labor contracts; those that do, have contracts that are either boilerplate or focus mostly on employee obligations, thus affording workers scant protection.

Against this background, the Chinese Government is considering legislation regulating the labor contract system. The final draft of the Labor Contract Law, after many rounds of revisions and consultations spearheaded by the MOLSS and the Legislative Affairs Office of the State Council, was formally submitted to the Standing Committee of the National People's Congress for deliberation in December 2005.

The National Committee convened the Labor Contract Law Drafting Workshop in Beijing in early June of 2005. During the two-day workshop, the Chinese drafters were able to collectively assess the most recent version of the draft

law and hash out some of the most controversial or toughest issues, including the coverage of the draft law and determination of the existence of employment relationships, termination of labor contracts, and part-time employment and the regulation of labor dispatching practices.

They also considered the extensive commentary on the draft of two international experts: Mr. John Fraser, a former Department of Labor Wage and Hour administrator, and Dr. Alan Neal, a University of Warwick law professor, senior judge before the International Labor Organization and the chairman of Employment Tribunals, brought excellent comparative perspectives to the discussion. The breadth and depth of their comments, as well as their degree of familiarity with the draft law and China's 1994 Labor Law, deeply impressed the Chinese participants. According to the post-Workshop evaluations, the two provided alternative perspectives and approaches that had not been previously considered.

In July, the National Committee brought a group of ten senior labor officials to the United States for two weeks of training and information exchange. Representing the MOLSS, the State Council, the National People's Congress and several provincial and municipal labor and social security bureaus in China, most of them were involved in drafting China's new Labor Contract Law, and half of them had attended the drafting workshop.

They had the opportunity to hear briefings from and exchange views with officials at the DOL, the National Labor Relations Board, the Federal Mediation and Conciliation Services, as well as state labor agencies and legislative committees in Michigan and California. Lectures and discussions were held with experts at academic institutions (law schools at the University of Michigan and UCLA), labor leaders (the president of Michigan's AFL-CIO) and public interest advocates from non-governmental organizations (The Legal Aid Society), professionals at employment agencies and attorneys from employment and labor law firms.

It was immediately apparent to the delegation members that the U.S. system is very different from that of China. For example, China has no central legislation on labor contract at all. With the New

Deal era enactment of the National Labor Relations Act, Fair Labor Standards Act and other legislation and regulations, employment and labor relations are the most regulated aspects of the U.S. economy. Still, "employment at will"—absent even in the U.K.'s common law system—is the operating principle in the United States where none of the laws and regulations apply. At a day-long seminar in Ann Arbor, Prof. Ted St. Antoine of the University of Michigan School of Law, who chairs the National Conference of Commissioners on Uniform State Laws, discussed the Uniform Law Commissioners' Model Employment Termination Act that he led in drafting. He also made a persuasive case for the concept of "just cause termination,"

...the delegates were also concerned with a much larger, almost philosophical question: how to strike the balance between protecting workers' rights and maintaining robust economic growth and growth in the labor market.

which incorporates the best scholarship from the United States and is far more palatable to the Chinese than the at-will employment concept.

Besides specific provisions of the draft law, the delegates were also concerned with a much larger, almost philosophical question: how to strike the balance between protecting workers' rights and maintaining robust economic growth and growth in labor market. Protection of individual workers' rights provided the impetus for the drafting of the Labor Contract Law; however, absorbing unemployed workers in urban areas and surplus labor from the country in the labor market is considered by the Chinese leadership to be crucial for maintaining social stability, and the leadership rests its claim to legitimacy on maintaining fast economic growth. This issue was the elephant in the room during most of the meetings and discussions and we made an

effort to expose the group to different viewpoints and perspectives on this and other issues.

In November, four Chinese labor officials (one each from MOLSS, the Shanghai and Yunnan labor bureaus, and the National People's Congress) came to the United States for month-long study placements. The goal was to help the Chinese participants develop an understanding of labor-related laws and regulations and the processes by which they are drafted and enacted in the United States.

