



U.S.-China Relations:
Product Safety Plagues the Relationship

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Continued recalls of Chinese-made products prompted actions by both the U.S. and China to shore up consumer confidence and enhance bilateral cooperation on food and product safety. Presidents George Bush and Hu Jintao discussed a broad range of economic and security issues on the sidelines of the APEC leaders meeting in Sydney. Treasury Secretary Henry Paulson traveled to China at the end of July to prepare for the third round of the Strategic Economic Dialogue (SED) scheduled for December amid attempts by Congress to pass legislation that would punish China if it does not revalue its currency. U.S. Chief of Naval Operations and Chairman of the Joint Chiefs of Staff-designate Adm. Mike Mullen made a six-day visit to China during which he was given unprecedented access to China's navy.

“Made-in-China” label still under attack

The uproar about the safety of Chinese-made products that began in mid-March continued to gather steam this quarter. After recalls of tainted pet food, toothpaste, and tires imported from China, toy maker Mattel issued three recalls in August, two for nearly 1.5 million toys that contained “impermissible levels of lead paint” and one for 18.2 million toys with magnetic parts that led to injuries and at least one death after being swallowed. In September, U.S. regulators recalled about 1 million baby cribs manufactured in China after the cribs were linked to at least two infant deaths.

Recognizing that the problem could snowball and jeopardize China's exports as well as result in domestic criticism of the government for allowing tainted food and shoddy products to be sold at home, Beijing took action on several fronts. On July 10, the former head of China's State Food and Drug Administration, Zheng Xiaoyu, was executed for dereliction of duty and taking bribes from drug companies. Later that month, China announced that it had shut down several firms that had been involved in the melamine-tainted wheat gluten scandal that involved pet food in North America and in the export of diethylene glycol that ended up in Panamanian medicines that killed at least 51 people. In August, the Chinese government also identified the Chinese toy factory that was at the center of the Mattel recall due to lead paint. The toy factory's owner committed suicide the following week. In late September, China's food safety watchdog revoked the licenses of 564 factories involved in producing potentially toxic monosodium glutamate (MSG), rice, and frozen noodles.

In further response to domestic and international criticism, China appointed Vice Premier Wu Yi to head a new Cabinet panel on food and product safety. The new 19-member body will bring together officials from several agencies that have jurisdiction over food and product supervision. China also launched a media campaign to defend the quality of its exports. Commerce Minister Bo Xilai insisted that “99 percent of China’s exports are good and safe.” Li Changjiang, director of the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ), defended Chinese manufacturers and blamed U.S. toy companies for faulty designs. In another step aimed at improving supervisory procedures, China instituted a new nationwide system on Aug. 31 for recalling unsafe food and toys. The system requires manufacturers who discover unsafe products to cease production, notify customers, and report to quality control officials.

China also took retaliatory action against the United States, declaring that it, too, must be vigilant for unsafe U.S. food products. In July, China suspended the import of poultry and pork products from several major U.S. producers, including Tyson Foods, Cargill Meat Solutions, and Sanderson Farms, charging that they were tainted with bacteria or residues of drugs and pesticides. In September, China returned 40 tons of pork because it contained traces of the growth stimulant ractopamine, which is banned by the majority of countries, but is permitted in 24 countries, including the U.S.

The Chinese also pressured Mattel to publicly apologize for mistakes on the U.S. side that helped lead to the toy safety scandals. Likely fearing that its business in China could be adversely affected, Mattel’s vice president for worldwide operations Thomas Debrowski traveled to Beijing in September to apologize personally to China’s product safety chief, Li Changjiang, with reporters and company lawyers present. Debrowski admitted that the magnet-related recalls were due to design flaws, not manufacturing problems and said that “Mattel takes full responsibility for these recalls and apologizes personally to you, the Chinese people, and all of our customers who received the toys.” Mattel assumed no responsibility, however, for the use of lead paint, but the toy company’s representative said that lead-tainted toys accounted for only a small percentage of all toys recalled.

In the U.S, both the executive and congressional branches also took steps to protect consumers. On July 18, President Bush announced the establishment of a new panel to monitor U.S. imports. Following the Mattel recalls, a series of congressional hearings were held at which both China and U.S. regulators were blamed for lax supervision. Some U.S. lawmakers, including Sen. Charles Schumer, called on the State Department to pressure China into opening up its manufacturing sector to U.S. inspections and proposed suspending imports of food and toys from China.

