

From the President...

As I reflect on the 15th year at the U.S.-China Policy Foundation (USCPF) and on the state of Sino-American relations in general, I want to share a few thoughts with you.

It is hard to believe that it has been 15 years since I co-founded the USCPF with Ambassadors John H. Holdridge, Arthur Hummel, Jr., and James Sasser. We came together only a few years after the tragedy of Tiananmen Square, agreeing that disagreements between our nations continued to be exacerbated by misunderstandings and misperceptions. The USCPF was founded to ensure the improvement of Sino-American relations by promoting cooperation and understanding between the United States and China.

In January 2009, I was honored to accept an invitation from the Chinese government to participate in commemorating the 30th anniversary of the normalization of diplomatic relations between the United States and China. I joined such luminaries as former President Jimmy Carter and former Secretary of State Henry Kissinger to discuss the progress of the last 30 years, and to contemplate the direction for future engagement. The celebrations showed how far our nations have come, and I am so proud of the USCPF's contribution. I am grateful to have played an active part in improving the ties between these two countries, and look forward to continuing to facilitate the growth of this vital relationship.

First, I must express my gratitude to all who support the Foundation in its mission to improve understanding between the U.S. and China. The USCPF is especially grateful for the support of both the Starr Foundation and the Freeman Foundation, whose support has been fundamental to our ongoing projects.

I am also proud to share that we have greatly increased the number of Chinese organizations sponsoring the Foundation. This signals a commitment on both sides of the Pacific to strive for improved relations, with China as an active stakeholder. We are proud of the diversity of our sponsors and feel that it uniquely positions the USCPF to act as a balanced player in the Sino-American dialogue.

I would like to extend my personal thanks to our 2009 sponsors: AAR Corporation, Agricultural Bank of China, AmGen, Bank of China, New York Branch, Bank of Communications, Barbara Franklin Enterprises, China Construction America Inc., China Telecom USA Corporation, the Coca-Cola Company, Dr. Robert Kapp, FedEx, Golden Eagle International Group, the Hershey Company, Hong Kong Economic and Trade Office, J.R. Simplot Co., Perot Systems, Sun Kian IP Group, W.I. Harper Group, and Wal-mart Stores.

On behalf of the Foundation, I wish to express our sincere appreciation to all of these organizations for their generosity.

It is only through their support that the Foundation is able to continue its efforts to promote Sino-American cooperation.

Due to the continued support of the Freeman Foundation, USCPF successfully conducted its annual Policymakers Seminar and Trip to China, leading a ten-day delegation of bipartisan congressional staff to China in April 2009. Consisting primarily of congressional chiefs of staff, the delegation traveled to Beijing and Shanghai, as well as through the rural provinces of Inner Mongolia and Gansu.



Dr. Chi Wang
President & Co-Chair
The U.S.-China Policy Foundation

Through programs such as the Policymakers Seminar and Trip to China, the Foundation is able to make a tangible contribution to U.S.-China relations. Upon completion of the program, participants apply their newly acquired knowledge to their work making policy recommendations to our nation's legislators. We feel programs such as Policymakers are necessary to educate congressional staffers and members of congress about China so they can make informed decisions.

2009 saw an exciting addition to USCPF's Executive Board. In March, the Hon. Clark T. Randt, Jr. joined the Foundation's board after completing his tenure as the longest-serving United States Ambassador to the People's Republic of China. Amb. Randt's experience with China spans over 30 years, encompassing a wide range of both governmental and private sector roles. The USCPF is proud to welcome him, and we look forward to his guidance as we continue to expand our programs.

The mission of the USCPF continues to be vital. International developments over the last 18 months have demonstrated that China will continue to play a critical role in the global environment. However, while the U.S.-China relationship has made remarkable progress since 1979, Sino-American mutual understanding still lags behind current political, economic and social developments. As we celebrate this significant milestone for our organization, we look forward to continuing our substantial contributions to encouraging a strong bilateral relationship based on mutual respect and understanding. I am confident the Foundation is up to the challenge.

A handwritten signature in black ink, appearing to read 'Chi Wang' with a stylized flourish at the end.

