



# THE U.S.-CHINA POLICY FOUNDATION

## REPORT ON THE U.S. CONGRESSIONAL STAFF DELEGATION SEMINARS AND TRIP TO CHINA

**May - August 2006**



### **The Policymakers Delegation at the Ministry of Foreign Affairs**

Delegation members (L to R): Paula Steiner, Director-General Liu Jieyi, Dr. Ernestine Wang, Sammie Young, Jr., Cynthia Vukmer, Sarah Rittling, Connie Warhol and Peter Sperry  
Back row: Eric Jacobstein, Stephen Higley, Tyler Thompson, David Brewer, Eric Rasmussen

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## EXECUTIVE SUMMARY

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The U.S.-China Policy Foundation has completed another successful year with the Policymakers Program. In early February, the foundation began the recruiting process for qualified candidates. We collected recommendations for new participants from the program's alumni and sent information to the Senate Foreign Relations Committee and House International Relations Committee to recruit staffers. We received many letters of interest and applications from potential participants. By late March, we began the selection process. At that time we extended invitations to several China scholars requesting their participation in the seminar portion of the program.

In May, the foundation selected a bipartisan group of 12 congressional staffers for the program. Following notification of their acceptance, they attended a series of six seminars to learn about Chinese history, economics, politics, security and U.S.-China relations. On August 8, 11 staff members departed for a week-long trip to China to experience first-hand much of what they had learned.

This year's series of seminars comprised an ensemble of unique expertise from a variety of fields related to China. Presentations were made by: Professor William Johnson, professor emeritus, George Washington University, on China past and present; Dr. Paul Heer, a senior CIA political analyst, on China's domestic politics; Admiral Eric McVadon, retired rear admiral and former Naval attache to the U.S. Embassy, on China's security interests; Dr. Pieter Bottelier, adjunct professor at Johns Hopkins University, SAIS and senior advisor at the World Bank, on economics and U.S.-China trade; Dr. David Lampton, director of Chinese studies, Johns Hopkins University, SAIS, on the Chinese leadership; and Ambassador J. Stapleton Roy, former U.S. ambassador to China, on U.S.-China relations.

In Beijing, Xian, and Shanghai, the delegation met with Chinese officials, business leaders, lawmakers, and scholars. In Beijing, program participants met with representatives from the U.S. Embassy, the Chinese Ministry of Foreign Affairs (MOFA), Ministry of Commerce, and the Chinese People's Institute of Foreign Affairs. While in Xian, the staffers visited an orphanage and the Provincial Foreign Affairs Office. After arriving at their final destination, Shanghai, the group met with representatives of the Shanghai Stock Exchange, Shanghai Institute for International Studies and the WTO Affairs Consultation Center.

After 10 years, the program remains unique. It is the only one of its kind that prepares participants for their trip to China with seminars and lectures on a variety of subjects relating to China presented by top American scholars in the China field. By the time members of the delegation travel to China, they are equipped with a basic understanding of the country. The American embassy in Beijing always has welcomed our group enthusiastically. On many occasions, the U.S. ambassador

## EXECUTIVE SUMMARY

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to China also has participated in the briefing session. The program's success is well-known on Capitol Hill among those involved in the China field and has been praised by members of congress and their staff. Upon their return to the United States, this year's participants reflected on their time in China, expressing how much they enjoyed the experience. Not only did the delegation members feel more knowledgeable about China, but they also felt better equipped to provide relevant and accurate information to members of congress regarding policies on China.

## PARTICIPANT BIOGRAPHIES



**David N. Brewer**  
**Rep. Gary Miller (R-CA)**

Born in Fullerton, California on February 10, 1982, I was raised primarily in Orange County, California. I was involved in a number of extracurricular activities growing up, including high school football, track and field, and student government. I also was an active participant in the Boy Scouts of America, in which I earned the Eagle Scout rank. In August 2000, I left Orange County to attend the University of California, Berkley. At Berkeley, I was active in the National Society of Collegiate Scholars and the local chapter of the Sigma Chi Fraternity, in which I served as Vice President. In addition, I worked for the California Attorney General as a Student Document Analyst in its Law Practice Support Section. I graduated from college in May 2005 with a Bachelor of Arts degree in Philosophy and Political Science with Honors. In August 2004, I moved to Washington, DC, to accept an internship in the Constitutional Law Department of the non-profit Cato Institute. In this position, I became familiar with the basic tenets of American constitutional law and I researched current issues and trends in the American legal landscape. After my internship ended, I accepted a position in January 2006 with the Office of Congressman Gary G. Miller as a Legislative Correspondent. In this role, I was responsible for managing all official constituent correspondence and drafting all constituent letters. After six months in this role, I was promoted to my current position as a Legislative Assistant. I am currently responsible for a wide range of policy issues, including foreign relations, energy, trade, appropriations, agriculture, and science. Outside of work, I am an avid fan of most sports, particularly of baseball and college football, and I enjoy exercise and the outdoors. My interests also include history, philosophy, traveling, meeting new people, and reading.

**Stephen Higley**  
**U.S. Senate Committee on Environment and Public Works**



Stephen Higley is a staff member for Chairman James Inhofe on the U.S. Senate Committee on Environment and Public Works (EPW). In addition to his active participation on air and climate issues, Steve is responsible for the EPW Majority's public buildings portfolio and manages the office's constituent correspondence system. Steve regularly attends conferences on climate change and air emissions, and has spoken on behalf of Senator Inhofe on those topics. He was a participant in the United Nations Climate Change Conference in Montreal, Canada in December 2005.

Steve studied French horn at the Staatliche Hochschule für Musik (National Conservatory of Music) in Trossingen, Germany, where he received two undergraduate degrees in 1997. After working briefly for Senator Kay Bailey Hutchison in 1998, he earned a Masters degree in orchestral performance from the University of Cincinnati's College-Conservatory of Music in 2000. While in Cincinnati, he held positions as Opinion Editor for the University's newspaper and as a language instructor in German and English for the Berlitz School, and was a founding member of the independent rock band Readymaid. As a professional musician, Steve has performed with orchestras and chamber music groups throughout Europe and in the United States.

## PARTICIPANT BIOGRAPHIES



**Eric Jacobstein**  
**Rep. Jim Kolbe (R-AR)**

I currently serve as a legislative assistant handling trade policy for Congressman Jim Kolbe. I previously served as manager of legislative affairs at the Inter-American Dialogue, a think tank on US-Latin American relations. In this position, I managed both our trade and legislative programs and did a great deal of work on US trade politics. I published opinion pieces in the Los Angeles Times and the San Diego Union-Tribune on the US trade agenda and also presented two papers at the University of Miami on the domestic politics of the Central American Free Trade Agreement (CAFTA). My trade policy work also included quotes published in USA Today and the Christian Science Monitor along with a number of Latin American newspapers. I received a Master Degree in Latin American Studies from Georgetown University's School of Foreign Service and a Bachelor's Degree from Haverford College where I studied political science. At Georgetown, I wrote my MA thesis on HIV/AIDS prevention efforts in the Dominican Republic and spent time in the Dominican Republic interviewing NGO leaders on how aid efforts could be best coordinated.



**Eric Rasmussen**  
**Sen. Mike Crapo (R-ID)**

Eric Rasmussen is now in his second year as a Legislative Aide for U.S. Senator Mike Crapo (R-Idaho). Senator Crapo currently serves on the Finance, Budget, Agriculture, Banking, and Indian Affairs Committees. After working on foreign affairs issues briefly for the Senator early in his career, Eric now handles education, health care, labor, Social Security, and arts issues. Due to his French language fluency, Eric is involved in the Congressional French Caucus, of which Senator Crapo serves as a Senate Co-Chair. Prior to serving on the legislative staff, Eric worked as Senator Crapo's Deputy Press Secretary. During his time in Senator Crapo's communications office, Eric was privileged to be selected to work as a Communications Consultant at the G-8 World Leaders Summit. He has also served an internship on the personal staff of Senator Orrin Hatch (R-Utah). Prior to coming to Capitol Hill, Eric served a two-year church service mission in Belgium, France, and Luxembourg.

Eric holds a B.A. in English Literature and Business from the University of Utah, where he graduated Magna Cum Laude. He is currently pursuing a Juris Doctorate degree in George Washington University Law Center's Evening Program.

## PARTICIPANT BIOGRAPHIES



**Sarah Rittling**  
**Rep. Michael Castle (R-DE)**

Since February, 2003, Sarah Rittling has served as counsel to Congressman Michael N. Castle (R-DE) for education and labor.

Congressman Castle is a senior Member of the House Committee on Education and the Workforce. He chairs the Subcommittee on Education Reform, which has jurisdiction over early childhood, and elementary and secondary school programs. In this capacity, Sarah has worked with Congressman Castle, the Committee on Education and the Workforce and the Bush Administration to pass reauthorization of the Head Start program, the Individuals with Disabilities in Education Act and the Child Nutrition Programs, and the Perkins Vocational and Technical Education Act. Congressman Castle also serves on the Subcommittee for 21st Century Competitiveness and has been working closely on reauthorization of the Higher Education Act.

Prior to working for Congressman Castle, Sarah was a legislative assistant to Congressman Christopher Shays (R-CT) where she worked on a portfolio of issues including; the judiciary, education, housing, gun control and women's rights. Sarah graduated from Syracuse University's Maxwell School of Citizenship & Public Affairs and the Syracuse University College of Law.



**Peter Sperry**  
**Rep. Phil English (R-PA)**

A native of Pennsylvania, Peter Sperry joined Congressman Phil English's office after a 25 year career in public policy, focusing on the federal budget process and political communication. Prior to joining English's office, Sperry served as Legislative Assistant, tracking tax and budget issues for Senator George Voinovich (R-Ohio). After a short stint as a Policy Analyst to the House Budget Committee in 2001, Sperry went on to serve as Special Assistant/Senior Advisor to the HUD Chief Financial Officer, where he led the team that drafted the department's 2002-2007 strategic plan which improved HUD's Government Performance and Results Act (GPRA) reports. While working as a Grover M. Hermann Fellow in Federal Budgetary Affairs at the Heritage Foundation, Sperry authored The Heritage Foundation Guide to the Federal Budget Process (2000) and was co-editor, along with Angela Antonelli, of A Budget for America (2001).

Sperry holds a B.S. in political Science from the University of Scranton in Pennsylvania and an M.A. in Public Administration from George Mason University. He is an avid hiker and outdoor photographer.