Bilaterally, the U.S. and China moved to cooperate more closely on product and food safety. After a visit to Beijing by U.S. health officials at the end of July, China’s AQSIQ and the U.S. Department of Health and Human Services issued statements suggesting that cooperation agreements could be signed by December. According to a statement issued by Mike Leavitt, the secretary of health and human services, the U.S. delegation offered “technical assistance” to China’s quality watchdog “to address systemic problems”

related to product safety. At the second U.S.-China meeting on consumer product safety, held in September, China signed a pact to prohibit the use of lead paint in toys exported to the U.S. Beijing also pledged to increase inspections of its exports and take other measures to ensure that those products meet U.S. standards.

Despite Chinese efforts to protect the “made in China” label and U.S. efforts to strengthen cooperation with Beijing on food and product safety, Americans remained wary. An *NBC News/Wall Street Journal* poll showed that 65 percent of Americans have little or no confidence that food imported from China is safe to eat. And a Zogby poll revealed that 82 percent of Americans are concerned about buying goods from China, with nearly two-thirds saying they would be willing to take part in a boycott of Chinese goods until Beijing implements more stringent safety regulations.

Hu-Bush tête-à-tête on the sidelines of APEC

In what is likely to be their last face-to-face conversation this year, Presidents Hu Jintao and George Bush met on Sept. 6 on the margins of the APEC Leaders Meeting in Sydney, Australia. After the 90-minute meeting, both leaders met briefly with the press. Bush noted that the discussion had been “constructive and cordial,” while Hu termed it “candid” and “friendly.” Bush told reporters he raised concerns about what the U.S. sees as an undervalued Chinese currency. According to White House officials, Hu, not Bush, raised the issue of the safety of Chinese exports. Bush told reporters that Hu “was quite articulate about product safety” and noted that he appreciated the Chinese leader’s comments.

Although Hu did not reiterate to the press the comments on product safety that he made to Bush privately, earlier that day he had addressed the subject during a news conference with Australian Prime Minister John Howard. “The first point I would like to make is the Chinese government has always taken the quality of Chinese products and the safety of Chinese food very seriously,” Hu said. “And we have enforced very strict inspection and examination procedures throughout the whole process of manufacturing Chinese products.”

On the topic of climate change, the top agenda item for this year’s APEC meeting, the approaches taken by Bush and Hu – leaders of two of the world’s worst greenhouse gas-emitting nations – overlapped. Both leaders called for greater international cooperation to cope with the negative consequences of climate change without restraining economic growth. “We believe that the issue of climate change bears on the welfare of the whole humanity and sustainable development of the whole world,” Hu told reporters after his meeting with Bush. “And this issue should be appropriately tackled through stronger international cooperation.” Bush said that he talked with Hu about “our desire to work together on climate change.” According to Dan Price, a presidential economic adviser on the National Security Council, Bush invited the Chinese leader to join him in eliminating tariffs on environmental and clean-energy technologies. Hu has suggested that the UN spearhead climate control efforts. Price said that wasn’t necessarily contradictory with the Bush approach.

The two leaders also talked about the bilateral military relationship and the issue of military transparency. They specifically discussed establishing a crisis hotline between their military establishments that could be used to alert each other to possible military situations that might seem threatening or be ambiguous. After repeated suggestions in recent years by the Pentagon that such a hotline be set up, the Chinese have signaled in discussions with senior U.S. military officers that they may be ready to proceed.

In a press briefing, Deputy National Security Adviser Jim Jeffrey characterized the overall tenor of the meeting as “very, very warm.” He noted that Hu and Bush are friends and have had good relations for a “good, long time.” Jeffrey said that the meeting was “very productive” and “rich” from the standpoint of both presidents. He provided some details on the conversation about Iran, which centered on ensuring the implementation of UN Security Council Resolutions 1737 and 1747 and proceeding toward a possible third resolution. Jeffrey also said the two presidents held a “fairly extensive” discussion about the state of play in the Six-Party Talks.