Chi Wang, Ph.D.
President and Co-Chair
United-States China Policy Foundation

Front Cover Image: Military parade marking the 60th anniversary of the founding of the PRC. The image is property of the China Daily Post.

Program Report

Policymakers Chiefs of Staff Trip to China 2009

In early April, the USCPF led a ten-day delegation of bipartisan congressional staff to China. Consisting primarily of congressional chiefs of staff, the delegation was hosted in China by the Chinese People's Institute of Foreign Affairs (CPIFA). During their time in China, participants visited both the highly urbanized and economically developed cities of Beijing and Shanghai as well as the rural provinces of Inner Mongolia and Gansu. These visits to diverse areas of China allowed delegates to witness the dramatic economic growth that has taken place in many of China's municipalities, while also observing the significant demand for development that remains in China's rural provinces.

In Beijing, the delegation met with representatives from the U.S. Embassy in Beijing, the Chinese Ministries of Foreign Affairs and Commerce, and the National People's Congress. In addition, they visited sites of cultural and historical importance such as the Great Wall and the Forbidden City. Following their time in Beijing, participants traveled to Hohhot, the capital of Inner Mongolia and visited with local ethnic minorities and representatives of the local government. Next, the delegation continued on to Gansu province where they visited cultural sites in the cities of Jiayuguan and Dunhuang and met with members of the local government. In Shanghai, the final city visited during the trip, participants met with the U.S. deputy consul general and representatives from the Shanghai Municipal Government and the Pudong New Area Government and visited the World Expo 2010 site.

Not only did participants enjoy their time in China, but also, upon their return to the United States, they have begun applying their newly acquired knowledge to their work advising members of Congress on policy regarding China.



Policy makers visit Dunhuang in Gansu Province



Policymakers meet with ethnic minorities in Inner Mongolia

Policymakers Trip Participants

Angela Evans

Deputy Director, Congressional Research Service

Huck Gutman, PhD

Chief of Staff, Sen. Bernie Sanders (I - VT)

Beth Jafari

Chief of Staff, Sen. John Cornyn (R - TX)

Maura Keefe

Chief of Staff, Sen. Jeanne Shaheen (D - NH)

David McKean

Majority Staff Director, U.S. Senate Committee on
Foreign Relations

Lisa Quigley

Chief of Staff, Rep. Jim Cooper (D - TN)

Amanda Renteria

Chief of Staff, Sen. Debbie Stabenow (D - MI)

John Sandy

Chief of Staff, Sen. James E. Risch (R - ID)

Ryan Thompson

Chief of Staff Sen. James Inhofe (R - OK)

Conference in Commemoration of the 30th Anniversary of the Establishment of Diplomatic Relations Between China and the United States



Premier Wen Jiabao meets USCPF President and Chair Chi Wang in the Purple Light Pavilion (Ziguangge) in the Zhongnanhai complex.

On January 12–13, 2009, the U.S.-China Policy Foundation (USCPF) participated in a two-day conference in Beijing to commemorate the 30th anniversary of the normalization of diplomatic relations between the China and the United States. This event, which was sponsored by the Chinese People's Institute of Foreign Affairs, the Kissinger Institute on China and the United States, and co-sponsored by the National Committee on U.S.-China Relations, was attended by senior government officials and scholars from both countries.

Included among the conference participants were former U.S. President Jimmy Carter, who presided over the 1978 establishment of normalized relations, and former National Security Advisor Zbigniew Brzezinski, whose diplomatic efforts were instrumental in achieving normalization. Dr. Chi Wang, USCPF president and co-chair, and Dr. Ernestine Wang, USCPF director of programs, represented the Foundation at the conference.

The conference began with opening remarks from President Carter and former Chinese Vice Premier Qian Qichen. Several prominent foreign policy actors addressed the participants during the event's keynote session: Dr. Brzezinski and former Chinese State Councilor Tang Jiaxuan remarked on the changing strategic significance of normalization of Sino-American relations; former U.S.

Secretary of State Henry Kissinger, former National Security Advisor Brent Scowcroft, and Li Zhaoxing, honorary president of CPIFA, spoke about the major experience of the steady development of Sino-American relations over the past thirty years and its global relevance; Clark Randt, Ambassador to China, and He Yafei, Chinese Vice Foreign Minister, delivered remarks on behalf of their respective governments. Additional discussion sessions were held over the course of the conference to address prospects of Sino-American relations and suggestions for the future development of bilateral ties.