The program began with a week-long orientation in Washington, D.C. This included lectures and site visits that provided an overview of labor laws and regulations in the United States and different aspects of the labor legislation and rule-making process. The group also had opportunities to meet with Labor Department and other government officials, congressional staffers, academics, NGO representatives and trade union staff involved with regulatory issues.

Each of the four then spent the next three weeks based at a host U.S. institution/agency specializing in labor related issues. Two participants were placed at the California Labor and Workforce Development Agency, the labor agency for the State of California. California Labor Secretary Victoria Bradshaw assigned Assistant Secretary of Labor Jaime Fall as their mentor; he turned out to not only be a wonderful professional mentor, but also graciously offered to host two participants in his own home. The other two were placed at the Institute for Legislative Practice at the McGeorge School of Law, University of the Pacific, with Prof. Frank Wang of the Wang Family Foundation as their mentor. He, too, was a conscientious mentor and generous with his time. Prof. Wang and Mr. Fall often worked together to arrange many professional and personal activities that helped the four visitors make the most of their time in the States. All four had the rare opportunity to participate in two high-profile, joint federal-state labor sweeps; assisted in various tasks assigned to them; and studied labor laws, regulations and the labor legislation process in the United States, including the roles played by nongovernmental entities such as academic, corporate, policy, legal and labor institutions. ■

Not Your Grandmother's Trip

by *Sonia Lahr-Pastor*

Since 2004, the National Committee has selected twelve U.S. Presidential Scholars (a designation annually conferred upon 141 American graduating high school seniors nationwide by the U.S. Department of Education; see <http://www.ed.gov/programs/pspl> for more) to participate in the annual U.S.-China Student Leaders Exchange. Sonia Lahr-Pastor, an SLE 2005 participant, is completing her freshman year at the University of Chicago, where she is taking courses in psychology and biography, calculus, Babylonian knowledge, and, as a result of the experience last summer, Chinese environment. Sonia shares her impressions of China in the following essay.

In the polite society of yesteryear, fairly well-to-do young ladies often spoke nonchalantly about going abroad. One went, of course, to 'the continent,' to sunny Italy or regal France or even, if the lady was adventurous, to Spain. The journey stopped there. When the young lady returned home to her parents' drawing room and pianoforte, all that would remain of the trip were a few bad sketches of cypress trees, a tendency to compare everything to some street in Prague, and a few new dresses in the latest style. After some months, the subject would be tiresome, the dresses out of date, and the lady in question, probably married and settled in as mistress of a house, would stop trotting out her stories of the continent.

China was not meant for such travel. Leaving my hometown at the tender hour of 4 a.m., I was in San Francisco by noon and ready to catch the daily flight that connects San Francisco and Beijing. The rest of the group was already there, a slightly nervous bunch of 18-year-olds that laughed and chattered like dinner guests trying to keep up a conversation. We had met in Washington a month before at our

China orientation and hit it off, bonding instantly over sudden rainstorms, M&Ms picked up with chopsticks, Chinese words, lectures, movies, and other such trifles. But would the connection be strong enough to last two weeks in a very foreign land? The conversation held a tinge of nervousness as well as of anticipation.

Stepping off the plane in Beijing was like landing on the threshold of another world. Everything was familiar, but subtly changed. It's hard to identify exactly what caused the Beijing airport to feel different from all others: maybe the cut of the clothes, or the feel of the building, or the sticky touch of smoke and pollution that reached us even there, at 4:20 p.m. on what had been a cool (!), 95-degree day. For three or four days, we worked to get our stomachs back and our sleep schedule

under control as we tried to puzzle out exactly what this China we had landed in truly was. We walked through ancient sites, asked probing questions of our host siblings, talked with each other, walked, laughed, ate meal after humongous meal, and excitedly delved into the world around us.