Briefing on economic issues, Price said the two presidents agreed to work out economic problems in the Strategic Economic Dialogue and other channels in a constructive manner and in a way that does not “foster or feed protectionist impulses on either side.” On currency and exchange rate reform, Bush urged China to continue to take steps to revalue its currency and Hu indicated that China would allow the market to play an increasing role in the valuation of its currency. On Doha, both sides agreed on the need to work together toward the goal of concluding a successful round. They also agreed that this would require contributions from both developed and developing countries on the issues of agricultural subsidies, market access for industrial and agricultural goods, and market access for services. Hinting that the U.S. expects China to be more proactive on these issues, Bush expressed concern that “some countries” appear to not be prepared to do their share.

Bush also raised concerns about religious freedom and democracy in China and about Chinese restrictions on beef and pork. Hu extended an invitation to Bush and his family to attend the summer 2008 Olympics in Beijing. Bush told the press that he was “anxious to accept.”

A full one-third of the meeting was taken up by a discussion of Taiwan. According to the Chinese Foreign Ministry spokesman and Chinese press reports, Hu warned Bush that the situation across the Taiwan Strait has entered a “highly dangerous period.” Highlighting efforts by Taiwan to hold a referendum on UN membership and seek to join the UN under the name of Taiwan as especially destabilizing, Hu told Bush “We must issue harsher warnings to the Taiwan authorities that any secessionist attempt aimed at ‘Taiwan independence’ in any form will be doomed,” *China Daily* quoted Hu as saying. In reply, Bush reportedly reiterated that the U.S. firmly adheres to the one-China policy, observes the three U.S.-China joint communiqués, and opposes any unilateral act to change the status quo across the Taiwan Strait. In addition, Bush allegedly told Hu that the U.S. fully understands China’s concerns on the issue.

On Taiwan's proposed referendum to join the UN, *China Daily* reported that Bush agreed with the prompt and clear statement by Deputy Secretary of State John Negroponte, who told Hong Kong's *Phoenix TV* on Aug. 27 that the referendum was a "mistake" and "a step toward a declaration of Taiwan independence and toward an alteration of the status quo." Bush promised to continue to pay attention to developments in Taiwan and "maintain close communication with China regarding the matter," *China Daily* reported. In the brief statement to the press after their meeting, Bush remained silent on Taiwan. Hu told reporters that he had briefed Bush on developments in the situation across the Taiwan Strait and asserted that "President Bush also explicitly stated the consistent U.S. position of opposing any changes to the status quo." After the leaders' summit, the head of China's Taiwan Affairs Office, Chen Yunlin, visited Washington to discuss developments on Taiwan and to urge the U.S. government to maintain pressure on Taiwan President Chen Shui-bian to withdraw the referendum proposal. Privately, Chinese scholars warned that if the Bush administration is not sufficiently firm and consistent, Beijing might have to take matters into its own hands.

Paulson visits China to prepare for next SED

As Congress pressed ahead with plans to punish China if it does not revalue its currency, Treasury Secretary Henry Paulson traveled to China at the end of July to prepare for the third round of the Strategic Economic Dialogue (SED) scheduled for December. Meeting with President Hu, Paulson said that both the U.S. and China needed to "spare no effort to make the strategic dialogue successful as it is at a crucial moment." He pledged to continue to work with Vice Premier Wu Yi to make the mechanism "a bridge to alleviate friction, overcome difficulties, solve problems, and strengthen economic and trade relations."

After two days of meetings with senior Chinese leaders, Paulson said he was assured that Beijing was committed to currency flexibility and more extensive financial reforms. Citing a specific achievement, Paulson said that the Chinese indicated they planned to lift a moratorium on joint venture security in the fall, rather than in December as initially planned.

The Senate Finance Committee and Senate Banking Committee both passed bills in July that would allow the U.S. to push other nations to adopt more market-based currency policies or face sanctions. In a letter to congressional leaders released after Paulson met with Wu Yi in Beijing, Paulson joined other top Bush aides in voicing opposition to the use of legislation to deal with the currency issue. Paulson said he urged greater currency flexibility in his meeting with Wu Yi, which also touched on environment and energy efficiency, food and product safety, investment and balanced growth. Paulson also met with Shang Fulin, chairman of the China Securities Regulatory Commission, Central Bank Gov. Zhou Xiaochuan, and had lunch with Ma Kai, the minister in charge of the National Development and Reform Commission, China's top planning agency.