Other featured events during the two days included a luncheon hosted by Amb. Clark Randt at the American Embassy in Beijing, a commemorative banquet in the Great Hall of the People hosted by Vice President Xi Jinping and Vice Premier Li Keqiang, and a breakfast hosted by the American Chamber of Commerce in China and the U.S.-China Business Council.

In celebration of the 60th anniversary of the founding of the PRC, the Chinese government invited a small group of U.S. persons who were instrumental in normalizing U.S.-China relations to meet with Chinese Premier Wen Jiabao at the Purple Light Pavilion in Zhongnanhai. Among the honored guests included were President Carter, Dr. Henry Kissinger, Dr. Zbigniew Brzezinski, General Brent Snowcroft, Amb. Winston Lord, Amb. James Sasser, former Gov. Gary Locke, and Dr. Chi Wang. Meeting Chinese Premier Wen Jiabao, dining as honored guests in the Great Hall of the People, and witnessing the immense pride that buoyed the celebratory parade in Tiananmen Square made this a most memorable event for the delegation.



USCPF Honorary Chairman Maruce R. Greenberg and USCPF President and Chair Chi Wang lead the American delegation as they leave the Purple Light Pavilion after meeting with Premier Wen Jiabao.

Dinner Honoring Vice Premier Wang Qishan and State Councilor Dai Bingguo



USCPF Chairman Chi Wang greets Secretary of State Hillary R. Clinton. (Photo by Kaveh Sardari)

The U.S.-China Policy Foundation was delighted to co-host a dinner honoring Chinese Vice Premier Wang Qishan and State Councilor Dai Bingguo during their visit to Washington, DC for the Strategic and Economic Dialogue. The event was held at the Ritz-Carlton Hotel in Washington, DC on Tuesday, July 28, 2009.

Addressing an audience of some 600 Chinese and American government officials, corporate executives and scholars, Vice Premier Wang and State Councilor Dai made remarks on the current state of U.S.-China relations, specifically addressing the challenges and opportunities for bilateral cooperation between both countries on a wide range of strategic issues.

In his remarks, Vice Premier Wang vowed to continue to work to enhance China-U.S. ties, explaining that the two countries have no other choice but to cooperate. Since history has shown that only those that embraced the historical trend will prosper, both nations need to embrace the trend of developing China-U.S. relations and push the bilateral ties to higher levels, Wang said.

State Councilor Dai emphasized the need for both sides to treat each other with a positive attitude while continuing to build mutual trust. Dai observed that China is not only an indispensable part of global security, but also a crucial engine that provides opportunities for world development. "Generally, as far as China-U.S. relations are concerned, we need to maintain each other's core interests and maintain

the long-term stability of our bilateral relationship," he said.

In addition to Vice Premier Wang and State Councilor Dai, Secretary of State Hillary Rodham Clinton and Secretary of the Treasury Timothy Geithner also spoke at the dinner. Secretary Clinton called the dialogue "unprecedented" in the history of the U.S.-China relations, saying it has laid the foundation for a comprehensive bilateral relationship that can meet the biggest global challenges in the 21st century.

Secretary Geithner said China has undertaken a "remarkably ambitious set of reforms" to help its economy move forward from the global financial crisis and recession and called for the U.S. to get on a more "sustainable" footing. He praised Wang, his Chinese counterpart, as a "pragmatic person," a "troubleshooter" and a "firefighter" who tackles hard problems and finds a solution.

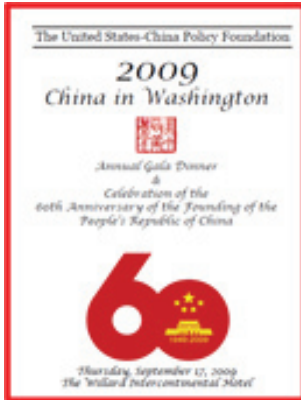
Former Secretary of State and USCPF Honorary Advisor Dr. Henry A. Kissinger also offered remarks on the progress of U.S.-China relations over the past 40 years and the challenges that lie ahead. Kissinger predicted the dialogue would serve to initiate an "extraordinary creative experience" for Sino-American relations.

