Statement of Daniel J. Kritenbrink Acting Deputy Assistant Secretary of State Bureau of East Asian and Pacific Affairs Before the U.S.-China Economic & Security Review Commission April 13, 2011

Commissioner Bartholomew, Commissioner Brookes, thank you for inviting me here today to discuss U.S. policy toward the People's Republic of China (PRC). As is well known, the United States is committed to pursuing a positive, cooperative, and comprehensive relationship with China that is grounded in reality, focused on results, and true to our principles and interests. We welcome a strong, prosperous, and successful China that plays a greater role in world affairs, and we are committed to working with China and the international community on critical global issues. Moreover, we believe that a strong U.S.-China relationship serves to bolster stability and security in the Asia-Pacific region.

At the same time, we have no illusions about the many obstacles to our cooperation and the many differences that continue to exist between us. While we have made progress in some important areas, it is clear that much more needs to be done. As Secretary Clinton has said, "You cannot build a relationship on aspirations alone." We therefore are engaging with the Chinese leadership to emphasize the steps we believe are necessary to bring us closer to our shared goals of regional stability and increased prosperity.

U.S.-China Relationship

I would first like to comment generally on the U.S. approach to China. Contrary to claims by some commentators, the United States is not attempting to contain or counter China's rise. Our approach to China is multifaceted. We encourage China to play a greater role internationally in ways supportive of international development and stability – and in ways consistent with prevailing international rules, norms and institutions. As others have noted, U.S. global influence and our active presence in East Asia have, in fact, helped create the stable environment for China's remarkable economic transformation of the past few decades. The United States has a strong interest in continuing its tradition of economic and strategic leadership, and Asia has a strong interest in the United States remaining a dynamic economic partner and a stabilizing military influence.

The United States is an Asia-Pacific power, and there should be no doubt about our commitment to defending U.S. interests and values in the region. But while the United States and China will inevitably have differences from time to time, it is far from pre-ordained that China's rise should lead to conflict. As Secretary Clinton has stated, in the 21st century, it does not make sense to apply zero-sum theories of how major powers interact. We need new ways of understanding the shifting dynamics of an increasingly complex international landscape – a landscape marked by emerging centers of influence, but also by nontraditional, even non-state actors, and the unprecedented challenges and opportunities created by globalization. We believe this is especially applicable to the U.S-China relationship.

As Secretary Clinton outlined in her January 14 speech, one important element of our policy is to work with allies and partners in Asia to foster a regional environment in which China's rise is a source of prosperity and stability for the entire region. Or, as some others have said, to get China right, you have to get the region right. By practicing what Secretary Clinton has called "forward-deployed diplomacy," the United States has expanded its presence in the region, beginning by renewing and strengthening bonds with our allies and partners in the region.

At the same time, we have strengthened our engagement and cooperation with regional and multilateral fora, which we believe contributes to regional stability and prosperity. The Obama Administration has made a renewed effort to expand our engagement with institutions such as the Association of Southeast Asian Nations (ASEAN), the ASEAN Regional Forum, the ASEAN Defense Ministers' Meeting Plus, and the East Asia Summit, which President Obama will attend later this fall in Indonesia. This engagement is important both because of the centrality of the issues of Asia to our own security and prosperity, and because of the region's increasingly global significance. The engagement with ASEAN member states is important in its own right, but these multilateral institutions also offer a unique opportunity for cooperation with China. Having ASEAN at the center of each of these institutions should allow us to more effectively promote cooperation and innovative solutions to problems.

A second critical element of our policy is focused on building bilateral trust with China. We need to form habits of cooperation and respect that help us work together more effectively and weather disagreements when they do arise. The most notable of these efforts is the Strategic and Economic Dialogue, or S&ED, a "whole of government" dialogue with participation from hundreds of experts from dozens of agencies across both of our governments. The goal of these meetings is not only to discuss an unprecedented range of subjects, but as Secretary Clinton has said, "to inculcate that ethic or habit of cooperation across our two governments." We look forward to hosting our Chinese counterparts at the next round of this dialogue in May in Washington.