I was fascinated by the ease with which I adapted to this foreign rhythm of life. The cups of tea at meetings, the Beijing subways, the early bedtimes and even earlier awakenings, the niceties, the key phrases in Chinese, the toasts, the American music we remembered from middle school—everything belonged to some alternate register, a framework of life quite different from our own. The days were a blur, but we felt secure: we had each other, and in the capable hands of National Committee staffers Jon Lowet and Margot Landman, and China

Education Association for International Exchange staffer Shen Xuesong, we never felt abandoned. A certain amount of space is needed to think, as is a bit of loneliness, but there was always

the chatter of the group, the jokes among friends, the bargaining in pidgin Chinese, the singing in falsetto, and a thousand other memories and stories that built off each other until the group was truly a unit, a group of friends that

Stepping off the plane in Beijing was like landing on the threshold of another world.

Right: Ross Leavitt having fun with students at an elementary school outside of Qufu, Shandong





sticks together even now, months after returning home and beginning college.

My host sibling in Xi'an was named Gan Lu, or Honeydew, after the bowl that the Chinese god holds in his hands to cure the sick. She spoke only broken English and maintained girlish, laughing propriety at all times. We went shopping, took pictures of me in Chinese dress, and talked about my family. By day, as I visited Xi'an's Grand Mosque and terra cotta warriors, I grew even closer to my companions, building on conversations and moments shared during those first few carefree days. Gan Lu watched amusedly, laughing at us from time to time, but generally curious and sympathetic. Then, inexplicably, she would close up again, a shy, beautiful clam with dark eye-lashes and a pearly grin. Xi'an both enthralled and terrified me, a fascinating remnant of a China that had not fully shifted to the West. I was in the first capital, home of Qin Shi Huang, source of the empire, and felt alone.

Qufu came next. Having been caught a bit off-guard by Xi'an, I refrained from making predictions and, instead, approached Qufu as a blank slate. However, it was there that the entire trip began to make sense, as I

was just comfortable enough to think, but uncomfortable enough to have things to think about. After the gentle introduction of Beijing and the shock of Xi'an, Qufu was the perfect middle ground, a place filled with things I didn't understand but could accept.

Just enough things were familiar: the overly hasty tour guides, my group of friends, Xuesong and Jon, the squat toilets, the formalities, the family meals, the excursions, the idle purchases, the pictures, the jokes, and all of the other details that we would later use to remember just what China was like. My friends became my

friends for life, my thoughts became meaningful, and I realized that I would not return home as the same person I was before I left.

A few hurtles still remained before testing that realization. Re-

turning to Beijing for the final three days of the trip, there was a clear sense of looking homewards as we prepared feverishly for our appearance on CCTV-2. Debating a panel of top Chinese students on national television was exciting and nerve-wracking – especially for Americans who were about as far from home turf as an American student can get without leaving the planet – and we were glad to compare their opinions with our own.

During the rest of our time in Beijing, we visited a cooking school, walked around Tian'anmen Square, watched people lined up to see Mao's tomb, and tried to accept the inevitable goodbye that was waiting just around the corner.

But the true highlight of those last rushed days was the Great Wall. Much as I had heard about the famous structure, I was unprepared for the way it rose and fell, a dragon's thin spine running along the crest of hills that separated China from the ancient outside world. Whisked upwards in a cable car, I could only grip the handles in amazement as the ground fell away and I teetered on what felt like the edge of the world.

In a sense, that was what the entire trip had been like: a glorious view that started from the safety of the valley floor but then quickly gave way to something greater, something closer to the edge, something unfamiliar and even slightly dangerous. Riding up on flimsy cables spun from our fragmented *pinyin* and our knowledge of tea, we were whisked away from the ground where we had stood before and glimpsed something new: the other side of the fence, the other side of the Wall, the other side of the world. Perhaps that was the purpose of the trip, and as I raced up a stretch of the Wall, I realized that, perhaps, we had seen the future. ■



Top Left:
Felicity Lenes tries her hand at Chinese calligraphy at the Beijing Children's Palace.

Bottom Right:
Dylan Mathieu gets an impromptu *chru* lesson from a student at the Beijing Children's Palace.

Public Intellectuals Program Inaugural Conference



*A discussion with
Assistant Secretary of
State Christopher Hill
and Director of
Policy Planning
Stephen Krasner*

The first meeting of the National Committee's Public Intellectuals Program (PIP) Fellows was held in Washington, D.C., September 22-27.