Prior to visiting Beijing, Paulson spent a day in China's Qinghai province to examine environmental protection projects. He chose Qinghai Lake, China's largest saltwater

lake, as an example of the environmental challenges facing the country, and witnessed Chinese efforts to reverse environmental degradation. Paulson said the Qinghai lake region illustrated the problems of greenhouse gas emissions and climate change because rising temperatures are causing the lake to shrink and glaciers to melt, which could threaten the source of several major rivers in Asia. Paulson also visited rural families and discussed environmental protection with local officials.

With 15 months remaining in the Bush administration, the race is on between congressional advocates of legislation to sanction China and administration officials like Paulson who hope to head off such draconian measures and resolve differences through bilateral and multilateral dialogue. Chen Baosen, a researcher with the Institute of American Studies under the Chinese Academy of Social Sciences, told Guangzhou's *World Economic Herald* that Paulson's mission is "to prevent U.S. trade protectionism from endangering Sino-U.S. relations." The trend in the bilateral trade deficit will make this especially challenging. The Commerce Department reported in early September that the U.S. trade deficit with China so far this year is \$141 billion, on pace to top last year's record \$232 billion. Some economists predict that the bilateral trade deficit could reach \$350 billion in 2007.

Steps forward in military transparency

The head of the U.S. Air Forces in the Pacific visited China in late July. Gen. Paul Hester was granted access to Jining Air Base, an *Su-27* fighter-bomber base, and Jianqiao Air Base, where he saw *FB-7s*, all-weather, supersonic, medium-range fighter bombers. During a teleconference with reporters, Hester said that "going to see the two air bases with these two (fighter) platforms is a step forward in openness." He added, however, that China had not provided much insight into the direction of development of the Chinese military. "There are certainly not much solid answers to that question of 'What is your vision for your military and where will it lead you?'" Hester stated.

In the wake of the collision of a Chinese fighter and U.S. *EP-3* spy plane in April 2001, Hester said Chinese fighter intercepts of U.S. surveillance aircraft have continued, but they have been "professionally done" and "in accordance with fairly clear rules of engagement."

In addition to the two air bases, Hester also met in Beijing with Gen. Qiao Qingchen, commander of the PLA Air Force and a member of the Central Military Commission (CMC), and in Nanjing with a Nanjing Military Region Command official. Qiao accepted an invitation to visit the United States. They declined to show Hester their new *J-10* multi-role fighter.

The following month, U.S. Chief of Naval Operations and Chairman of the Joint Chiefs of Staff-designate Adm. Mike Mullen made a six-day visit to China during which he was given unprecedented access to China's navy. In Beijing, Mullen discussed strengthening exchanges between the U.S. and Chinese armed forces and the need to maintain peace

and stability in the Taiwan Strait with Guo Boxiong, vice chairman of the CMC, and Cao Gangchuan, CMC vice chairman, state councilor, and defense minister.

Mullen's visit marked the first visit in 10 years by a U.S. chief of naval operations. He traveled to Dalian, Qingdao, Ningbo, and Shanghai and was able to do several things that had not been done previously by a U.S. naval officer, including boarding a destroyer and observing an exercise that included air, submarine, and surface maneuvers. Mullen indicated that he had received the same level of access provided to Adm. Wu Shengli, the head of the Chinese navy, who had visited the U.S. in April and was the host of Mullen's visit. At Dalian Naval Academy, he met with several hundred young midshipmen.

Mullen told a group of reporters in Beijing that he was leaving China "with a much better understanding of the leadership" and "an improved relationship between the two navies and a commitment to continue to improve that." He expressed gratitude to Wu Shengli, whom, he said, had worked hard to reciprocate for the extensive schedule that had been arranged during his trip to the United States. "What I asked in return was for him to do the same thing," Admiral Mullen said. "He has done that. What I have seen is actions, not just words, which have met that standard and I consider that to be very positive."