## PARTICIPANT BIOGRAPHIES



**Paula Steiner**  
**Rep. Steven King (R-IA)**

Paula Steiner currently serves as Legislative Director for U.S. Representative Steve King. Mrs. Steiner graduated with a B.A. from Ashland University in political science and Spanish, and also holds an M.A. in political science from Ball State University. In 2002, she was awarded a Lincoln Fellowship through the Claremont Institute. In addition to previous service as Legislative Aide to U.S. Representative Ralph Regula and U.S. Representative Steven LaTourette, Mrs. Steiner taught at Indiana University East as a professor of political science.

In her current position with U.S. Representative Steve King, Mrs. Steiner handles trade issues, as well as others. Rep. Steve King has participated in the China Interparliamentary Exchange in August of 2005 through the Small Business Committee and is very engaged on topics regarding trade in China.



**Tyler Thompson**  
**Sen. Johnny Isakson (R-GA)**

Tyler Thompson joined the staff of U.S. Senator Johnny Isakson as a Legislative Correspondent after working for over three years in the offices of former Senator Zell Miller and Senator Saxby Chambliss. As a member of Senator Isakson's Washington staff, Mr. Thompson monitors legislative issues by researching and tracking legislation and relevant related information in the areas of health care, education, labor, and welfare policy in order to ably advise the Senator and act as a liaison between the Senator and his constituents, other offices on Capitol Hill and within the Federal Government, and state and local government officials as well. Prior to coming to Capitol Hill, Mr. Thompson attended the University of the South in Sewanee, TN, earning a Bachelor of Arts degree in British History. While in college Mr. Thompson studied at St. John's College, Oxford, UK. He has also traveled extensively throughout Western Europe and the Far East. Mr. Thompson is an aspiring U.S. Foreign Service Officer, planning to take the Foreign Service Written Exam in April, 2006.

## PARTICIPANT BIOGRAPHIES

**Cynthia Vukmer**

**Sen. James Inhofe (R-OK)**



Cynthia Vukmer has worked as a Legislative Assistant for Senator James Inhofe (R-Oklahoma) since January 2003. The issues she handles for Senator Inhofe include: Africa relations, adoption, telecommunications, commerce, intellectual property, immigration, judiciary, social issues, and welfare, among others. Prior to being promoted to Legislative Assistant, Ms. Vukmer worked as a Legislative Correspondent for Senator Inhofe performing Legislative Assistant duties on adoption and foster care and wrote letters on the budget, banking, finance, government affairs, housing, Indian affairs, postal service, small business, Social Security, taxes, trade, and welfare. Before joining Senator Inhofe's staff, Ms. Vukmer served as a Staff Assistant for Congressman Joe Pitts (R-Pennsylvania). She also worked for Family Research Council as a Witherspoon Fellow, where she worked on welfare policy and studied the role of citizens within our system of government. Ms. Vukmer holds a Bachelor of Arts in Journalism from the University of Memphis.

**Constance Warhol**

**Rep. Betty McCollum (D-MN)**



Constance grew up in Maple Grove, Minnesota, a suburb of Minneapolis. From 1998-2002, she attended the University of Minnesota, Twin Cities, and graduated with a double major in journalism (focus on newspaper journalism) and political science, and a GPA of 3.25 out of 4.0. During college, Constance worked for two years as a senior copy editor at the Minnesota Daily, one of the largest campus newspapers in the country. She also interned at the St. Paul Pioneer Press, Twin Cities Business Monthly magazine, and the Brainerd Daily Dispatch newspaper. Active in campus organizations, Constance has served in a leadership capacity with two different campus groups – including one that worked with international students studying at the University (Chinese make up the largest group of international students at the University of Minnesota).

Following college, she moved to Washington, D.C., to pursue a Master's degree focused on international human rights and international development from American University's School of International Service completing her M.A. in International Politics in May 2004. During her time in graduate school, she also interned with the International Campaign to Ban Landmines.

Constance began as a Legislative Assistant in the Office of Congresswoman Betty McCollum in March 2005. Issues covered for the Congresswoman include her International Relations Committee work (including covering her subcommittees – the Subcommittee on Oversight and Investigation, and the Subcommittee on Africa, Global Human Rights and International Organizations), as well as defense, veterans', immigration, homeland security, and judiciary.

In her free time, Constance enjoys outdoor activities, including running, hiking, biking and camping. She also enjoys traveling and has been to India, Singapore and Morocco, as well as all over the United States. She hopes to continue traveling and learning globally throughout her life.

## PARTICIPANT BIOGRAPHIES

### **Sammie Gene Young, Jr. Senate Secretary**



Sammie Gene Young, Jr. serves as the Chief of Staff for the Secretary of the Senate, Emily J. Reynolds. Mr. Young's responsibilities include coordinating and communicating with the Secretary's staff and administrative managers concerning Secretary-sponsored events, as well as overseeing special projects as assigned by the Secretary and Assistant Secretary. He provides overall supervision for the Executive Office support staff, responds to requests from Members, Senate staff, Secretary staff, agencies and the general public on behalf of the Secretary, and offers assistance and insight in representation of the Office of the Secretary.

Prior to joining the Office of the Secretary of the Senate, Mr. Young spent five years as a Professional Staff Member on the Committee for Rules and Administration, under Chairmen Mitch McConnell, Christopher J. Dodd, and Trent Lott.

Sammie received a Bachelor of Arts in Rhetoric and Communication Studies and a Juris Doctor from the University of Virginia in Charlottesville, Virginia. He is licensed as an attorney in the District of Columbia. Outside of Capitol Hill, Mr. Young is married to Jill Young, an audiologist, and is currently studying to become fluent in American Sign Language.

# TRIP ITINERARY

## Beijing

### August 9 (Wednesday)

14:30 Arrive at Beijing Airport via UA851

16:00 Arrive at hotel and check in

### August 10 (Thursday)

07:00 Breakfast

07:40 Depart hotel for the US Embassy

08:00 US Embassy briefing

09:00 Depart the US Embassy

09:30 Depart for the Ministry of Foreign Affairs

10:00 Meet with relevant Ministry officials

12:00 Lunch

13:30 Depart for Ministry of Commerce

14:00 Meet with Mr. Jiang Shan, Inspector of the  
Department of North American and Oceanic Affairs

16:00 Depart the Ministry of Commerce for shopping

17:00 Back to the hotel

### August 11 (Friday)

07:00 Breakfast

08:00 Depart for the Forbidden City

09:30 Tour the Forbidden City

10:30 Depart the Forbidden City for lunch

11:00 Lunch

13:30 Tour the Great Wall

14:30 Depart for hotel

16:30 Arrive at hotel

17:20 Depart for Beijing Hotel

18:30 Banquet hosted by Ambassador Wang Yunxiang, Executive President of the CPIFA

# TRIP ITINERARY

## Xian

### August 12 (Saturday)

06:00 Luggage call, check out  
06:30 Depart hotel for Beijing Capital International Airport  
08:30 Fly to Xi'an via CA1231  
10:10 Arrive in Xi'an  
10:20 Depart for Hanyang Museum  
10:35 Tour the Museum  
11:20 Depart for Hyatt Regency Xian  
12:00 Arrive at the Hotel  
12:30 Lunch  
13:30 Depart for the Terracotta Warriors Replica Factory  
15:00 Depart for the Museum of the Qin Terracotta Army  
15:30 Visit the Museum of the Qin Terracotta Army  
16:40 Depart for the hotel  
17:40 Arrive at hotel  
18:30 Meeting with Shaanxi Provincial Foreign Affairs Office  
19:00 Dinner hosted by Shaanxi Provincial Foreign Affairs Office

### August 13 (Sunday)

08:00 Breakfast  
09:00 Depart for Shaanxi Historical Museum  
09:20 Visit Shaanxi Historical Museum  
10:50 Depart for the Wild Goose Pagoda  
11:00 Tour the Wild Goose Pagoda  
12:00 Lunch  
13:30 Depart for the Museum of Forest of Stone Tablets  
14:00 Tour the Forest of Stone Tablets  
15:00 Leave for the old city gate

# TRIP ITINERARY

15:10 Tour the old city gate  
16:00 Depart for the orphanage  
17:00 Return to hotel  
18:30 Leave for DeFa Hotel  
19:00 Dumpling dinner  
20:00 Depart for Tang Palace  
20:30 Watch Tang Dynasty Dancing Show

## **August 14 (Monday)**

06:00 Luggage call  
06:30 Check out  
07:00 Depart for airport  
08:00 Arrive at airport  
09:20 Fly to Shanghai via MU 2155  
11:30 Arrive in Shanghai  
12:40 Check in Central Hotel Shanghai  
13:00 Lunch  
14:30 Depart for Shanghai Stock Exchange  
14:45 Visit Shanghai Stock Exchange  
15:30 Depart for Yu Park  
15:50 Tour Yu Park  
16:30 Depart for hotel  
18:00 Dinner

## **August 15 (Tuesday)**

08:30 Breakfast  
09:30 Depart for the City Planning Exhibition Center  
09:40 Tour the Center  
10:30 Depart for the Shanghai Museum  
10:35 Tour the Shanghai Museum  
11:35 Depart for the hotel

# TRIP ITINERARY

11:50 Arrive at hotel  
12:30 Lunch  
14:30 Depart for Shanghai Institute for International Studies  
14:50 Discussion with scholars of the Shanghai Institute for International Studies  
15:40 Depart for hotel  
16:00 Arrive at hotel  
18:00 Dinner  
19:10 Depart for Shanghai Business Center  
19:30 Acrobatics show  
21:00 Back to hotel

## **August 16 (Wednesday)**

08:30 Breakfast  
09:30 Depart for WTO Affairs Consultation Center  
10:00 Discussion  
10:50 Depart for hotel  
11:20 Arrive at hotel  
12:30 Lunch  
13:30 Luggage call  
16:00 Depart for Pudong Airport  
18:00 Depart Shanghai for US via UA 836

# MAP



Map showing the trip from the US to Beijing; to Xian in Shaanxi Province; and then to Shanghai, before returning to the US

## ACKNOWLEDGEMENTS

The seminar participants and delegation would like to express their deep appreciation to the Freeman Foundation for providing financial support for the seminar series and trip. The delegation would like to thank the U.S.-China Policy Foundation for arranging the six seminar meetings and the trip to China.

The Congressional Staff Delegation would like to thank the Chinese People's Institute of Foreign Affairs (CPIFA) for arranging the meetings and travel in China. In particular the delegation would like to express its sincere gratitude to Mr. Wang Peng (CPIFA) for accompanying us throughout the trip. The meeting arrangements were exceptional, and we thank CPIFA for making the appointments with government officials. We had many lively discussions and shared many views with our Chinese colleagues.