The United States engages in broad outreach to all elements of Chinese government and society as part of our effort to gain greater trust and understanding. This is all part of what Secretary Clinton has described as "a steady effort over time to expand the areas where we cooperate and to narrow the areas where we diverge, while holding firm to our respective values." This approach includes building a healthy, stable, continuous, and reliable military-to-military relationship, which President Obama and President Hu have affirmed is an essential part of their shared vision for a positive, cooperative, and comprehensive U.S.-China relationship. The two leaders have also agreed to expand people-to-people exchanges between our countries and emphasized the importance of continued interaction between our legislatures, including institutionalized exchanges between the National People's Congress of China and the U.S. Senate and House of Representatives. We have also developed ways to expand the ties between our governments at the sub-national level, including through launching the U.S.-China Governors Forum. This broad interaction with Chinese society will be increasingly important as the PRC leadership turns over in 2012 and a new group of civilian and military officials assume power.

This sort of bilateral engagement also involves managing issues over which we have significant differences. For example, on Taiwan, we have been encouraged by the progress between the Mainland and Taiwan in terms of greater dialogue and economic cooperation. At the same time, however, our approach continues to be guided by our one China policy based on the three Joint Communiqués and the Taiwan Relations Act (TRA). We frequently reiterate that, while we encourage greater dialogue and exchange between the two sides, we also seek a reduction in PRC military deployments, and remain committed to meeting our responsibilities under the TRA.

We also continue to have significant differences over human rights. As Secretary Clinton stated on April 8 in releasing the 2010 Country Reports on Human Rights Practices, we remain deeply concerned about continuing reports that, since February, dozens of people, including public interest lawyers, writers, artists, intellectuals, and activists have been arbitrarily detained and arrested. We continue to urge China to release all of those who have been detained for exercising their internationally recognized right to free expression and to respect the fundamental freedoms and human rights of all of the citizens of China. Promotion of human rights will remain an essential element of U.S. foreign policy, and we will continue to raise human rights in our meetings with Chinese officials, including at the next round of our bilateral human rights dialogue.

A third critical element of our policy toward China is expanding our cooperation with China to address common global and regional challenges, ranging from Iran and North Korea to climate change and economic growth. Through the S&ED and other regular bilateral engagement, as well as through work in international and other fora, we intend to continue expanding to the maximum extent possible our practical cooperation with China to meet a range of common global interests. I plan to expand on these efforts further below.

China's Diplomacy

At this point, I would like to turn to addressing some of the specific questions on China's foreign policy that the Commission would like to explore in this hearing and that will also provide an opportunity to expand on U.S.-China cooperation to deal with common global challenges that I mentioned above. In our view, China's foreign policy continues to be driven primarily by its desire to sustain its economic growth and maintain social and political stability at home. As part of this effort, China has sought to develop a wide range of relationships with regional and rising powers, as well as traditional world powers. At the same time, China has used its growing role in global affairs to enhance its diplomatic stature.

China has played an important role in the diplomatic efforts to address the threat posed by Iran's nuclear program. We have been pleased with the unity that China and other P5+1 partners have maintained in our negotiations with Iran, and we continue to jointly insist that Iran comply with its international obligations. We worked closely with China to pass UN Security Council resolution 1929 last June, which placed tough new sanctions on Iran. We have called upon China to ensure that this resolution is fully implemented and to take additional steps to restrict any new economic activity with Iran that might provide support to its nuclear program. Iran's nuclear program was a key topic of President Obama's talks with President Hu, and it was the also the focus of several senior-level meetings with the Chinese in the lead-up to President Hu's visit. China reiterated during the State visit that it is committed to implementing UN Security Council Resolution 1929 and other

resolutions on Iran fully and faithfully. We welcome that assurance and look forward to continuing to consult with China on these subjects.