China in the 2008 U.S. presidential campaign

Although China has not been a major topic of discussion in the U.S. presidential campaign to date, it has received some attention, especially among the Democratic candidates. And, not surprisingly, most of the comments have been critical. In early June at a debate with seven other Democratic presidential candidates, Gov. Bill Richardson proposed that the U.S. threaten to boycott the 2008 Olympics unless China uses its "enormous leverage" with the Sudan government to resolve the humanitarian crisis in Darfur. Other candidates present were reluctant to endorse Richardson's proposal, but agreed that the U.S. should put greater pressure on China.

When asked by moderator Keith Olbermann whether China is "an ally or an adversary" at an Aug. 7 debate sponsored by the AFL-CIO, Democratic candidates generally agreed that China is a competitor. Richardson took the toughest line, labeling China a "strategic competitor" while Sens. Barack Obama and John Edwards called China a "competitor" and Sen. Christopher Dodd noted that China was a "competitor" but close to becoming an "adversary." Only Sens. Joe Biden and Hillary Clinton stated that China was neither an ally nor adversary.

Several candidates voiced concern about the leverage that China has acquired through the financing of U.S. debt. Biden quipped that China "holds the mortgage on our house." Congressman Dennis Kucinich insisted that "we should not be borrowing money from China to run a war in Iraq." Other candidates raised concerns about currency manipulation and trade issues, and called for a firmer U.S. approach. Noting recent safety concerns about Chinese products, Clinton called for tougher standards on Chinese imports. "I do not want to eat bad food from China or have my children having toys that are going to get them sick," Clinton said. "So let's be tougher on China going forward."

Although China's military buildup has not been a frequent topic of discussion in Democratic debates, Dodd has warned about China's military buildup and the potential for a future military confrontation. In order to avert conflict, Obama has called for increased U.S.-China military-to-military contact.

John Edwards offered his views on China in the September/October issue of the journal *Foreign Affairs*, which is publishing a series of essays by presidential candidates. In a decidedly negative assessment, Edwards warned that economic competition with China could lead to conflicting perspectives on security issues, and cited China's approach to Iran and Sudan as examples. He termed the U.S.-Chinese relationship "a delicate one, which has not been well managed" by the Bush administration. Whether on trade, climate change, or human rights, Edwards maintained that the overarching U.S. goal should be to "get China to commit to the rules that govern the conduct of nations."

China has received less attention in the Republican debates. Most Republican candidates have referenced China primarily in their supporting arguments in answers to questions on other topics. In the GOP debate at Saint Anselm College on June 3, for example, Gov. Jim Gilmore maintained that the Kyoto Treaty is flawed because it does not adequately address greenhouse gas emissions from China and India.

Congressman Duncan Hunter, former chairman of the House Armed Services Committee, has mentioned China more times in his debate responses than all other Republican candidates combined. He has repeatedly insisted that China is "cheating on trade" and has blamed China for the U.S. trade deficit and the loss of 1.8 million U.S. jobs. In a question on immigration issues, Hunter offered statistics on non-Mexicans immigrating through the U.S.-Mexican border, "some of whom are "from Communist China." He has also warned of the dangers posed by China's military buildup, suggesting that if America were to become vulnerable, the Chinese would treat the U.S. "just like they treated that guy in front of the tank at Tiananmen Square."

In his critique of U.S. foreign policy in the July/August issue of *Foreign Affairs*, Mitt Romney only briefly referred to China's "economic rise." Writing in the September/October issue, Rudolph Giuliani lumped China together with Russia and proposed a U.S. policy that seeks "common ground without turning a blind eye to our differences with these two countries." He emphasized the need to voice U.S. concerns about human rights abuses even as we work with Russia and China on economic and security issues. On an Aug. 20 appearance on the *Charlie Rose Show*, Sen. John McCain discussed China's rise, mentioning that the current leadership "continues to act irrationally about Taiwan." He also noted reports that China is building an aircraft carrier.

McCain frequently criticizes China's lack of cooperation in international efforts directed at Iran's nuclear program. On *MSNBC's Hardball* Sept. 17, he proposed that the U.S. establish a "league of democracies outside of the UN" to bypass Russia and China, so that Iran can be dealt with effectively.