Generously funded by The Henry Luce Foundation and the Starr Foundation, PIP has two major goals: 1) to help instill greater breadth in the younger generation

of China scholars and forge deeper connections among those in different disciplines, and 2) to encourage promising China specialists to play significant roles as public intellectuals and equip them with the tools to do so. As a corollary, through a series of interlocking and mutually reinforcing programs aimed to fulfill the above goals, PIP will help upgrade the quality of American public understanding of China by strengthening links among U.S. academics, policymakers, and opinion leaders.

The first 20-member class of PIP Fellows was selected last May from a very competitive pool of 126 applicants. (See below for a complete list and our website for full bios of the Fellows.) Our hard-working Academic Advisory Committee (John Berninghausen (Language, Middlebury College), Timothy Cheek (History, University of British Columbia), Tom Gold (Sociology, University of California, Berkeley), Cheng Li (Political Science, Hamilton College), Barry Naughton (Economics, University of California, San Diego), Alan Romberg (retired Foreign Service officer), Anne Thurston (History, SAIS, Johns Hopkins University) and Ezra Vogel (Sociology, Harvard University) selected a class impressive not just in its knowledge of China, but in its gender, geographic, institutional, and disciplinary diversity as well.

2005-2007 PIP Fellows

Dr. Allen Carlson

Assistant Professor of Government,
Cornell University

Dr. Mark Frazier

Luce Assistant Professor of East Asian
Political Economy & Assistant Professor
of Government,
Lawrence University

Dr. Mary Gallagher

Assistant Professor of Political Science,
University of Michigan

Dr. Ann Huss

Assistant Professor of Modern Chinese
Literature and Language,
Wellesley College

Dr. Jan Kiely

Assistant Professor of History and
Asian Studies,
Furman University

Dr. Helen McCabe

Assistant Professor of Education
& Affiliated Faculty of Asian
Languages and Cultures,
Hobart and William Smith Colleges

Dr. Evan S. Medeiros

Political Scientist,
The RAND Corporation

Dr. James Millward

Associate Professor of History,
Georgetown University

Ms. Allison Moore

China Resident Representative,
Asia Law Initiative,
American Bar Association

Dr. Jonathan S. Noble

Visiting Assistant Professor of East Asian
Languages and Literatures,
University of Notre Dame

The September meeting was designed to give the Fellows an overview of the D.C.-based China policy community and introduce them to its key players. In five jam-packed days, they had meetings on Capitol Hill, at the National Security Council, the State Department, and the two Congressionally-mandated committees on China; discussions with officials in the intelligence community and in Commerce and USTR, as well as think tank representatives, the media, lobbyists, and academics; media training; and, equally important, opportunities to learn from each other through panels led by Fellows and constant informal discussion.

All of the meetings and discussions were productive and candid, and the Committee was pleased that the policy community recognized the importance of providing access and time to the next generation of China-related public intellectuals. In fact, as other China watchers buzzed with questions about what being a “stakeholder” would mean for China, our PIP Fellows received clarification straight from Deputy Secretary of State Robert Zoellick, who, having delivered a major policy address at the Committee’s gala several nights before (see page 6), spent 40 minutes with the group.

Though the schedule left little free time, it was not filled exclusively with

work. The afternoon of media training included a mock television interview activity in which each Fellow simulated a live interview in front of everyone else. The mix of serious and lighthearted questions and the witty answers had everyone laughing while learning. On Sunday night, the Fellows relaxed and bonded over a crab dinner at the scenic and historic Potomac Boat Club.

The success of the meeting is best expressed by the participants themselves:

Ed Steinfeld, (PIP Fellow) –

“Thanks so much for making our first PIP meeting such a smashing success. Heading into the conference, I didn’t really know what to expect, particularly since the program was new and, frankly, different from the standard academic fare. Heading out five days later, I couldn’t believe how fantastic it had all been, how comprehensive, and again, frankly, how different from the standard academic fare! ... This sort of thing is unfortunately rare in academia, and especially across disciplines. Having the opportunity to be part of this group is great for each of us individually, but also great – I believe – for the overall mission of better informing broader audiences and public policy about China.