Members of the delegation were asked to write a short summary of the exchange of views at our meetings. These reports are personal and do not necessarily reflect the views of the U.S.-China Policy Foundation, its board members or staffers.

# LECTURE SERIES

## *China Past and Present*

**William Johnson**

May 12, 2006

Dr. Johnson, former Director of the East Asian Studies Program at George Washington University, presented the thesis that China can be best understood as a civilization, currently coping with the legacy of several distinct traditions, and with the tensions between and within each of these traditions. He argued that these traditions and tensions will interact with the international environment to shape the future of China. Dr. Johnson asserted that China is “a work in process” and its fate is not fixed. China’s future is malleable and depends in part on what the decisions the US makes in its increasing interaction with China. Dr. Johnson broke the legacy of Chinese political and social philosophy into two traditions:

**Tradition 1** Often characterized as ‘the Chinese tradition’, this lasted from the 10th century to the turn of the 20th century. However, Dr. Johnson warned that ignoring the second, equally influential tradition, will lead to distorted analysis and overly simplistic conclusions.

**Tradition 2** The tradition includes the dominant element of revolutionary nationalism as well as elements of statism and even democratization. It emerged following the first Sino-Japanese War of the mid-1890s and continues to this day.

The political and social institutions during tradition 1 were made up of the Chinese gentry. These were a certified group of ruling elite who were put in place via an extensive examination system. Consequently, the tradition was not ‘feudal’ and legitimacy was derived from merit rather than from personal connections. While there was considerable social mobility, wealthy families had the advantage of the option to hire the best Confucist scholars to prepare their sons for the rigorous examination. This examination system tied the bureaucrats directly to both a dominant philosophical legacy and to the state apparatus itself, and this led to a lack of autonomy from the emperor and a strict moral tradition. As a result, although China was by nature a bureaucratic meritocracy, the bureaucracy was completely centralized and absolute power rested with the emperor.

The strict bureaucracy of first tradition China was based on the Confucian principle of “filial piety.” This was an essential system of bureaucracy for organizing day to day life, the central tenet of which was the absolute obedience of the son to the father. This principle of absolute obedience of the “son” (the gentry) to the



The Forbidden City

“father” (the emperor) led to a complete and absolute opposition to dissent. There was an extraordinarily strong alignment between the intelligentsia and the state. Dynasties were overthrown only with the participation of the gentry who then rebuilt a new dynasty using the traditional model. It was not until 1911 that a rebellion was able to break from this mold.

The period from 1830-1949, often referred to as “the century of shame and humiliation”, ushered in a new tradition of nationalism. During this period China was repeatedly defeated by foreign powers and forced to sign a number of damaging “unequal treaties.” Additionally, China was rocked by a series of embarrassing internal conflicts and rebellions against the crumbling imperial government. Modern-day Chinese remember this period well, and have since vowed to prevent any future injury to their nation’s pride. As a result of this historical lesson, China has focused its energy on the pursuit of wealth and power.

Dr. Johnson concluded with the argument that several key events and traditions converged in the mid to late-20th century to shape the China we see today. Despite a fledgling democratic movement (which began in the early 20th century by a group of young Chinese scholars who had studied the French and American Revolutions while abroad at Japanese Universities), democracy has never taken hold in China. Dr. Johnson argues that this is not a result of a communist legacy (for all vestiges of Communist theory had eroded by the 1980s), but rather, the result of the coming together of the first Chinese tradition, a fear of a hostile international system, and a violent revolution. All of these tensions persist but their effect on the shaping of China’s future is not yet known.

# LECTURE SERIES

## *China's Domestic Political System*

**Dr. Paul Heer**

June 2, 2006

Dr. Paul Heer, a Senior China Analyst at the Central Intelligence Agency, discussed past and present trends in Chinese domestic politics with the 2006 Policymakers Seminar participants. Dr. Heer began his lecture by providing each congressional staff member with a chart mapping out the organization of the Chinese leadership. He explained that the structure of the leadership consisted of three main institutions: the Party, Government, and military.

Throughout most of China's communist history, political power and influence have been independent from official titles. In the past, holding an official post was not necessarily representative of political power. For example, Deng Xiaoping only held relatively lowly titles, but was supreme leader of China. Dr. Heer explained that this process is changing, and the wall chart of party and government leaders is increasingly indicative of actual power and position. The current Chinese President Hu Jintao is the head of all three institutions and the Party is at the center of all policy decisions.

The Politburo Standing Committee is composed of nine leaders elected by the Politburo Central Committee and is the most powerful leadership group. On paper, all political power in China stems from the National People's Congress (NPC), but the NPC is largely a rubber-stamp for Party policies. In fact, the Chinese government is still entirely deferential to the Chinese Communist Party (CCP). The People's Liberation Army is a party army, not a state army, further reinforcing the CCP's control over the government.

Despite growing institutionalization, Dr. Heer noted that historically the Chinese government has lacked such institutionalization and emphasized that China is still a one-party state. Though the Chinese government is pragmatic and no longer Marxist, it does not intend to make substantial democratic political reforms. Instead, the CCP is attempting to revitalize the one party state.

Nonetheless, the Chinese are making substantial economic reforms as the CCP understands it depends on economic growth as a means of legitimacy. In order to sustain such growth, China will have to make several difficult economic decisions. Can China contain the social upheaval created by economic change? Can China sustain the "Third Way?" Dr. Heer did not make any guesses as to what the long-term outcomes might be but assured our participants that the CCP will try to hold a steady course of growing market capitalism under a one party neo-authoritarian government structure.

# LECTURE SERIES

## *China's Security Interests*

**Eric McVadon**

June 16, 2006

Eric McVadon gave the Policymaker group a slightly different slant on U.S.-China security issues than is represented in media and other outlets. His insightful presentation focused on the 'bigger picture' of East Asia, the shifting dynamics of power and relationships and the question of Taiwan.

Mr. McVadon believes that Northeast Asia is moving towards a new security architecture, and the United States government must re-evaluate how they approach this new system. The framework is now made up of China and their relations with Japan and Korea. This new security arrangement is increasingly important and the U.S. has not been proactively pursuing their place in a new system.

While admittedly an optimist on China, McVadon pointed out many positive changes with China's stance on security, especially in regards to North Korea. The six party talks demonstrate China's willingness to cooperate on international security issues as well as demonstrating our need to work in conjunction with the Chinese. Though many Americans blame China for the talks not progressing further, McVadon provided the insight that the Chinese feel they have leverage with the North Koreans, but do not want to push too hard in fear of "breaking the lever." Some Chinese also blame American leadership, believing that the U.S. is more interested in seeing regime change in North Korea than progressing in negotiations. It is also clear through the China's interaction with South Korea that the Chinese leadership has already chosen the winner on the Korean Peninsula, though the Chinese remain concerned about stability in North Korea.

Mr. McVadon reminded the group that when talking with the Chinese, it is always about Taiwan. If Americans are obsessed with North Korean and nuclear arms, the Chinese are obsessed with Taiwan. However, with President Hu Jintao's leadership, there has been a visible 'softening' of policy towards Taiwan. It appears Hu is working to keep the status quo rather than push for reunification. Beijing is now attempting to make China more attractive to Taiwan through economic means rather than intimidating Taiwan through force. Note that this in no way implies that China will not use force to reunite Taiwan if the leadership feels forced into a decision.

The modernization of the PLA (People's Liberation Army) has direct consequences for the U.S. and Taiwan. China's increasingly sophisticated military capabilities include long-term strategic thinking and layering options. China's weakness lies in their mediocre training and lack of surveillance skills.

# LECTURE SERIES

## *Economics and US - China Trade*

**Pieter Bottelier**

June 30, 2006

According to Pieter Bottelier, adjunct Professor at Johns Hopkins University, SAIS and a Senior Advisor at the World Bank, “China’s rise is without precedent or parallel in the developing world.” As the country gains more economic power and trade between our two nations increase, the race to understand the Chinese economy heightens. Bottelier gave the Policymakers insight into the Chinese economy and the status of trade relations between the U.S. and China. He gave a historical overview of the Chinese economy and their growth strategy.

When Deng Xiaoping decided to change the economic path of China’s development from state planned to market based, the Chinese leadership had no successful example to follow. While many countries were following the “Washington Consensus” and countries from the former Soviet Union were struggling to develop, China developed their own “Beijing Consensus.” China also decided not to follow the Asian Tiger’s model of export-oriented development. While many China observers may believe that exports drive China’s economy, Bottelier believes that domestic demand is the prime force behind China’s unprecedented growth. The domestic rate of savings and investment rates in China are unusually high and has helped to fuel development.

Bottelier believes that China has one of the most open economies in the world and that China has been a prime beneficiary of economic globalization. There have been many comparisons between China and India’s economies as both have maintained astounding growth rates over the last decade. In China, the state has concentrated on infrastructure, urban development and manufacturing to an extent not seen in India. In addition, India looks to China as an example of how to continue their development.

China faces many growing problems. These problems include too much reliance on growth in investment, a tendency to over-invest and create excess capacity, an investment pattern too focused on capital-intensive industries, a weak financial sector serious environmental degradation, growing disparity between rich & poor, urban & rural, access to social services and inadequate protection of IPR laws. Finally, Bottelier believes that the “combination of growing domestic economic liberalism and continued political authoritarianism is becoming increasingly incongruent.”

Between the problems and the fantastic growth over the past two decades lies risks and opportunities for both China and the global economy. China is now more vulnerable than ever to external shocks and there is a worry that China may become dependent on foreign capital inflows. China’s labor force is five times as large as America’s, and as workers enter the global economy, workers all across the world will feel their effects. China’s growing economy also means they need more energy and scarce resources – which may drive up prices. Even with potential negatives, a recent study commissioned by the U.S-China Business Council showed that the U.S. economy as a whole is reaping significant benefits from trade and investments with China, even though certain sectors are experiencing decline.

# LECTURE SERIES

## *China's Leadership*

**David M. Lampton**

July 14, 2006

On July 14, USCPF hosted the fifth lecture in its Policymakers Seminar Series. Dr. David Lampton, the Director of China Studies at the Johns Hopkins School of Advanced International Studies and Director of China Studies at the Nixon Center, addressed the topic of China's New Leadership.

Dr. Lampton began by outlining two important topics for discussion: Who are the Chinese leaders and what are their objectives? He also noted that despite a widespread interest in the topic of China's leadership, there remains a relative lack of knowledge. Nonetheless, it is an interesting time to be watching China's leadership, he said.