Closing out the year

The most important event in the final quarter of 2007 will be China's 17th Party Congress, scheduled to open Oct. 15. Roughly 2,000 delegates from all levels of the Chinese Communist Party will convene to review the party's work since the last Congress held in 2002 and set forth general guidelines for the party's priorities and tasks for the coming five years. In addition, the Party Congress will make new personnel arrangements, electing a new Central Committee, which will then appoint a new party leadership. Preparations for the 17th Party Congress have been underway for at least the past year, but the decisions that will be announced remain shrouded in secrecy.

In the U.S., Congress will be paying close attention to the Joint Commission on Commerce and Trade (JCCT) and the third round of the Strategic Economic Dialogue, both of which will be held in Beijing in December. Another round of the Senior Dialogue on foreign policy issues may also be held that month. On the military front, the Defense Consultative Talks, which had been scheduled for September, are now likely to be held in December as well.

Chronology of U.S.-China Relations July-Sept. 2007*

July 2, 2007: A U.S. House China Working Group delegation visits China. In Beijing, the delegation is received by Sheng Huaren, vice-chairman of the Standing Committee of China's NPC. The delegation also visits Qinghai, Gansu, and Shanghai.

July 4, 2007: The U.S. automaker Chrysler and Chinese car company Chery sign a deal to launch a low-cost production facility in China.

July 5, 2007: Chinese Foreign Ministry lodges a representation to the U.S. over Taiwan Vice President Annette Lu's transit stopover in the U.S. en route to Latin American.

July 9, 2007: Secretary of Transportation Mary Peters and Chinese Minister of Civil Aviation Yang Yuanyuan sign an aviation agreement in Seattle. It allows both countries to expand direct flights between the U.S. and China and move forward with assessments of airline proposals to operate the new routes.

July 10, 2007: China executes the former head of the Food and Drug Administration Zheng Xiaoyu for taking bribes to approve untested medicine.

July 12, 2007: Don Mahley, deputy assistant secretary of state for international security and nonproliferation, testifies to U.S.-China Economic and Security Review Commission

* Former CSIS Intern Wang Liang compiled the chronology.

saying that “China is failing to do all it should to stop militarily significant supplies from reaching Iran, even though it voted for UN sanctions aimed at preventing Tehran from developing nuclear weapons.”

July 13, 2007: General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) announces suspension of imports of chicken and pork products from several U.S. firms, including Tyson Foods and Cargill for food safety reasons.

July 18-20, 2007: First Session of the Sixth Round of Six-Party Talks is held in Beijing after a four month recess.

July 20, 2007: Li Changjiang, minister of the AQSIQ, announces that China and the United States will hold a vice-ministerial-level talk on food safety in August.

July 23-28, 2007: Commander of U.S. Pacific Air Forces Gen. Paul Hester visits China.

July 24, 2007: The U.S. firm Westinghouse Electric signs a deal with the Chinese state company Nuclear Technology to build four nuclear power plants in China.

July 24, 2007: The FBI says that a joint effort with the Chinese authorities led to the arrest of 25 people and the seizing of more than \$500 million worth of counterfeit Microsoft and Symantec software that was being made in China.

July 26, 2007: Senate Finance Committee votes favorably on a bill under the Currency Exchange Rate Oversight Reform Act of 2007 to require the Treasury Department to take firm action against the Chinese currency. Treasury issues statement saying it does not support this proposed approach.

July 26, 2007: Foreign Ministry spokesman denies U.S. military accusation that Chinese weapons exported to Iran have been transferred to Iraqi militias.

July 29-Aug. 1, 2007: Treasury Secretary Henry Paulson visits China to discuss the agenda for the next round of the U.S.-China Strategic Economic Dialogue. In Beijing, he is received by President Hu Jintao and Vice Premier Wu Yi and meets a number of Chinese ministers.

Aug. 1, 2007: Chinese Foreign Minister Yang Jiechi meets with Deputy Secretary of State John Negroponte at the ASEAN Regional Forum meeting in Manila.

Aug. 1, 2007: Commerce Secretary Carlos Gutierrez and U.S. Trade Representative Susan Schwab announce that the 18th U.S.-China Joint Commission on Commerce and Trade (JCCT) will be held the week of Dec. 10 in Beijing.