Organizations joining the USCPF as co-hosts for the event included: the US-China Business Council; the National Committee on U.S.-China Relations; the United States Chamber of Commerce; American-China Forum; the Brookings Institution; the Center for Strategic and International Studies; the Committee of 100; the Council on Foreign Relations; China Chamber of Commerce in the USA; China-U.S. Exchange Foundation; Hong Kong Phoenix Satellite Television; the Financial Services Forum; and the Peterson Institute for International Economics.



State Councilor Dai Bingguo, Vice Premier Wang Qishan, Secretary of State Hillary Clinton and Secretary of the Treasury Timothy Geithner pose before the dinner.

China in Washington 2009: USCPF Annual Gala Dinner



The U.S.-China Policy Foundation (USCPF) held our 2009 Annual Gala Dinner on Thursday, September 17, from 7pm-9pm at the Willard InterContinental Hotel in downtown Washington, DC, and celebrated nearly 15 years of promoting better Sino-American relations. This year's event was of particular significance as we marked the 60th anniversary of the founding of the People's Republic of China.

The Honorable James Sasser, former ambassador to China and USCPF co-chair, presided over the evening's events, welcoming the Foundation's guests and introducing His Excellency Zhou Wenzhong, ambassador from the People's Republic of China, who spoke briefly about Sino-American relations and the significance of the 60th anniversary of the founding of the People's Republic of China.

More than 300 members of the business, academic, and government communities joined us at this year's celebration; including members of Congress, senior U.S. government officials, senior staff of the Chinese embassy, and other leading figures in U.S.-China relations. A number of Chinese officials and leading business executives were also present to celebrate the anniversary of the PRC.

This year, the gala also served to honor three members of the American business community who have made significant contributions to the development of Sino-American relations.

The recipient of the Global Business Leadership Award was chairman and CEO of C.V. Starr & Co., Incorporated, Maurice R. Greenberg. Mr. Greenberg was appointed as

American International Group's Chief Executive Officer by founder Cornelius Vander Starr, serving in that role from 1968 to 2005. During that time, he helped to establish AIG as a leading insurer around the globe in a variety of product areas. In addition to his responsibilities as CEO of AIG, Mr. Greenberg has had extensive involvement in policy areas, with a particular emphasis on East Asia. He is also the Honorary Chairman of the U.S.-China Policy Foundation.



USCPF Honorary Chairman, Maurice R. Greenberg, shares his remarks as he accepts the Global Business Leadership Award.

Jan Berris, the second honoree, received the Appreciation Award for Promoting U.S.-China Relations. Ms. Berris currently serves as Vice President of the National Committee on United States-China Relations and has worked at the national committee since 1971. During her tenure with NCUSCR, she has been at the forefront of advancing Sino-American dialogue, facilitating numerous exchanges, including the 1972 visit by the Chinese Ping Pong team and Deng Xiaoping's 1979 trip to the United States..

The third honoree, Yuan Ning, received the China Business Leadership Award. Mr. Ning is currently the Chairman and President of China Construction America, Inc. The award recognizes Mr. Ning for spearheading the expansion of CCA through a series of award winning projects. CCA, a wholly-owned subsidiary of China State Construction Engineering Corporation Limited, is headquartered in Jersey City, New Jersey and has extensive operations throughout the United States and Canada. After working with Haier in South Carolina, CCA significantly expanded its presence in that state, founding China Construction America of South Carolina, Inc.



Honorees Mr. Maurice Greenberg and Ms. Jan Berris converse during the pre-dinner reception

Dr. Chi Wang, chairman of the USCPF, also welcomed the guests and recognized the Foundation's sponsor corporations, including:

- AAR Corporation
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- China Daily USA
- China Telecom Americas Corp.
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- FedEx
- Golden Eagle International Group
- Harmony & Friendship Web TV Corp.
- The Hershey Company
- Hong Kong Economic and Trade Office
- J.R. Simplot Co.
- Perot Systems
- Sun Kian IP Group
- Wal-Mart
- W.I. Harper Group

The Foundation appreciates the many Chinese and American companies doing business with China that continue to support the USCPF's mission and programs. These corporations are truly leaders in the drive for a closer and more rewarding relationship between American and Chinese interests.

