



US-China Relations:
Biden Visits China amid ADIZ Fracas

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Bilateral interactions in the final months of 2013 were characteristically active. Secretary of State John Kerry attended the APEC Economic Leaders Meeting and the East Asia Summit in President Obama's place, and met President Xi Jinping and Premier Li Keqiang. There were several military exchanges, including the first-ever live drill involving members of the US and Chinese armed forces. A week after the Chinese military announced the establishment of its East China Sea Air Defense Identification Zone (ADIZ), which rattled the region, Vice President Biden visited China along with Japan and South Korea. Vice Premier Liu Yandong visited the US for the Fourth China-US High Level Consultation on People-to-People Exchange. On the economic front, the 24th Joint Commission on Commerce and Trade (JCCT) was held in Beijing. The long anticipated CCP Third Plenum delivered a blueprint of sweeping reforms. US and Chinese navy ships got within 100 yards of each other in yet another close call.

China announces East China Sea ADIZ

On Nov. 23, just nine days before Vice President Joe Biden's planned visit to Japan, China, and South Korea, China's Ministry of National Defense (MND) announced an East China Sea ADIZ. About half of the area overlaps with Japan's ADIZ and covers the Senkaku/Diaoyu Islands that are disputed between China and Japan. A small area of China's ADIZ also overlaps with the ADIZs of South Korea and Taiwan. In proclaiming the ADIZ, China's MND issued a set of requirements for foreign aircraft operating in the zone. All such aircraft, it said, are required to report their flight plan to China, maintain two-way radio communication, keep on their air traffic control radar beacon system transponder, display insignia, and follow instructions. If Chinese regulations are violated, the MND warned that the Chinese military would adopt "emergency defensive measures."

The reaction from Washington was swift. Two statements were issued that same day, one by Secretary of Defense Chuck Hagel and the other by Secretary of State John Kerry. Hagel's statement described the announcement of an ADIZ in the East China Sea as "a destabilizing attempt to alter the status quo in the region" which "increases the risk of misunderstanding and miscalculation." In addition, it declared that the conduct of US military operations in the region would not change and reaffirmed longstanding US policy that Article V of the US-Japan Mutual Defense Treaty applies to the disputed islands between Japan and China in the East China Sea.

Kerry's statement also charged that China's unilateral action was an attempt to change the status quo and warned that "Escalatory action will only increase tensions in the region and create the risks of an incident." It stated that freedom of overflight and lawful use of sea and airspace are

“essential to prosperity, stability, and security in the Pacific.” Noting that US ADIZ procedures do not apply to foreign aircraft not intending to enter US national airspace, Kerry called on China to not implement its threat to take action against aircraft that violate China’s regulations.

To underscore its opposition to China’s new ADIZ and its commitment to Japan’s security, the US flew two *B-52* bombers through the zone without complying with any of the rules set by Beijing. According to the Pentagon, the bombers were on a routine training mission planned in advance, but one senior DoD official said that mission “was a demonstration of long-established international rights to freedom of navigation and transit through international airspace.”

China’s Foreign Affairs spokesperson insisted that the East China Sea ADIZ was in line with the UN Charter and other international laws and practices; was aimed at safeguarding China’s national sovereignty and security of China’s territory and air space; and would not affect freedom of overflight. The People’s Liberation Army Air Force (PLAAF) scrambled fighter jets in response to flights by US and Japanese military aircraft through the ADIZ.

While Japan demanded that Beijing rescind the ADIZ, US officials stated only that the US would not recognize the zone and called on China to not implement it. Tokyo and Washington also differed in their instructions to commercial airlines: Japan told its airlines to not file flight plans with China, but the Obama administration said that for safety reasons, US airlines should comply with notices to airmen in accordance with usual practice.

The issue of China’s ADIZ dominated Vice President Biden’s trip to Northeast Asia, including his discussions in China. In Tokyo, the vice president called for China and Japan to establish crisis management mechanisms and effective channels of communication to reduce the risk of escalation. Biden assured Prime Minister Abe Shinzo that he would discuss the matter in detail with Chinese President Xi Jinping. According to US officials, when Biden met Xi on Dec. 4, he conveyed “deep concerns” over China’s ADIZ; he reiterated that the US does not recognize the zone, and urged China to not implement it. Speaking on background, a senior US official stated that President Xi took on board what the vice president said. “It’s up to China, and we’ll see how things will unfold in the coming days and weeks.”

Biden visits China, has in-depth talks with Xi Jinping

Biden spent a total of five and a half hours in talks with Xi Jinping that, according to a senior administration official who delivered a briefing on background, “ranged from the strategic to the detailed, and covered every significant topic in the US-China relationship.” The official described the conversation as “back-and-forth” and marked by “the casual candor that these two leaders have developed over the course of their relationship.” They reviewed progress toward establishing a new type of major power relationship, which President Xi and Obama had agreed to attempt to create at their June summit in California. Two weeks earlier on Nov. 20, National Security Adviser Susan Rice delivered a speech at Georgetown University in which she stated that the US seeks to “operationalize a new model of major power relations” with China. From the US perspective, Rice said, “That means managing inevitable competition while forging deeper cooperation on issues where our interests converge—in Asia and beyond.”