Aug. 2, 2007: A senior delegation from the U.S. Department of Health and Human Services and Food and Drug Administration visits Beijing and meets senior officials from the AQSIQ, the Ministries of Health and Agriculture, and the Certification and

Accreditation Administration. The two sides discuss food and drug safety issues and agree to hold regular consultative meetings.

Aug. 8, 2007: China starts one-year countdown to 2008 Beijing Olympics.

Aug. 13, 2007: Congressmen Dennis Hastert (R-IL) and John Shadegg (R-AZ) visit China at the invitation of National People's Congress (NPC). In Beijing, they meet Sheng Huaren, vice chairman of the Standing Committee of NPC, and Chinese FM Yang Jiechi.

Aug. 13, 2007: The U.S. requests the WTO to establish a dispute settlement panel on addressing China's legal regime for protecting and enforcing copyrights and trademarks.

Aug. 14, 2007: U.S. company Mattel recalls more than 9 million toys made in China after finding that the paint used may contain lead.

Aug. 15, 2007: A delegation led by James Connaughton, chairman of the White House Council on Environmental Quality, visits Beijing and discusses climate change and environmental protection issues with Chinese officials from the Ministry of Foreign Affairs, the Ministry of Science and Technology and the National Development and Reform Commission.

Aug. 16-21, 2007: VADM Charles Wurster, commander of the Pacific Area and Defense Force West of U.S. Coast Guard, visits Shanghai aboard the U.S. Coast Guard Cutter *Boutwell*. It is the first international stop for the crew as the U.S. Coast Guard representative to attend the North Pacific Coast Guard Forum (NPCGF).

Aug. 17, 2007: China appoints Vice Premier Wu Yi to head a Cabinet-level panel to oversee product quality and food safety.

Aug. 17, 2007: The Information Office of China's State Council releases a white paper titled "China's Food Quality and Safety."

Aug. 17-22, 2007: Chief of U.S. Naval Operations Adm. Mike Mullen visits China. In Beijing, he meets PLA Navy Commander Wu Shengli, Vice Chairman of the Central Military Commission Guo Boxiong, Defense Minister Cao Gangchuan, PLA Chief of the General Staff Liang Guanglie and FM Yang Jiechi.

Aug. 20-24, 2007: U.S. Navy aircraft carrier *USS Nimitz* makes a port call in Hong Kong.

Aug. 22, 2007: AQSIQ announces that U.S. soybean exports to China have "numerous quality problems."

Aug. 27, 2007: U.S. House Armed Services Committee delegation headed by Chairman Ike Skelton (D-MO) visits China. The delegation meets NPC Chairman Wu Bangguo and Vice FM Zhang Yesui. The delegation also visits the headquarters of the PLA Second Artillery and is received by the Commander, Gen. Jing Zhiyuan.

Aug. 27, 2007: Deputy Secretary Negroponte says that Taiwan's effort to hold a referendum on joining the UN under the name of Taiwan is "a step toward a declaration of independence of Taiwan, toward an alteration of the status quo." Chinese Foreign Ministry spokesman Liu Jianchao says China appreciates the U.S. opposition to the referendum scheme by Taiwan authorities to seek UN membership the next day.

Aug. 27, 2007: A U.S. House U.S.-China Working Group delegation headed by Congressmen Mark Kirk (R-IL) and Rick Larsen (D-WA) visits Beijing and has meetings with NPC Chairman Wu Bangguo, NPC Vice Chairman Sheng Huaren, Assistant FM He Yafei and Minister of the AQSIQ Li Changjiang.

Aug. 28, 2007: Communist Party of China announces the 17th Party Congress will open Oct. 15.

Sept. 3, 2007: The *Financial Times* reports that the PLA launched a cyber attack on the U.S. Defense Department in June. Several days later a Chinese Foreign Ministry spokesman issues a denial.

Sept. 3, 2007: China's special envoy on Darfur, Liu Guijin, visits Washington D.C. and meets Deputy Secretary Negroponte, U.S. special envoy to Darfur Andrew Natsios, and U.S. lawmakers.

Sept. 4, 2007: U.S. toy company Mattel issues another recall announcement.