First, China's leaders are in preparation for the 17th Party Congress elections where President Hu will 'be up for a second term'. Second, the 11th Five-year plan (currently in development) will focus on building infrastructure and modernization. Third, China is now more strategically confident and sees itself as playing an important strategic role in the world. Finally, China's 4th generation of leadership has taken on a decidedly different tone compared with past generations of leadership.



Professor David M. Lampton at the lecture table

The first generation, under Mao Zedong, believed in coercion and ideological persuasion. Deng Xiaoping focused on economic reforms and Jiang Zemin emphasized the importance of globalization. President Hu now focuses on modernization and China's increasing importance as a strategic player in world affairs.

The current leadership has differentiated itself from previous generations in a number of other ways as well. The entire Politburo is now made up of engineers, pragmatists and technocrats who concentrate on 'getting the facts'. A more educated leadership is contributing to a better understanding of international politics and foreign relations.

The current leadership is also more comfortable with globalization as they have witnessed the effects of trade on China's economy and hope to continue its 'opening'. Finally, while the Chinese leadership continues to want a good relationship with the US, it is also now focusing on developing relationships with Europe and Russia among other countries.

Dr. Lampton concluded his remarks by noting that the new Chinese leadership is pursuing a pragmatic and factual approach to both internal and external issues. He believes that the United States can, and should, work towards building a better relationship with China.

# LECTURE SERIES

## *U.S. - China Relations*

### **J. Stapleton Roy**

July 28, 2006

Ambassador J. Stapleton Roy began the sixth and final lecture of the Policymakers Seminar Series by posing the question, “How do we think about China?” In analyzing trends in U.S. – China relations, it is important to understand regional influences and global positions of both countries.

Ambassador Roy noted that western countries are losing power in Asia as Asian countries are gaining regional influence. Along with unprecedented economic growth, China has continued to open up and has experienced political reform to a very limited extent with a new technocratic regime, which has focused on economic development, replacing the totalitarian regime of the Maoist years.

The ambassador believed that in the future China will indeed see reforms within the Communist Party, but as global and regional power structures continue to shift, he noted that the end product may not be what the West expects. For example, China has experienced a very different rise than that of Japan (economic versus military). With the gradual rise of India as a major player in Asia as well, the shift in global power is now centering towards the Pacific and away from the Atlantic. Such a change, in combination with the rise in economic strength of both China and Japan, has contributed to increased tensions between the two countries. As a result, the world now faces a new phenomenon, a strong China and a strong Japan simultaneously.

Such regional power shifts are working to de-stabilize the big power relationships between the U.S. and China and China and Japan. Over the last decade, U.S. presence has been viewed as a potential threat in Asia. Asian groupings are emerging partly to counteract U.S. influence. For example, as the Association of Southeast Asian Nations (ASEAN) continues to grow, ASEAN now acts as a mechanism for countries in Southeast Asia to balance other regional institutions. Furthermore, Japan, South Korea and China have joined ASEAN to make up ASEAN + 3.

Though China continues to have a dominant presence in the Asia, the country still faces a myriad of domestic problems, which may affect its international development and relations. As Ambassador Roy noted, if domestic factors infringe on China’s foreign policy, China’s development may falter.



Ambassador Roy and Dr. Ernestine Wang at the Seminar

# MEETING REPORTS

## Beijing

### United States Embassy By David Brewer

The delegation met with representatives from the United States Embassy, hosted by Consular General Michael B. Regan and including representatives of the Defense Attaché Office, the Political Affairs Section, the Economic Section, and the HHS Attaché Office. The representatives from the Embassy explained their role in United States-China relations and in assisting American citizens in China. The Embassy stated they have been more active in recent years in talking to the Chinese about what they are doing in the rest of the world. Increasingly, the discussions between the United States and China have focused on more than just bilateral issues.

During the meeting, the case of David Ji was raised. Mr. Ji is an American citizen detained in China for the past two years in connection with a business dispute between his company and a Chinese state-owned company. The Embassy was asked how they are encouraging the Chinese to establish the rule of law and transparency in business interactions to prevent a similar occurrence from happening again. The Consular General was very familiar with the particulars of the David Ji case said the Embassy has raised the issue with the Chinese often. He said that the David Ji case remains a major issue for the Embassy. According to the Consular General, the Chinese officials have said that they have followed their domestic laws in prosecuting David Ji. He acknowledged that the Chinese are probably aware that this case has hurt them in furthering the United States-China business relations, but they most likely do not know the extent of the damage.

The Embassy was also asked if they would take into account the involvement of the Chinese company officials in the David Ji detention when issuing visas for these officials to travel to the United States to enact portions of an agreement Mr. Ji signed with the company. The Consular General said that they have spoken to State Department lawyers about this possibility and that it is unlikely that they could stop these officials from going to the United States. However, the Consular General did indicate that it may be possible to make certain company officials permanently ineligible for United States visas in the future.

In addition, the delegation discussed the involvement of China on the world scene. The Embassy explained that China did not play a significant role in the Middle East or Latin America until recently as China has been realizing the impact of oil on its economy. The United States has been active in convincing China about our views and policies in the Middle East. The Embassy said that China has surprised itself with how much their role in Latin America has grown. The Chinese maintain that Latin American countries have encouraged their involvement because they want an alternative to the United States in the region.

The Embassy was also asked about the work of the American military with the Chinese military. The Embassy's Defense Attaché explained how the United States military has been working with China's military to teach professionalism, improve their soldiers' quality of life, and increase retention rates. The

goal of this “mil-to-mil” program is to help China’s military become more stable. The Embassy was asked, too, about China’s intention to improve its development in western China by opening transportation infrastructure. The Embassy’s Political Affairs Officer said that there is an inherent tension in China stemming from the government’s reallocation of resources from the developed east to fund the developing west. China, however, is still a Third World Country, especially in the west.

Overall, the delegation gained a tremendous amount from the United States Embassy meeting. As the first meeting of the trip, the Embassy provided the delegation with a solid basis of knowledge in China’s political, economic, and social conditions. The meeting with the Embassy was the perfect way to begin the delegation’s trip to China.

## **The Ministry of Foreign Affairs**

### **By Connie Warhol**

The major issues that came up when the group met with the officials from the ministry of Foreign Affairs included intellectual property protections, the U.S.-China trade relationship, Chinese engagement with regimes that have less-than-positive records on the promotion of human rights, and engaging North Korea, following the July 2006 missile tests.

The ministry officials stressed, repeatedly, that the government of the People's Republic of China wants to strengthen its relationship with the government of the U.S. It also stressed, repeatedly, common concerns that the U.S. and China share, in particular, security, stability, and peace. However, this was often used to dodge questions on international issues that the U.S. has repeatedly criticized China's position on.

For example, when asked about the situation in Darfur, Sudan, and China's lack of effort in encouraging Sudan the Sudanese government to allow a UN peacekeeping force in the region (considering China's business investments in the country, they hold a large amount of influence over the government of Sudan), the ministry officials merely re-stated that, like the U.S., they hope for peace and stability in the region. The Chinese view of peace and stability in the region appears, however, to be one that merely favors working with the government in power, regardless of whether that government's policies actually promote instability in the region or not (by committing genocide, for example). They also had the same response when pressed about their relations with Zimbabwe, and stated that they believe that engagement is better than severing relations with governments that the U.S. considers human rights violators or rogue regimes.

Another main issue raised by several members of the group was the protection of intellectual property rights. The ministry officials responded by stating that they understand U.S. concerns on the issue, and because they want to ensure a positive trade relationship with the U.S., they have implemented a number of measures to combat IPR violations in China. The Chinese Supreme Court has created IPR courts to deal specifically with complaints regarding IPR violations, and a companion web site open to the public to report on verdicts. The government is working to see that more law enforcement and legal experts are trained to work on IPR issues. In addition, the government is undertaking public service/awareness campaign, running ads on the radio and on television, to raise public awareness of the serious impacts of IPR violations.



Policy makers attend a meeting at the  
Ministry of Foreign Affairs

The Chinese briefly mentioned that there was positive cooperation regarding the Korean peninsula, not only with the U.S., but with the other countries concerned about the North Korean missile tests, as well as the North Korean nuclear program.

Finally, a question was raised by a member of the group regarding China's role in Latin and South America, and their relations with different governments in the region. The ministry officials responded by stating that they are aware that they have relations with governments the U.S.

does not like, but they repeated their belief that engagement is better than severing relations. In addition, regarding Venezuela in particular, the ministry officials pointed out that the U.S. also has relations with that government, specifically for oil imports, despite the Administration's dislike of President Hugo Chavez. Oil is also a main focus of China's relationship with the Venezuelan government, according to the officials.

The meeting concluded with the ministry official asking the group why the U.S. Congress, and American public, has a negative view of China, and what can be done on their part to change that. A number of suggestions were offered, including a heightened effort to educate Members on the positive aspects of U.S.-Chinese relations (issues the two countries partner on, or work together on, such as combating avian flu), as well as increasing education on the details of the U.S.-Chinese trade relationship.



Sammie, Cynthia and David at the Ministry of Foreign Affairs

## **Chinese Ministry of Commerce**

### **By Eric Jacobstein**

Our meeting at the Ministry of Commerce accentuated both China's rise as a global economic power and the growing importance of the U.S. – China bilateral economic relationship. While there will always be kinks in a relationship as extensive as ours, our delegation was able to get a sense of how economically interdependent our two countries have become.

The delegation met with Jin Xu, the Deputy Director-General of the Department of North American and Oceanic Affairs. Xu gave a brief history of China's global integration explaining that China and the US barely traded in 1979 but just last year had over \$200 billion in two-way trade. China's commercial development was described as a three stage process. The first stage involved doubling the country's gross domestic product (GDP) which took place from 1979 to 1990. The second stage involved re-doubling GDP and this took place between 1990 and 2000. The third stage involves catching up with the more developed countries which Chinese officials hope to have occur by 2050. There is an increasing gap between the rich and poor and between those living in urban and rural areas. Chinese officials emphasized this gap not only at the Ministry of Commerce but at several other meetings.

One member of our delegation asked about Chinese concerns with overgrowth. As the Chinese economy rapidly grows, there is concern that it could overheat. Xu explained that the central government has become increasingly interested in macroregulation of the economy and is making efforts to "cool down the heat."

China entered the World Trade Organization in 2001 and is playing an interesting role as both a major emerging market and as a developing economy. Xu emphasized the need for the Doha round of multilateral trade talks to be resumed as quickly as possible. He also emphasized that the Doha round is a development round and progress in the round must include significant gains for developing countries. In addition to multilateral trade talks, China has begun to pursue a forceful strategy of bilateral trade liberalization. This includes free trade agreements with over 20 countries and several regional trade arrangements.