China has also been an important diplomatic player on North Korea (the Democratic People's Republic of Korea, or DPRK), including playing a central role as chair of the Six-Party talks, and has repeatedly stated that it shares our goal of a denuclearized Korean Peninsula. We have worked closely with China in recent years to pass UN Security Council Resolutions 1718 and 1874, which imposed additional sanctions against the DPRK and called for the international community to take steps to curb DPRK proliferation activities. The United States is committed to standing with our allies the Republic of Korea (ROK) and Japan in the face of North Korea's threats. Our alliance was exemplified in the historic December 2010 U.S.-Japan-ROK Trilateral Ministerial in which the three ministers affirmed that a DPRK threat to one of the countries will be met by solidarity from all three nations.

Our ability to work together on North Korea is an important sign that we can cooperate to address issues of common concern. We expect China to use its close relationship with North Korea to persuade the DPRK regime to cease its reckless behavior. President Obama discussed North Korea with President Hu, during Hu's state visit in January. In their joint statement, the two Presidents sent an important signal to North Korea and the region that U.S. and China agree on the critical importance of maintaining peace and stability on the Korean Peninsula, the need for sincere and constructive inter-Korean dialogue, and the crucial importance of denuclearization of the Peninsula. China also took the important step of expressing concern regarding the DPRK's claimed uranium enrichment program. We urge China to press North Korea to take appropriate steps to improve relations with South Korea, to denuclearize, and to abide by its international commitments and obligations. We also continue to work with China on full and transparent enforcement of sanctions against North Korea adopted by the Security Council.

Regarding Russia, in the face of China's remarkable economic growth of the past decades, Russia's main exports to China, energy and raw materials, are rising rapidly. The countries share many overlapping interests and have cooperated on political and economic matters as BRIC nations and permanent members of the UN Security Council and the Shanghai Cooperation Organization. The United States engages closely with both China and Russia on a range of issues including the challenges posed by North Korea and Iran. We look forward to continued cooperation on important multilateral issues such as nonproliferation, arms control, counter-terrorism, and regional security.

China in recent years has also been active in pursuing what it sees as its maritime rights. The United States has made clear our views on the principles of freedom of navigation. As Secretary Clinton stated at the ASEAN Regional Forum in Hanoi last year, the United States has enduring national interests in the South China Sea, including continued peace and stability and respect for international law, as well as freedom of navigation and unimpeded lawful commerce. We oppose the use of force or threat of force by any claimant to advance its claim. While the United States does not take sides on the competing territorial disputes over land features in the South China Sea, the United States supports a collaborative diplomatic process by the claimants for addressing the territorial disputes.

Like the United States and our allies, China appears to have been watching closely recent developments in the Middle East and North Africa. China has a strong interest in protecting its citizens in the region and ensuring that crucial energy supply lines are maintained. Nevertheless, we are concerned that China's reaction to these events has caused it to take harsh measures to silence political debate. Over the past few weeks, as Secretary Clinton stated last Friday, we have seen a large number of forced disappearances, extralegal detentions, and arrests and convictions of human rights activists, artists, writers, and lawyers, as well as tightened restrictions on foreign journalists. We have repeatedly raised our concerns with Chinese officials and urged them to end this crackdown. And we will continue to make our position clear publicly and privately.

The United States respects China's extraordinary achievements in economic reform and in lifting hundreds of millions out of poverty in the past 30 years. During the recent visit of President Hu, President Obama emphasized our belief that human rights are essential to building a stronger, more prosperous and resilient society. For instance, freedom of expression fosters the open exchange of ideas that is essential to economic innovation and productivity. An effective legal system can protect citizens' property and guarantee that inventors can profit from their ideas. And a robust civil society can help to ensure that citizens' concerns about everyday issues like food safety, the environment, and urban development are addressed. All societies benefit from the free exchange of ideas, and all governments benefit from the feedback of their citizens.

Conclusion

In closing, I would like to reiterate that our engagement with China is part of a wider strategy that seeks to reaffirm the United States' commitment to the AsiaPacific region and encourage China to reach its full potential as partner in addressing global issues. President Obama has underscored that "the rise of a strong, prosperous China can be a source of strength for the community of nations," and clearly this is a bilateral relationship of critical importance to the United States, and to China.

Thank you for inviting me to testify today. I welcome your questions.