Sept. 6, 2007: Presidents Bush and Hu meet at the APEC Summit in Sydney and discuss bilateral relations, Taiwan, the quality of Chinese products, climate change, Iran, North Korea and other issues.

Sept. 11, 2007: Deputy Assistant Secretary Tom Christensen delivers a speech at the U.S.-Taiwan Business Council's Defense Industry conference entitled "A Strong and Moderate Taiwan."

Sept. 11-12, 2007: Chinese delegation headed by AQSIQ Vice Minister Wei Chuanzhong visits Washington to attend the third U.S.-China food safety meeting and the second U.S.-China meeting on the safety of consumer products with the U.S. Consumer Product Safety Commission. A joint declaration is released on consumer product safety.

Sept. 12, 2007: U.S. National Highway Traffic Safety Administration and China's National Reform and Development Commission sign a Memorandum of Cooperation in Washington to strengthen cooperation and communication in the area of motor vehicle safety and to improve enforcement standards.

Sept. 13, 2007: Minister of Taiwan Affairs Office Chen Yunlin travels to Washington D.C. to discuss Taiwan's effort to hold a referendum on joining the UN under the name of Taiwan.

Sept. 14, 2007: China files its first WTO case against the U.S., opposing antidumping duties on Chinese paper imports.

Sept. 14, 2007: The U.S. Department of State releases International Religious Freedom Report 2007. China's Foreign Ministry criticizes the report's section on China.

Sept. 16, 2007: The Chinese Foreign Ministry issues a statement protesting the sale of U.S. weapons to Taiwan following U.S. Defense Department's notification of a possible sale of P3 anti-submarine warfare planes and SM-2 air defense missiles.

Sept. 17, 2007: Quarantine officials in Guangdong, China reject an 18.4 ton shipment of frozen pork kidneys from the U.S.

Sept. 17, 2007: Karen Harbert, assistant secretary for policy and international affairs of the Department of Energy, and Chen Deming, vice minister of the National Development and Reform Commission sign a memorandum of understanding in San Francisco to cooperate on increasing energy efficiency in China's industrial sector.

Sept. 19, 2007: The National Basketball Association (NBA) announces the formation of a Chinese subsidiary, NBA China.

Sept. 20, 2007: Chinese Vice Premier Zeng Peiyan meets Sam Zamrik, president of the American Society of Mechanical Engineers (ASME), and encourages cooperation on drawing up and revising nuclear power standards.

Sept. 21, 2007: UN General Assembly approves General Committee's recommendation to exclude the issue of Taiwan's participation in the UN from its agenda.

Sept. 21, 2007: Chinese delegation headed by Assistant FM Zhai Jun attends the Second High-level Consultative Meeting on Darfur in New York.

Sept. 21, 2007: David McCormick, U.S. under secretary of Treasury for international affairs, travels to Beijing to attend a deputy-ministerial meeting under the U.S.-China Joint Economic Committee.

Sept. 21, 2007: U.S. Consumer Product Safety Commission recalls cribs made in China marketed by the Pennsylvania company, Simplicity, Inc., of Reading.

Sept. 21, 2007: Thomas A. Debrowski, Mattel's executive vice president for worldwide operations, travels to Beijing and meets Li Changjiang, minister of the AQSIQ, and officials from the Ministry of Commerce. Mattel apologizes and takes responsibility for magnet-related recalls saying that they "were due to emerging issues concerning design and this has nothing to do with whether the toys were manufactured in China."

Sept. 23, 2007: Secretary of State Rice meets FM Yang on the sidelines of the 62nd UN General Assembly session in New York.

Sept. 27, 2007: President Bush receives FM Yang in the Oval Office. Yang also meets Treasury Secretary Paulson and attends the opening ceremony of the Major Economies Meeting on Energy Security and Climate Change.

Sept. 27-28, 2007: Xie Zhenhua, deputy minister of the National Development and Reform Commission (NDRC) attends the Major Economies Meeting on Energy Security and Climate Change in Washington as a representative of Chinese President Hu.

Sept. 27-30, 2007: Second Session of the Sixth Round of the Six Party Talks is held in Beijing. Delegates agree to a joint statement that requires North Korea to report and disable three nuclear facilities by Dec. 31, 2007.