While both Xu and our delegation recognized that trade frictions are bound to occur between the US and China, there were areas in which each saw room for specific improvement. Our delegation emphasized the need for a greater Chinese focus on the protection of intellectual property rights. The Chinese officials contended that they have begun to aggressively focus on IPR.

In response to a question about what improvements China would like to see made in US trade policy, Xu emphasized that he would like to see a loosening of US export controls. Export controls, according to Xu, put US companies in a far less competitive position than our European counterparts in doing business with China. China would also like the US government to recognize it as a market economy.

Meeting with Xu gave our delegation a hands-on look at the US-China commercial relationship. While our delegation had specific concerns about intellectual property rights and other points of friction, it was important to also hear the concerns that Xu had about US trade policy. Given the increasing interdependence of our two countries' economies, it will be important for our countries to continue to have strong mechanisms through which we can voice our concerns with one another's trade policies.

# MEETING REPORTS

## Xian

### Xian Children's Welfare Institution

By Sam Young, Jr.

On our second day in the Shaan'xi Province, we had the unique opportunity to pay a visit to the Xi'an Children's Welfare Institution and Handicapped Children Rehabilitation & Training Center. Situated in the north of Xi'an, the Children's Welfare Institution is a special social welfare unit for orphans and disabled children. Founded in 1985, the Institute has 62 staff members and approximately 300 children. Upon reaching the very spacious and inviting facility, we were welcomed by the sight of a statute of an adult holding the hands of two children, our first sign that this was a place where children were meant to feel welcome.



Arriving at the Xian Children's Welfare Institution

We were immediately greeted by Cui Bao-Yu, the president of the Institute, and several members of the staff. After a brief introduction, our delegation were given protective footwear and led up to the top floor of the facility to begin our tour. The walls were intricately decorated with murals that were especially inviting to children, and the numerous windows allowed a large amount of sunlight to naturally light the rooms.

As we toured the floors, we were eagerly welcomed by the children. They were not only excited by the "strange" sight of our delegation, but also equally enthusiastic for the treats that we had for them! The children made a lasting impression on us as well, and we could see from the caretakers that "care, treatment and education" was not just a mission statement, but a way of life.



After our tour of the facilities, we were able to spend time with President Cui Bao-Yu in a roundtable discussion. Several of our delegation inquired about the process of adoption, due to constituents presently in the process of Chinese adoptions. We learned that adoptions had begun in 1994, and that since then, over 200 children had been adopted. As our session drew to a close, we left with a sense that the children were in good and caring hands, and were confident that the work being done here was indeed in the best interest of the children.



## **Xian Children's Welfare Institution**

### **By Cynthia Vukmer**



After about a two hour plane ride from Beijing, we arrived in Xian where we were warmly greeted by our provincial hosts, “Gary” and Ms. Li. They were ready to show and tell us all about Xian and its rich history, as it has served as the capital at various times throughout China’s past. One of the highlights of Xian is its famous Terracotta Warriors. These soldiers, each with its own unique design, were uncovered in the 1970’s and have been an object of wonder ever since. It is believed that the Warriors were specifically made for the burial of one of the emperors, possibly to protect him in the afterlife.

Xian Children’s Welfare Institution Meeting-August 13, 2006

The next day, we went to the Xian Children’s Welfare Institution, an orphanage for mostly mentally and physically challenged children.



We arrived in a bright, clean courtyard with palm trees and a playground. After pulling shoe covers on over our shoes to prevent germs, we ventured inside to meet some of the 475 children living there. The President of the Institute, Ms. Cui Bao-Yu, kindly greeted us and led us on a tour of the main building on the 60-acre complex. Through a translator, she told us that the Institute falls under the jurisdiction of the Civil Affairs Bureau in the Chinese government and was founded in 1932 with a church affiliation. It then became an institute, as it is known today, in 1985. She described the orphanage as a “big family” and said that the staff (who were, it seemed, mostly, women) really enjoy working there and are “full of love” for the children.

The first children we saw were probably two and three years old and were eager to have some of the candy we brought for them. There were about 10-12 kids in the room with several workers. We went on to visit several other rooms full of children, all divided by age groups. In some of the rooms, the children were a little older, maybe between four and six years old, and they greeted us in English with a jubilant “hello!” Ms. Cui explained that volunteers come through an international organization known as Eye to Eye to teach the children English.



Cynthia visits with children at the Institute

In some of the other rooms, the children were mentally or physically challenged, including several babies who had cleft palates. Ms. Cui told us that some of these children had received corrective/reconstructive surgery through a program called Tomorrow Project and that others were on a waiting list for the surgery.

Ms. Cui also said that since 1990, about 600 children from the orphanage have been adopted, including 300 to families abroad. These numbers come as no surprise as China is the largest “sending” country for U.S. international adoptions. According to the U.S. Department of State, there were 7,906 adoptions from China to the U.S. in 2005. Despite a recent delay in international adoptions, which could be a result of increased domestic adoptions in China, the Chinese government has a strong, transparent structure in place

to process adoptions. China and the U.S. enjoy a good working relationship in the area of adoption and are both signatories of the The Hague Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption. This Convention is intended to strengthen protections for adopted children, including ensuring that intercountry adoptions take place in the best interests of children; and to prevent the abduction, exploitation, sale, or trafficking of children.

After our tour of the facilities, we sat down with Ms. Cui to discuss adoption issues in general and her institution specifically. She explained some of the requirements for Chinese domestic adoptions, including that a family wanting to adopt a child must fall in the “upper-middle class” range of income and the parents must be over 30 and under 50 years old. We also talked about U.S. standards for adoptions and reminded her that any Chinese children adopted into U.S. families serve as “little Chinese ambassadors to the U.S.” and act as a conduit for learning about China’s heritage and culture.

Whether the children remain at the orphanage or are adopted into loving homes, it was clear that Ms. Cui is proud of her institution and takes a special interest in each of the children living there.

# MEETING REPORTS

## Shanghai

### Shanghai City Planning Museum By Cynthia Vukmer



Shanghai city model at the exhibition center

Shanghai is set to host the World Expo in 2010, when it will make its debut on the global stage proving itself as a major financial powerhouse, often compared to New York City.

Our meeting at the Shanghai Urban Planning Exhibition Center on Tuesday, August 15, only further showcased the advances this “Pearl of the Orient” has made since China’s government began pouring money into development in the early 1990’s. What began as a small fishing village in the 10th Century, today boasts a burgeoning economy and industry. Although it only comprises a small part of the total land area in China, Shanghai processes over 25 percent of the country’s imports and exports and provides more than 12 percent of the municipal revenue in China.



The Shanghai City Model

The Center houses a hi-tech model of the entire city of Shanghai, including the Pudong District, which is between the Huangpu River and the East China Sea. Pudong has approximately 1.5 million people and its western end is the new financial hub of China known as the Lujiazui Finance and Trade Zone. This area is home to the famous Oriental Pearl TV Tower and the Jin Mao Building, whose modern architectural design serve as reminders that Shanghai is helping to lead China well into the 21st Century.

Other areas vital to the city's heartbeat include Waigaoqiao, in northeast Pudong, the largest free trade zone in mainland China, Jingiao Export Processing Zone, a major industrial area, and Zhangjiang Hi-tech Park, home to technological businesses in central Pudong.

Perhaps most fascinating was learning about the magnetic levitation, or "maglev", train, a form of transportation that suspends, guides, and propels vehicles through electromagnetic force. The maglev began operating in 2004, carrying passengers to and from the Pudong International Airport.

Not only does Shanghai have the enviable maglev train to transport its growing population, expensive, theme-style neighborhoods are cropping up in newly-formed suburbs to house those moving there. While rapid economic growth is often good, some fear it could be causing a real-estate "bubble" in some areas, forcing lower-income citizens to find housing and work elsewhere.

At the end of our tour, we signed a guest book for the Center, expressing our impressions of the city. Shanghai is truly an advanced city with resourceful people who will continue to expand its role in China and the world.



Dr. Wang signs the guestbook at the Shanghai City Planning Exhibition Center

## Shanghai Stock Exchange Meeting

### By Sarah Rittling



Shanghai Stock Exchange

On August 15, the U.S.-China Policy Foundation delegation visited the Shanghai Stock Exchange (SSE), and met with Lu Wen Shan, Director of the Legal Affairs Department. The report below is a culmination of information obtained during the meeting, as well as materials provided to the group by the SSE. While the information appears basic, it was quite interesting, obviously, for the group to understand the structure, given the fact that the majority of our understanding is based on the United States structure.

The SSE was founded in 1990, and is one of three stock exchanges in Mainland China along with Hong Kong and Shenzhen. In 16 years, the SSE prides itself as becoming the leading of these three with respect to the number of listed companies, number of shares listed, total market value, tradable market value, securities turnover in value, stock turnover in value and the T-bond turnover in value.

At the end of 2005 there 38.56 million registered investors in the SSE and 834 listed companies from 31 provinces nationwide. Interestingly, of those registered investors, 99.6 percent of them are individuals, with the remainder being institutional. Moreover, the listed companies may be broken into the following sectors; industrial, commercial, property, utilities, and miscellaneous. Finally, of the 152 members of the SSE, 137 are specialized securities firms.

Of particular interest was the technological infrastructure of the SSE supporting a paperless trading system, despite having the largest trading floor in the region. Orders can be sent to the SSE's main

framework through terminals either on the floor or from member firms. The current computer system is capable of “executing 29 million orders and settling 60 million transactions per day at a speed of 16,000 transactions per second. Furthermore, the SSE has a nationwide satellite telecommunication network. This infrastructure, in their opinion is key to the future success of the exchange. It would not be without merit to also suggest that the sophistication is consistent with other business and industry in Shanghai.

Given the concern within the United States about insider trading, there was a brief conversation about governance and oversight of the SSE, as well as future plans. Currently, the SSE is conducts real-time monitoring on market activities under a surveillance system, and is governed by the China Securities Regulatory Commission. The SSE follows regulations of the Securities Law of the People’s Republic of China and Company Law of the People’s Republic of China. Going forward, there is a concern about enforcement, not unlike something that we face in the United States. What is different, however, is the fact that the Chinese believe they need more trained attorneys. Additional regulation is not necessarily the answer to them, and was a question that was posed to us. Of particular note is this need for attorneys is something that the delegation heard in a number of meetings.

The meeting with the SSE was a wonderful compliment to others held over the course of the trip. For some of us, the mere fact that Shanghai has a stock exchange was fascinating, and to learn the basics was more than welcome.

...And, as finishing note, they begin and end the trading day with a gong of sorts as opposed to a bell!