Kellee Tsai (PIP Fellow) –

“I returned to the ivory tower with a sense of responsibility for clarifying the

misconceptions of China that we have heard, and just as importantly, I’m grateful that I had a chance to meet and learn from the other Fellows.”

John Berninghausen (PIP advisor) –

“It was a most stimulating session and has launched something that I believe could turn out to be historic in the continuation of the best side of our China studies profession.”



This spring, our focus is on various other aspects of the PIP project: primarily public education outreach programs at the regional and local levels, organized by individual fellows themselves and/or in conjunction with community organizations. We are also preparing for the first PIP delegation to China this June. ■

Above Right: Steve Orlins with PIP Fellows Mark Frazier (center) and Jim Millward (right) at the Potomac Boat Club.

Dr. David Pietz

Assistant Professor of History,
Washington State University

Dr. Phillip C. Saunders

Senior Research Professor,
Institute for National Strategic Studies,
National Defense University

Dr. Kristin Stapleton

Associate Professor of History,
University of Kentucky

Dr. Edward Steinfeld

Associate Professor of Political Science,
Massachusetts Institute of Technology

Dr. Kellee Tsai

Assistant Professor of Political Science,
Johns Hopkins University

Dr. Joseph Tucker

Internal Medicine Resident,
University of California San Francisco

Dr. Wang Hongying

Associate Professor of Political Science,
Maxwell School of Public Policy,
Syracuse University

Dr. Susan H. Whiting

Associate Professor of Political Science
& Adjunct Associate Professor
of International Studies,
University of Washington

Dr. Wu Weiping

Associate Professor of Urban Studies,
Geography, and Planning,
Virginia Commonwealth University

Roslyn Brock

Director, Fund Development,
Bon Secours Health System, Inc.;
Vice Chair, NAACP
Marriottsville, Maryland

Dr. Yang Hong

Associate Professor
of Environmental Studies,
Bryant University

Members' Bookshelf

The following are reviews of books authored by National Committee members over the past year. For an expanded Members' Bookshelf dating back to 2000, please visit our website. Committee members who have additions to the web listings and/or submissions for the next edition of NOTES may contact info@ncuscr.org

Merchants of Zigong: Industrial Entrepreneurship in Early Modern China

Madeleine Zelin
Columbia University Press

In this book, Madeleine Zelin of Columbia University recounts the history of the salt industry in Zigong and provides insight into the forces and institutions that shaped Chinese economic and social development. She details the novel ways in which Zigong merchants mobilized capital through financial-industrial networks and describes how entrepreneurs spurred growth by developing new technologies, capturing markets, and building integrated business organizations. Without the state establishing and enforcing rules, Zigong businessmen were free to regulate themselves, utilize contracts, and shape their industry. However, this freedom came at a price, and ultimately the merchants suffered from the underdevelopment of a transportation infrastructure, the political instability of early-twentieth-century China, and the absence of a legislative forum to develop and codify business practices. Zelin's analysis of the political and economic contexts that allowed for the rise and fall of the salt industry also considers why its success did not contribute to "industrial takeoff" during that period in China. Based on extensive research, Zelin's work offers a comprehensive study of the growth of a major Chinese industry and resituates the history of Chinese business within the larger story of worldwide industrial development.

Danger Strait: The U.S.-Taiwan-China Crisis

Edited by Nancy Bernkopf Tucker
Columbia University Press

This book is a compilation of six essays presented by seven esteemed scholars at a 2003 State Department workshop. Prof. Shelly Rigger (Davidson College), Prof. Stephen Philips (Towson University), Dr. Richard Bush (The Brookings Institution), Prof. T.J. Cheng (College of William and Mary), Dr. Michael D.

Swaine (Carnegie Endowment), and Dr. Michael S. Chase (RAND) are the authors. They contextualize the U.S.-Taiwan-China status quo with an explanation of Taiwanese electoral politics, an historical overview of how independence movements have shaped Taiwan's identity, analysis of Lee Teng-hui's actions toward China, a case study of Sino-Taiwanese economic ties, and a critique of Taiwanese defense and military issues. These essays create a comprehensive picture of the current situation. The book concludes with Professor Nancy Tucker's essay arguing for strategic ambiguity over clarity in U.S. diplomatic involvement in Taiwan.

