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Declaring that U.S.-China relations are at a "critical juncture," the Obama administration said Friday it wanted to deepen its economic and security ties with Asia's emerging superpower but urged it to embrace political reform and respect human rights.

In speeches and in briefings, administration officials set the stage Friday for Chinese President Hu Jintao's state visit next week with a mix of blunt talk, optimism and even a hint of gratitude as they described the complex relationship between the two giant economic rivals.

Hu's visit comes as the United States looks to China to become a stabilizing economic and strategic force that benefits both Washington and Beijing. It also comes in the face of domestic mistrust in the U.S. and China over each country's intentions. Hu's three-day visit starts Tuesday and will include a full state dinner at the White House. It is seen as important in setting the tone for a relationship that has been strained over U.S. claims that China's currency has been undervalued and the secrecy in its military buildup. China has been angered by U.S. arms sales to Taiwan and its support of the Tibetan spiritual leader, the Dalai Lama.

"History teaches us that the rise of new powers often ushers in periods of conflict and uncertainty," Secretary of State Hillary Clinton said Friday. "Indeed, on both sides of the Pacific, we do see trepidation about the rise of China and the future of the U.S.-China relationship. We both have much more to gain from cooperation than from conflict."

But Clinton also sharply pointed to China's human rights record and called for the release of jailed Chinese dissidents, including Nobel Peace Prize winner Liu Xiaobo, who was prevented from attending the Dec. 10 prize ceremony in the Norwegian capital.

She said that as long as China represses freedoms, "Liu Xiaobo's empty chair in Oslo will remain a symbol of a great nation's unrealized potential and unfulfilled promise." Still, the top issues for Hu and Obama center on the economy and security.

The administration has walked a fine line on economic issues, eager to tamp down domestic worries that a huge trade deficit with China represents a threat to U.S. workers while assuring China it is not interested in constraining its growth. Treasury Secretary Timothy Geithner, in a speech this week, said both countries can benefit from economic growth.

On Friday at the White House, Geithner stressed that economic ties between Beijing and Washington mean China will likely become the largest trading partner of the United States in the next decade. Canada is currently the top trading partner. "It's very important to understand that this is a relationship with very substantial economic benefits to the United States," Geithner told reporters at the White House.

The U.S. has been pressing the Chinese to raise the value of the yuan, a step the Chinese have taken incrementally since last June. But Geithner said Chinese inflation has also helped improve the competitiveness of American businesses in China. What's more, the U.S. wants China to take specific steps to end theft of technology and so-called "intellectual property" that is costing American businesses billions of dollars. It also wants an end to preferential treatment for Chinese businesses that are shutting out some U.S. corporations from the Chinese market. Geithner's message to China is that those changes are in their best interests.

Underscoring the political pressure facing the administration, two lawmakers on Friday began circulating a letter calling on Obama to demand that the Chinese abide by World Trade Organization agreements and stop manipulating its currency and subsidizing industries. "The PRC must stop cheating to compete and start playing by the rules of international commerce," said Rep. Thaddeus McCotter, R-Mich., who initiated the effort with Rep. Mike Michaud, D-Maine.

U.S. officials also hope China begins to shift to more domestic consumption, thus reducing the pressure to export its products and create trade imbalances. But consumption in China is low, in part because it doesn't have a broad-based health care or pension safety net. "The reason it relies on exports is because they don't have demand," said Robert Shapiro, a Commerce Department undersecretary during the Clinton administration.

On security matters, the United States is looking for a sweet spot between its unease over a rapid build-up of the Chinese military and its desire to have China as an intermediary in controlling North Korea's nuclear programs and reining in North Korea's belligerent behavior toward South Korea. The U.S. also needs Chinese support to increase pressure on Iran, as China is a U.N. Security Council member.

In what was broadly seen as a bit of muscle flexing, China this week conducted a flight test of its new J-20 stealth fighter in time for a meeting between Defense Secretary Robert Gates and Hu. Nevertheless, Gates said that efforts to begin mending relations between the two militaries had been fruitful and that Chinese military leaders were open to broader engagement between the two nations.

Obama will emphasize China's role as a brake to North Korea's aggressions and nuclear ambitions. But the administration wants to signal to China that its interest in containing North Korea is not simply out of strategic concern for the region, but out of concern that North Korean intercontinental ballistic missiles could ultimately pose a direct threat to the United States.

Gates raised that concern while in China and Victor Cha, director of Asian affairs under President George W. Bush's National Security Council, said that represented a change in the way the United States was discussing North Korea. "It's also a change that conveys to China how serious this issue is for the United States now," Cha said.

Indeed, Obama national security adviser Tom Donilon said that recognition by China was responsible in part for China's "efforts to lean on North Korea with respect to taking down their provocative acts, and to advocate quite directly for talks between the North and the South." Still, administration officials lowered expectations for major breakthroughs during the meeting, noting that Obama has not based the relationship with China on big, high-profile summits. This will be Obama's eighth face-to-face meeting with Hu over the past two years.

Donilon said the president has preferred a diplomatic approach based on intensive and frequent engagement designed to yield results over time. "That really doesn't lend itself to every time you meet having some sort of announcement of so-called deliverables," Donilon said. "What it does lend itself to, though, is identifying a set of issues that are important to both countries and continuing to work on them and to play the long haul on each of these things, and to try to get real results over time."