# **Shanghai Institute of International Studies**

## **By Eric Rasmussen**

### ***Summary***

On Tuesday, August 15, the Congressional delegation met with scholars from the Shanghai Institute of International Studies for a wide-ranging discussion on a number of issues of interest to both the U.S. and China. The meeting was hosted by Dr. Jiemian Yang of the Institute, who opened the meeting with a description of the Institute, China's foreign policy objectives, and the challenges facing China. Eric Rasmussen led the question and answer period of the meeting, which included discussions on Chinese think tanks, threats facing China, the U.S. political system, U.S.-China cooperation, U.N reform, and American political happenings. The meeting was also attended by 10-15 scholars from the Institute.

### ***Meeting Introduction***

Dr. Yang began the meeting by describing the Institute. Created in 1960, the Institute is a policy-oriented research institute operating ten research departments. The Institute trains Master's degree students and regularly publishes seven scholarly journals. In addition, it hosts many conferences each year and sends scholars to many different countries across the world to work and study.

Dr. Yang explained that China's foreign policy is based on three main elements. First, Dr. Yang explained the economic aspect of China's foreign affairs. China has encouraged foreign investment and its economic growth has quadrupled. Dr. Yang pointed out that while aggregate economic growth is promising, individual GDP is not as impressive.

The second element of China's foreign policy is developing good relationships with four main groups. First, China hopes to develop cooperative relationships with developed countries. These countries, including the U.S., have the capital and technology necessary for China's growth and development. China also wishes to develop good relationships with its neighbors in Asia. China has twenty-five neighbors, while the United States has only two. The third group with which China would like to develop good relationships is developing nations. Dr. Yang pointed out that China is both developed and developing, so they wish to work with others as they develop. Finally, China would like to maintain good relationship with international organizations such as the United Nations.

The final element of China's foreign policy is the challenges facing the nation. First, there is a lack of strategic trust between the U.S. and China. Second China is still in transition politically, economically, and socially. Finally, China has to cope with three different cultures—Christian, Muslim, and Confucian—either within its own borders or nearby.

### ***Question and Answer Period***

Eric Rasmussen began the question and answer period by asking about the role of think tanks like the Institute in China's political life. In Washington, D.C., think tanks and similar policy institutes play a great role in the legislative process by providing advice to members of Congress and their staffs. Dr. Yang indicated that think tanks in China do not have the influence in China that they do in the U.S., and that American think tanks are looked at as examples in China. However, Chinese think tanks are very influential with other scholars in China. Chinese think tanks provide advice to the Chinese government in four ways: through official channels, writing good reports, personal channels and quoting foreign scholars.

Dr. Yang believes that scholars are having a bigger influence and role in China.

Peter Sperry then asked for Dr. Yang's impression of the U.S. political system. While noting its many strengths, Dr. Yang outline three main problems he sees with the current American system of government. First, he believes that the system was designed long ago in a small, isolated country with few voters. Now, because of America's growth, a politician is able to get elected by 25 to 30 percent of possible voters. Dr. Yang believes this leads to a narrow focus on the part of many politicians. Second, Dr. Yang argued that the American system has become corrupted by special interest money and large political contributions. Finally, Dr. Yang noted that the short political cycle leads to short-sightedness. That is, an individual who is elected every two years is more likely to be a politician than a statesman.

As a follow-up to the previous question, Eric Jacobstein asked Dr. Yang to evaluate the weaknesses in the Chinese system of government. Dr. Yang outlined three problems. First, the democratic system in China is imperfect. Second, the government needs to better coordinate the various facets and department of the government. Finally, China needs more deregulation.

Paula Steiner then discussed U.N. reform. Pointing out the recent problems and scandals in the organization, Paula asked about China's impression of the organization. Dr. Yang acknowledged the problems but argued that there is no better system to replace the organization.

Finally, the scholars from the Institute asked the Congressional delegation a handful of questions. Noting that Senator Joe Lieberman of Connecticut had recently lost his primary race to a more liberal contender, one young scholar asked us what we thought the loss meant. Several members of the Congressional delegation indicated that they thought the loss was a referendum on the Iraq War. Another scholar asked why many members in Congress seem to have a negative perception of the Chinese. One member of the delegation indicated that she thought it was a reflection of American sentiment about China's political system. In addition, painting China as a threat is a smart political move, helping to rally the base in many Congressional districts. Finally, a scholar asked about a pending bill in Congress that would put extremely high tariffs on Chinese goods coming into the U.S. Noting that the bill was proposed by a member of the minority party in Congress, a delegation member indicated that the bill is a message bill and would probably not go anywhere in Congress.

In what seemed to be a lively and interesting meeting, our time was quickly up. The meeting ended as Eric Rasmussen presented Dr. Yang with a "Spuddy Buddy," a stuffed potato representing one of Idaho's largest crops.

# **Shanghai WTO Affairs Consultation Center**

## **By Paula Steiner**

### ***Background on the Shanghai WTO Affairs Consultation Center***

The Center is a non-governmental organization to provide the public with law and policy information related to China's participation in the WTO and "maintain a fair trade environment." They also provide investigative and research analysis on requested projects involving foreign market excerpts, statistical data, technical support and training.

During the meeting questions to the Shanghai WTO Affairs Consultation Center focused primarily on Intellectual Property Rights (IPR) violations and Agriculture Trade.

### ***Intellectual Property Rights (IPR)***

On the surface, it appears that China is making improvements in their federal court system. China claims that lack of enforcement is due to the new court system and deficiencies in judicial infrastructure. Additionally, much of the blame is placed upon the provincial governments that do not want to give up the income.

The Chinese government believes that it is making improvements by lowering the threshold to bring cases to court. They also initiated education campaigns regarding IPR and recently closed the Samurai Market in June 2006.

### ***Analysis***

In order to reduce piracy rates, the Chinese government needs to go beyond making raids. Piracy operations can start up at alternate locations and need to be stopped at their core. China suffers from chronic over-reliance on toothless administrative enforcement and underutilization of criminal remedies. The Chinese government needs to impose stricter penalties, not just civil but criminal, that deter this kind of behavior. This is in part because China maintains volume and value thresholds that allow commercial scale violations to escape criminal procedures and penalties. Under the current climate in China, pirates of IPR see that the potential profits outweigh the risks. Until this balance changes, the United States will continue to see abuses. Also, the U.S. needs to receive full transparency of the outcomes of these cases in China.

In 2005, the United States pressed China to address its over-reliance on administrative enforcement, and at the July 11, 2005 Joint Commission on Commerce and Trade (JCCT) meeting, China agreed to increase the number of criminal prosecutions for IPR violations relative to the total number of IPR administrative cases. Unfortunately, there has been no sign yet of a significant shift in emphasis toward criminal enforcement.

### ***Agricultural Trade***

A question was asked regarding what changes are being made to transition China to a fully market based economy that is not reliant on government subsidies? Through the WTO, China agreed to provide a full description of all its subsidy programs to the U.S. The report submitted was ruled incomplete by our U.S. Trade Representative so the Chinese government is working to provide additional information.

Additionally, an inquiry was made about China's thoughts about the Agriculture Subsidy discussion at the Doha Round? China does not provide Agricultural subsidies similar to the U.S. In the past, they have heavily taxed farmers; however, they are now providing tax credits.

The question was also asked regarding sound science and phytosanitary concerns. The recognition of the U.S. meat inspection system is a very significant precedent for future free trade agreement (FTA) negotiations.

### ***Doha Round***

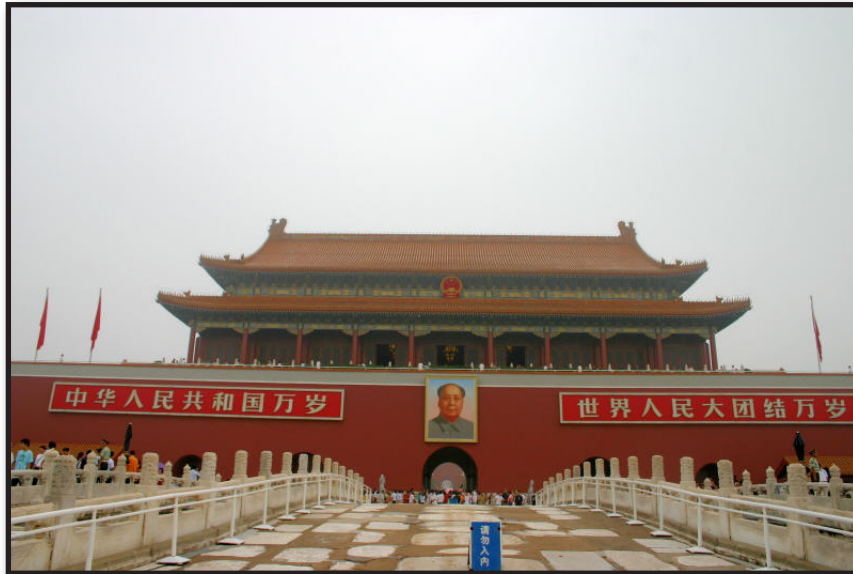
On July 24, 2006, the WTO's Director General announced the indefinite suspension of further negotiations in the Doha Development Agenda or Doha Round of multilateral trade negotiations. The principal cause of the suspension was that a core group of WTO member countries -- the United States, the European Union (EU), Brazil, India, Australia, and Japan -- known as the G-6 had reached an impasse over specific methods to achieve the broad aims of the round for agricultural trade: substantial reductions in trade-distorting domestic subsidies, elimination of export subsidies, and substantially increased market access for agricultural products.

The question was asked how China views itself, developing or non-developing, given its rapidly emerging market?

The Center stated that developing countries have a higher expectation for the Doha and that there needs to be an adjustment in expectations by developing and non-developing countries during these negotiations. The Center states that China is not ready to take a leadership role on some of the larger world issues and wants to focus internally on China's economic growth.

# Sightseeing Photographs

## Beijing



The Forbidden City



The Great Wall

# Xian



The terracotta warriors near Xian



Wild Goose Pagoda

# Shanghai



Shanghai Pearl TV Tower



Nanjing Road

## Appendix I– Statements of Interest

### David Brewer

Over the course of the last century, as nations have come together to jointly fight world wars and collectively face the realities of terrorism, our world has grown to be smaller and more interconnected. Today, the financial well-being of one nation directly affects the economy of another, the actions of one country influences the security of its neighbor, and the human rights of one people concerns the freedom of all people. The United States has embraced its role as a partner in this global economy and a member of this global community. However, to continue as a leader of prosperity and a beacon of hope for nations around the world, the United States must continue to educate its future leaders about its role in global relations. The People's Republic of China, with a burgeoning economy and increasing stature, is poised to play a significant role in the global community of the 21st Century. I strongly believe that it is necessary for future American leaders to develop and maintain mutually beneficial relationships with Chinese leaders to promote joint economic success, address shared security concerns, and strive for the worldwide acceptance of human rights.