In addition to the corporate support it has enjoyed, USCPF is also proud of its institutional supporters. Both The Starr Foundation and The Freeman Foundation have been perennial donors of USCPF and of Sino-American engagement generally. We are exceptionally grateful to have received donations from them again as part of our 2009 gala.

The Starr Foundation was founded in 1955 by Cornelius Vander Starr, an insurance entrepreneur who pioneered the expansion of insurance in China and East Asia prior to World War II. The C.V. Starr Foundation has a wide set of philanthropic goals, including education, healthcare, human needs, public policy, culture, and the environment. The foundation, in commemoration of C. V. Starr's engagement in East Asia, has a particular emphasis on that region, including funding for exchanges of American and foreign students between the United States and Asia.

The Freeman Foundation was founded in 1994 through the bequest and in memory of Mansfield Freeman. Mr. Freeman was a partner with C.V. Starr and helped him to found what would become American International Group. Mr. Freeman had extensive business in East Asia, and also an intense interest in the culture of the region. During his life, he published translations and held exhibitions of East Asian literature and art. The Freeman Foundation is based in Stowe, Vermont, where the Freeman family lives, and has offices in New York. The foundation is currently administered by the Freeman family. The foundation is dedicated to augmenting international understanding between the United States and the nations of East Asia, with a focus on educational grants.



Celebrating the 60th Anniversary of the Founding of the P.R.C.



USCPF President and Chair Chi Wang joins the celebration of the 60th anniversary of the founding of the PRC in Beijing.

Sixty years ago, Chairman Mao stood on the Tiananmen rostrum and declared triumphantly to a sea of eager Chinese, “The Chinese people have stood up!” These simple words conveyed a newfound sense of hope to a nation ravaged by war and strife. The founding of the People’s Republic of China on October 1, 1949, marked the beginning of a new era for China. After years of devastating turmoil, the Chinese Communist Party had defeated the Nationalists, China had resiliently overcome brutal Japanese aggression, and the propaganda of a new, emboldened China built on the spirit of the common people promised a brighter future for China. Yet Mao’s promise would not be realized overnight.

The China we know today is a strong, increasingly powerful country that amazes onlookers with its transition from a third world country to a rising global power. The impressive economic growth China has sustained in recent decades and the ambitious modernization of the PLA are but two of the trademarks of the “rising China” phenomenon. However, China’s path to modernity and acclaim has been long and arduous, full of twists and turns. Mao’s promise of a proud, modernized China frequently took a backseat to his driving ambition of transforming China into a socialist society. Devastating initiatives such as the Great Leap Forward (1958-1961) and the Great Proletarian Cultural Revolution (1966-1976) not only destroyed the fabrics of traditional Chinese society and inflicted hardship on the Chinese people, but also undermined China’s transforma-

tion into a modern nation. Nevertheless, China endured.

In 1978, a new leader sought to push China out of its tumultuous past. When Deng Xiaoping came to power, he catalyzed China’s evolution into an advanced country with his sweeping economic reforms and his open-door approach to foreign policy. Just over 30 years since reforms commenced, China has transitioned from an impoverished country to a thriving socialist market economy that ranks as the world’s second largest economy. Equally impressive, China has embraced globalization and international relations on a level Deng himself may not have envisioned. Conforming to Deng’s open door policy, China has opened itself to the world, engaging with foreign powers on myriad levels including: participating in regional and international institutions, being a permanent member of the UN Security Council and proactively responding to transnational security threats.

Sixty years after Mao’s famous declaration on the Tiananmen rostrum, China has “stood up.” Although China must still face many challenges and address its weaknesses, we would like to celebrate the spirit of resilience that has carried China on its extraordinary journey since the founding of the People’s Republic of China. The U.S.-China Policy Foundation cherishes the fostering of U.S.-Sino relations that has occurred over the past 30 plus years and looks forward to continued collaboration with this remarkable country.



This float in the civilian parade held in Tiananmen Square on October 1, 2009, is representative of the jubilant spirit of the 60th anniversary festivities in Beijing.

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