Bridging Minds Across the Pacific: U.S.-China Educational Exchanges, 1978-2003

Cheng Li
Lexington Books

One aspect of Deng Xiaoping's Reform Era was the surprisingly large number of Chinese students who were able to go abroad, particularly to America, for graduate education. Over the course of the following quarter-century, educational exchanges at all levels between China and the United States have flourished and have had far reaching impact. The phenomenon was examined at a November 2003 international conference at Shanghai's Fudan University.

Cheng Li, the William R. Kenan Professor of Government at Hamilton College and a National Committee board member, has selected nine papers from the conference for inclusion in his book, *Bridging Minds Across the Pacific: U.S.-China Educational Exchanges, 1978-2003*. The papers, over half of which were written by National Committee members, address the development of these educational exchanges, how they have affected the Chinese educational system, issues presently confronting the exchanges, and the challenges that will affect Chinese educators and policymakers in the future. Dr. Li and his colleagues offer important insights into U.S.-China relations by looking at the far-reaching dynamics of these exchanges.

U.S. Foreign Policy Colloquium

The U.S. Foreign Policy Colloquium is designed to help Chinese graduate students better understand the complex forces that influence and shape American foreign policy. Our partner in this exciting program is the Elliott School of International Affairs at The George Washington University. The Coca-Cola Company has generously funded the colloquium for the past three years. One hundred fifty PRC graduate students in a variety of disciplines from universities throughout the United States, come to Washington, D.C. for a three-day program of interaction with current and former Administration officials, members of Congress, and representatives from academia, the military, think tanks, the media, and lobbying groups.

The fourth session of the FPC will take place from June 7 to 10, 2006. These photos and unedited comments are from our 2005 U.S. Foreign Policy Colloquium.

“From the honest ideas and presentations of our speakers, I—for the first time—entered into another policy world. I began to try to look at China-U.S. relations not only from the Chinese government’s point of view, but also from the standing points of the States. Thank you very much.”

“I hope as a result of the colloquium not only the students get ideas/knowledge about U.S. foreign policy through listening to the lectures/speeches from U.S. officials and scholars alike but the latter can listen attentively to what Chinese students who are the future elite of China and will shape China’s foreign policy in a big way think of America.”



A participant asks a question following the keynote address by Ambassador Sasser at the opening night of FPC 2005.

“I think the FPC program is a good channel for ordinary Chinese students to learn about the U.S. foreign policy making process. The best thing is it provides to participants plenty opportunity to exchange ideas with panelists. The forum of the colloquium is a good way to convey the idea that communication is indeed important.”

“We deeply appreciate this opportunity to gain knowledge about U.S. foreign policy. I believe many of the participants will bring what we heard, what we learned and what we saw back to China and play a positive and influential role in improving the relationship between China and the U.S. on the future political stage in the world. Please witness what we can do! We see, we hear, we think, so we’ll know, and then, we will do!” ■



FPC participants with Dr. Arnold Kantor, The Honorable Paula Dobriansky, and Dr. Barry Bosworth.



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The National Committee on United States-China Relations

*Message from the President,
continued from page 3*

democracy movements on the one hand and the government and business community on the other to be striking. We had meetings with Martin Lee and the leaders of the democracy movement, Financial Secretary Henry Tang, the Chief Judge of Hong Kong's High Court, the business community, and the former Hong Kong Chief Executive C.H. Tung.

All three Congressmen were well-prepared, focused and diplomatic throughout the entire trip. They came with a specific agenda and sought to have the Chinese announce during their visit small improvements in U.S.-China relations in the fields of intellectual property rights and space cooperation. The trip was extremely worthwhile and very much appreciated by all: the Congressmen were deeply

impressed with the substance and variety of the program we arranged and our Chinese interlocutors uniformly emphasized what an important role the NCUSCR was playing by sponsoring and arranging the trip. The intensive program underscored for us the point that direct contact is a potent means of educating the U.S. Congress. ■

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