Growing up in Southern California, my lifelong interest in Sino-American relations has been influenced by my interaction with Chinese-American classmates and the infusion of the Chinese culture in the region. It has only been recently, though, that I have had the opportunity to put my interest in Sino-American relations into practice. As a Legislative Assistant for Congressman Gary G. Miller, I am responsible for foreign policy issues, including Sino-American relations. Especially in the past year, when issues concerning China have repeatedly come before Congress, I have relied upon my experiences and my education to analyze developments in this relationship. In particular, I closely followed the potential acquisition of Unocal by the China National Offshore Oil Company and I am presently working with officials from the Chinese Embassy for the benefit of California constituents. Despite these actions, I feel that my current experiences and education have not been sufficient to present an objective understanding of Chinese affairs and the Sino-American relationship.

As I continue to pursue my career in public policy and my interest in foreign affairs, I would welcome the chance to expand my familiarity with Chinese culture and improve my knowledge of China's economic, political, and social structures. I believe the US-China Policy Foundation's Policymakers Seminar and Trip will provide me with such a unique opportunity. This trip will allow me to expand upon my interest in Sino-American relations and will give me a forum to discuss Chinese affairs with other Congressional staffers. More importantly, I believe this program will allow me to interact with Chinese officials and absorb the Chinese culture, which will help me to make well-balanced decisions regarding Sino-American relations throughout my career. I will take back the experiences gained from this trip and the lessons I learned from colleagues in China to help formulate foreign policy for the benefit of both the American and Chinese people.

In this age of economic, political, and social interdependency, I believe it is necessary for future leaders of the United States to have the opportunity to fully understand the basis of the Sino-American relationship. With a strong personal interest in Chinese affairs and a professional involvement in foreign policy issues, I am a solid candidate to benefit tremendously from this experience. I wholeheartedly welcome the opportunity to use this program to expand my knowledge of Sino-American relations, augment my interest in Chinese affairs, and promote mutual understanding between these two nations.

## **Stephen Higley**

The U.S.-China Policy Foundation's 2006 seminar series and trip to China would provide me with an exceptional opportunity to expand my knowledge and understanding of a country central to issues I work on for the Senate Committee on Environment and Public Works (EPW).

Climate change and air pollution are two issues of major public concern in the United States. There is an increasing call for international cooperation in these areas, and both issues will continue to play key roles in U.S.-China relations. Emissions from Chinese coal-fired power plants already directly impact the United States in the form of mercury deposition, and China is expected to build more than 500 new such plants by the year 2012. Additionally, China will soon surpass the United States as the world's single largest emitter of carbon dioxide, a "greenhouse gas."

In January 2006, the United States, China, and four other nations launched the Asia-Pacific Partnership on Clean Development and Climate, intended to address both pollution and greenhouse gas emissions through the development and transfer of "clean" energy-generation technology. This partnership is a prime example of the cooperation that can be expected in the future as both China and the United States strive to improve environmental quality while maintaining economic growth. Broadening my knowledge of China would allow me greater insight into these relations as they develop.

A sound understanding of a nation's economy, government, and culture is critical for decision-makers in the United States to craft effective policy – environmental or otherwise – with that nation. The USCPF program is a unique opportunity for Congressional staff to learn firsthand about a country that is, for many Americans, neither easily accessible nor clearly understood. I am excited about the prospect of participating in the seminar series and trip, and I am certain that through this experience, I will bring an invaluable perspective on China and the environment to the EPW Committee.

China is a country of great interest to me both in my current position and in potential future career endeavors. As an avid student of international affairs, I moved to Washington, D.C. in 2003 to seek opportunities in the realm of foreign policy. Whether I remain involved in environmental issues or ultimately pursue another of the innumerable paths on Capitol Hill, international relations will remain a priority throughout my career.

Participating in the USCPF seminar series and trip to China would allow me to better serve the EPW Committee in my present role and would grant me experience that would serve me well throughout my career.

## **Eric Jacobstein**

My interest in China and the US-China Policy Foundation's seminar and trip emerges from a more general interest in the potential benefits that US-China trade can have in spurring economic growth and creating a positive sums game for both countries. Xenophobia in the United States has an unfortunate tendency of emerging as countries become more globally competitive. This was the case with Japan in the past and is currently the case with China. I am interested in seeing how we can overcome this kind of protectionism as we strengthen the US-China partnership.

China is the most recent victim of renewed US protectionism. A proposal by Senators Chuck Schumer and Lindsay Graham was intended to impose a 27.5% tariff on Chinese imports to the US in the case that China did not revisit its currency. Luckily, a trip to China made the Senators more aware of China's reality. But this

will not be the end. I believe that travel to China by US policymakers is essential as we seek to deepen our bilateral relations.

I currently serve as a legislative assistant handling trade for Congressman Jim Kolbe, the Chairman of the House Appropriations Subcommittee on Foreign Operations. My interest in international trade originally came from my love for US – Latin American relations and my belief that deepened trade and investment between the two regions were essential in fortifying ties. Working more globally on trade for Congressman Kolbe has helped me to get a sense of the obstacles blocking US foreign and trade policy – including the current partisan political environment. Mr. Kolbe has been a leader on China since the debates on establishing Permanent Normal Trade Relations with China began in the 1990s and after they were put into place in 2000. He has been a long proponent of getting the message of free trade and engagement out across the country. As we continue to articulate this message – particularly in an election year – I hope to get a better sense of China’s economic and political realities. There is no better way of doing this than through travel.

I am extremely interested in China’s role as the current scapegoat for renewed protectionism and I hope that this program will give me a chance to strengthen arguments for increased engagement between the two countries. I plan to continue working in Congress on international trade issues and would like to get a better grasp of how China sees its economic and political relations with the US in order to keep working on these issues in the future. The US-China Policy Foundation’s trip and seminar seem like an ideal opportunity to educate myself further on these issues.

## **Eric Rasmussen**

“You Americans think you are so great. That’s what bothers me most about you. You think you need to be involved in everything, to solve the world’s problems.”

I stood and listened patiently as an angry Frenchman belittled me and my country while I attempted to buy my groceries in a supermarket in Amiens, France. I was living in the quiet town in northwest France, doing my best to fit in and not antagonize the neighbors. Clearly, I was failing. I wondered what was bothering him so badly as he continued laying into me.

“Who do you think you are anyways? You think you are this shining example of democracy. Well let me tell you something—we taught you about democracy! Without us, you wouldn’t exist!”

And there it was—the reason he was so worked up, the reason he had so much to say, the reason I was listening to this rant when all I wanted to do was buy some milk and butter—this man was extremely proud of his country. He was proud of France’s history of democracy. He was proud of “le Republic” and its history of liberty, equality, and brotherhood. And he was bothered by his impression that America thought it could lay claim to all those values.

Ultimately, I think all of us are a little like that man in the supermarket. We love our country and are proud of its heritage. Unfortunately, these feelings often lead to clashes with other countries and cultures. When one country’s history and culture but up against that of another, misunderstandings and frustrations are bound to develop. Such has seemingly been the history between the United States and China. The two countries are fascinated and inspired by many aspects of each others societies, and confused and opposed to aspects of others.

What, then, is the solution to this problem? As I understood the Frenchman’s position, I was able to relate

to his argument. In the end, understanding overcomes barriers of disagreements and misunderstanding. Understanding promotes rational public policy based in fact rather than assumption.

In my current position as a Legislative Aide, one of my areas of responsibility is health care policy. China has a unique medical care system that is undergoing significant structural upheavals, including a migration from free health care in urban areas to the purchase of health insurance. One of the pressing challenges facing both the Idaho and Chinese health care systems is the provision of care to individuals in vast rural areas. I have little background in China's strategies for tackling this and other social policy challenges, and believe the U.S.-China Policy Foundation Policymakers Seminar Series and Trip to China would provide valuable insight in to tackling this and similar challenges in the United States.

I would be honored to be selected for this exciting, once in a lifetime opportunity. As I continue to work in the policy-making arena, this trip will greatly enhance my ability to make sound decisions on issues involving Chinese-American relations.

### **Sarah Rittling**

I currently serve as a Congressman Castle's counsel for education and labor, and act as his liaison to the House Committee on Education and the Workforce. My primary responsibilities center around his work as Chairman of the Subcommittee on Education Reform. The Subcommittee has jurisdiction over pre-kindergarten through the 12th grade.

Over the course of the past three years, I have drafted and negotiated legislation to reauthorize the federal Head Start, Vocational and Technical Education, Child Nutrition, and Individuals with Disabilities Education programs. Currently, we are examining what is needed in our public education system to enhance American competitiveness. As part of this, I have read the National Academies' report, "Rising Above The Gathering Storm: Energizing and Employing America for a Brighter Economic Future," which suggests that within a decade nearly 80% of the world's middle-income consumers would live in nations outside the currently industrialized world. China alone could have 595 million middle-income consumers and 82 million upper-middle-income consumers. Statistics like these increase my interest in traveling to China, and not solely from the perspective of the educational system.

On a daily basis I am put in a situation where I am given the opportunity to learn something new. This is one of the best aspects of my job. I welcome the constant challenges, and particularly the new information. The lecture series, and subsequent visit to China would be an incredible opportunity in this regard; as well as to the work I am currently undertaking for Congressman Castle.

### **Peter Sperry**

As a legislative assistant for Congressman Phil English, I research and make recommendations on foreign policy, military and economic issues. China is a key player in all of these areas. Although I have a working familiarity with world history and geopolitics, my previous employment has focused on economic rather than diplomatic or military issues. Consequently, I am anxious to learn as much as I can about Chinese history, culture, diplomacy, military and particularly their economic development.

I grew up in the "Cold-War" era and actually remember watching President Nixon's trip to China on television. At the time, Communist China was viewed as a threat second only to the Soviet Union and

American understanding of the Chinese culture was both minimal and largely shaped by inaccurate histories that bordered on propaganda. I believe the most non-ideological descriptions of China available was the work of Pearl Buck and Richard Mckenna. Although my understanding of China has grown beyond “The Good Earth” and “The Sandpebbles”, I still have much to learn about this fascinating nation.

Your seminar series appears to provide an ideal opportunity to improve my understanding of a nation that could be either a critical U.S. ally and trading partner or a dangerous military adversary and diplomatic opponent. Obviously, I hope to use my new found knowledge to work toward the former outcome. Most importantly, by taking part in your seminar, I will be better prepared to serve Congressman English.

### **Paula Steiner**

I look forward to being selected to participate in the U.S. China Policy Foundation’s 9th Annual Policymakers Seminar and Trip in order to enhance my understanding in Chinese history, customs, and the importance of bilateral relations.

Although I have studied and researched China, through my work as U.S. Representative Steve King’s Trade and Small Business Aide, I recognize that I have only scratched the surface of what I should understand about China’s history, political, social and economic climate and believe that I would advance my knowledge significantly with this program, including visiting the cities of Beijing, Xian and Shanghai. Having lived in Costa Rica and having visited Australia and several European countries, I have a much deeper appreciation for the people and their political and economic institutions. I expect that this experience would deliver the same.

The U.S. Congress is readying several pieces of legislation to punish China if its leaders do not stop manipulating its currency (which gives Chinese companies a 15-40 percent cost advantage over American businesses) end the piracy of American intellectual property and cease the over-subsidization of its industries. As these emerging issues advance in Congress, it will be incumbent on me and Congressman King to have a strong understanding of the background and dynamics impacting these issues.

Increased pressure is being placed on Congress by restless constituents who are growing more aware of the rapidly exploding trade deficit between China and the U.S. We have also become increasingly concerned about the numbers of jobs that are outsourced to China and other low-wage countries. It is important to understand ways that China can take action so U.S. companies can compete on a level playing field and even complement what Chinese companies are attempting to achieve in the world market.

Probably most important in all of this is to understand how the United States government can work with Chinese leaders to promote more U.S. exports into China. I am particularly interested to hear the Chinese perspective regarding the purchase American goods and services and to reforms that would update our nation’s export control laws. Given my boss’ position on the Small Business Committee, he is well-positioned to strengthen this system for the mutual benefit of U.S. and Chinese interests.

## **Tyler Thompson**

I would like to express my appreciation for being considered for the US-China Foundation's Policymakers Seminar and Trip for 2006. I would cherish such an experience because of the rare opportunities that it holds to see and learn first-hand the culture, history, and politics of the people of China.

I have purposefully sought to know more about and understand the world outside of the United States through my education and professional career. As an undergraduate, I earned a B.A. in British History, during which time I studied at St. John's College, Oxford, and took on a heavy load of elective courses in European and World politics. Additional courses in Anthropology and European literature, coupled with extensive travel throughout Europe and the Far East, have instilled in me a curiosity about the greater world and a desire to be an active and better-informed, more astute observer of the issues that face us all.

As my interests in the global community have progressed, I have had the opportunity to study and be involved in our political system and travel abroad to see how we as Americans impact other cultures and political systems. In June, 2005, I traveled with a group of fellow staffers from the House and Senate to Taiwan in an effort to learn more about our unique diplomatic relationship and understand the issues that they face. It was an invaluable experience and had a profound impact on my perspective and I believe that I am a much better-equipped judge of matters regarding U.S.-Taiwan relations.

My primary reason for applying for this trip is to gain a first-person perspective of the people and policies of China. The future of our two countries is inexorably entwined and it is imperative for us to have mutual respect and understanding. I believe that traveling to the country and being immersed in Chinese culture will help ensure that we continue towards this goal. Additionally, as a Senate staffer focusing on health issues, I find China to be of particular interest given their experience in past public health crises such as the SARS outbreak in 2004 and more recently a potential avian bird flu pandemic.

I would also value this experience as a hopeful Foreign Service Officer, as I plan to take the Foreign Service Written Exam in April, 2006. This trip would be a wonderful opportunity for me to continue my education about the greater world and could significantly contribute to my future career.

## **Cynthia Vukmer**

I would be honored to participate in the U.S.-China Policy Foundation's (USCPF) seminars and subsequent trip to China. I have been interested in policy and politics pertaining to China since I began working on the Hill as a Staff Assistant for Congressman Joe Pitts. At that time, Congress was considering Permanent Normal Trade Relations (PNTR) with China. I remember the vote on PNTR was quite controversial and our office received many calls about it. Through this vote, I learned that establishing PNTR with China was a vital step in opening trade with the United States and allowing its people a renewed taste of the free market.

Once I began working for Senator Inhofe in December 2000, I became even more interested in policy related to China as I began handling adoption issues. As one of the top sending countries to the U.S. for international adoption, many countries look to China as a model for developing transparent, efficient international adoption policy. As a result of working on the adoption issue, I was able to travel with the Congressional Coalition on Adoption Institute (CCAI) to Romania and Russia in April 2003 to review their adoption systems and discuss ways to improve them, including encouraging international adoption. Going on a similar trip to China and seeing the adoption system first-hand would be very valuable in developing sound adop-

tion policy and advising Senator Inhofe. If I am able to travel to China with USCPF, I would be interested in visiting the Chinese Center for Adoption Affairs (CCAA) and learning more about China's population issues and how (if at all) they are related to its high numbers of international adoptions. I would also be interested in visiting a Chinese orphanage.

Besides adoption and trade, I am interested in China's cross-straight relations with Taiwan. In August 2003, I went to Taiwan, as well as Hong Kong, to learn more about trade and cross-straight relations, among other things. The trip not only opened my eyes to the progress in trade and commerce between Taiwan and China, especially Hong Kong, but to the long history between Taiwan and China as well. With this understanding, I am better able to analyze legislation related to these regions, as well as advise my boss on these issues.

In conclusion, I firmly believe that traveling to regions related to and/or affected by policy that I am working on is extremely beneficial both professionally and personally. Professionally, attending the seminars and traveling to China would give me credibility and valuable insight into issues related to that area, as well as the opportunity to meet experts in the field. Personally, visiting China and learning more about issues affecting it, especially adoption, would help me as I hope to eventually obtain a Masters in Social Work or Counseling and work with children who have been adopted or are refugees. Thank you for your consideration and I look forward to learning more about China.

## **Constance Warhol**

Throughout my education, and my career, my main focus has always been on the politics of sub-Saharan African countries. However, as a Legislative Assistant for Congresswoman Betty McCollum, who is a member of the House International Relations Committee, I am required to be well-versed in a variety of issues, from human rights in African countries, to trade with Asian countries, to international security. I have been required on a number of occasions to understand and disseminate issues related to China, including trade, military, human rights, and regional security issues. While I have general knowledge of the issues and situations that are discussed in the International Relations Committee, I know that I would greatly benefit from learning more – in the business, cultural and political realms.

Traveling to China would help me gain hands-on knowledge of a variety of issues facing China and the U.S., and would give greater depth to my understanding of trade, military and human rights issues involving China. Seminars, briefings and books cannot offer a person the same learning experience as face-to-face encounters, on-the-ground experiences, and personal connections can. By taking part in a program that offers both educational briefings tailored for Hill staff, and travel opportunities to China, I would be able to better articulate issues of increasing importance to my boss, and prepare materials for her on the issues she is interested in, and which are covered by the International Relations Committee.

I sincerely hope to further my knowledge of China, and other regional Asian issues, during my time working for a Member of the International Relations Committee. As a member of the Oversight and Investigation Subcommittee, there are a number of potential issues that could come before my boss related to China. In addition, the Africa, Global Human Rights and International Organizations Subcommittee, which my boss is also a member of, frequently looks at issues related to China. In particular, that Subcommittee recently held a widely-publicized hearing regarding Internet Service Providers operating in China, and the human rights and business issues that are faced as a result of their provision of services to the Chinese people. With China continually alternating between friend and foe of the United States, hearings examining the political, economic and social issues surrounding U.S.-Sino relations will only become more frequent.

Having hands-on experience in China would allow me to offer my boss further depth in understanding the complex issues she is required to look into as a member of the International Relations Committee.

In the future, I hope to continue working international politics, preferably with a nongovernmental organization that focuses on human rights, or on international development. Regardless of the position I find myself in in the future, I will certainly be faced with issues pertaining to China, regional politics and security, and U.S.-Sino relations. The experience I would gain from participating in the U.S.-China Policy Foundation's Policymakers Lecture Series and China Trip would greatly enhance my understanding, and my effectiveness in communicating with the various people I will encounter as I work on these issues in the future.

### **Sammie Young, Jr.**

I appreciate and am very excited at the possibility of joining the U.S.-China Policy Foundation's 9th annual Policymakers Lecture Series and China Trip this summer. Having grown up in a military family, I was fortunate to have much of the United States and the world as my living classroom, and to continue my education through studying China would be an experience I would treasure.

Through the seminars and the China trip, I seek to enhance my understanding of China's history and culture, its burgeoning economy and its strategic position in relation to the United States and other countries. The knowledge provided through your foundation would accentuate my interests in international law and policy affairs, both fostered by my experience with the Center for Politics at the University of Virginia, and earning my law degree at the University of Virginia.

As my fellow Senate staff members and I grow into future leadership positions, I feel it is imperative that we all are well informed and aware of the impact that China is presently making on a global scale. I know of no better way than to experience China and all that its rich history has to offer firsthand, and being allowed to join you this summer will greatly increase my awareness of China's direction and potential.

## APPENDIX II: LETTERS OF SUPPORT

Dr. Chi Wang  
United States – China Policy Foundation  
316 Pennsylvania Avenue, SE  
Suite 201-202  
Washington, DC 20510

Dear Dr. Wang:

Congressional staffers are bombarded with information. Every day, a seemingly unending stream of emails, phone calls, and faxes come in to each office, advocating on behalf of every issue imaginable. Add to this crush of information the ideas presented each day in briefings, luncheons, teleconferences, and site visits and you can see the problem—information overload. With so many issues vying for attention, it is the most interesting, memorable, and relevant information that is remembered and attended to.

The U.S. China Policy Foundation has created a fantastic program for Congressional staff with its Policymakers Seminars and Trip. Many staffers were novices in Chinese culture and politics at the beginning of the program. By the end of the experience each staffer could speak knowledgeably about Chinese history, culture, leadership, security interests, and trade, as well as the common issues facing the United States and China.

I came away from each luncheon seminar with new understanding and interest. The speakers were professionals and academics at the top of their fields. They were knowledgeable and open to all of our questions. The trip itself was, clearly, one of the highlights of my time as a Congressional staffer. The meetings were interesting and informative and the scenery spectacular.

Each participant in the trip will remember the interesting, memorable, and relevant information learned through this fantastic voyage. I thank you and all of the staff, scholars, and donors of the U.S. China Policy foundation for an incredible experience.

Sincerely,

Eric Rasmussen  
Legislative Aide  
Office of Senator Mike Crapo

## APPENDIX III: LIST OF CONTACTS

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