Among the regional issues discussed by Xi and Biden, North Korea received a great deal of attention – both the internal situation in North Korea in light of the purge of Kim Jong Un’s uncle, Jang Song Thaek, and lessons that can be drawn from the progress of pressure plus dialogue in the case of Iran for their shared goal of persuading Pyongyang to denuclearize. Both leaders also presented their views of the Asia-Pacific region, including the territorial disputes in the South China Sea and the East China Sea. The vice president encouraged China to take steps to promote a more peaceful, stable regional environment.

In a conversation about economics, President Xi explained the outcomes of the Chinese Communist Party’s Third Plenum. Biden told Xi that such reforms could “really help deepen and strengthen the US-China bilateral economic relationship” as well as benefit China’s economic growth. Climate change and clean energy were also discussed.

In addition to his lengthy discussions with Xi Jinping, Biden met Chinese counterpart Vice President Li Yuanchao and delivered a speech at a breakfast with the American Chamber of Commerce in Beijing and the US-China Business Council. Both the US and China judged the Biden visit a great success. After the visit, a senior administration official stated that the US-China relationship is “big,” “complex,” and “increasingly mature. “No one issue keeps the other set of issues from being able to move forward,” the official stated.

Kerry stands in for Obama at APEC and EAS

Secretary of State John Kerry represented the United States at the APEC Economic Leaders Meeting in Bali, Indonesia in early October after President Obama canceled due to the government shutdown in Washington. Worldwide media and academic communities alike criticized Obama’s move and touted Chinese President Xi Jinping as the “dominant force” in the room, due to the US president’s absence.

Kerry delivered an animated speech in which he pledged to knock down trade barriers between the 21 member states, attempting to dispel the perception of the US as a protectionist economy. Much of the current discussion in the US on trade in the Asia-Pacific is focused on the Trans-Pacific Partnership (TPP). The TPP, therefore, was high on the list of Kerry’s priorities at APEC, as 12 of the 21 member states are negotiating partners.

China has been wary of the TPP. When the US decided to join the negotiations, Beijing voiced concerns that the US was seeking to exclude China from the new free-trade arrangements. More recently, China has expressed concern that the agreement benefits primarily the richest countries. In a speech immediately following Kerry’s, President Xi stated, “China will commit itself to building a trans-Pacific regional cooperation framework that benefits all parties.” Despite this apparent guardedness, China stated earlier this year that its Ministry of Commerce would conduct a study to analyze the pros and cons of joining the TPP. If China is to join, however, it will have to make some comprehensive reforms, as the agreement attempts to standardize supply chain issues in areas including labor practices, state owned enterprises, and intellectual property. The US is hopeful that China will see the benefits in joining the TPP and slowly bring its economy in line with the agreement’s stringent requirements. National Security Advisor Susan Rice singled out China in her Nov. 20 speech at Georgetown University stating, “we welcome

any nation that is willing to live up to the high-standards of this agreement to join and share in the benefits of the TPP, and that includes China.” China will chair APEC in 2014.

On the sidelines of the APEC meeting, Kerry briefly met Xi Jinping, though the discussion was not reported by the Chinese media. Speaking to business executives, Kerry implicitly emphasized the need for fair play and criticized China’s alleged practice of illicitly appropriating intellectual property. “If your ideas are at risk of being stolen, and your innovations can be ripped off, you will never reach the full potential of that country or economy,” he stated.

On Oct. 10, immediately following the APEC meeting, Kerry traveled to Brunei for the East Asia Summit (EAS) where he again had to fill in for Obama. Chinese newspapers publicized this as Premier Li Keqiang’s turn to “play a starring role in Obama’s absence.” Li called for greater cooperation on nontraditional security issues and urged the completion of China’s preferred free trade agreement, the Regional Comprehensive Economic Partnership (RCEP), by 2015. Kerry vigorously defended US willingness and ability to resolve its domestic financial issues when concerns were raised by many Asian leaders, including Li.

On the sidelines of a series of ASEAN meetings with its dialogue partners in Brunei, which convened just prior to the EAS, Kerry met Premier Li. According to *Xinhua*, they discussed the consensus reached between Obama and Xi at Sunnylands on establishing a new type of big power relationship. Li voiced concern about the pending deadline to raise the US debt ceiling and urged the US to ease control on high-technology exports to China. Kerry reportedly reiterated that the US welcomes China’s rise and considers China an important cooperative partner. He added that the US is willing to enhance strategic communication and cooperation with China and constantly enrich the contents of the new type of big power relations. In a background briefing on the meeting, US officials said that Kerry also raised human rights issues, North Korea, Syria, and the South China Sea. In addition, Li and Kerry exchanged their assessments of their respective country’s economic situations, including goals and challenges.

South China Sea remains front and center

The South China Sea remained a prominent issue on the US-China agenda in the final months of 2013. In Secretary Kerry’s meeting with Premier Li in Brunei on Oct. 10, he urged Beijing to make progress more quickly in negotiations on a code of conduct that formalizes confidence building and conflict prevention measures between China and ASEAN. In his remarks to the leaders at the EAS on the same day, Kerry stated that “All claimants have a responsibility to clarify and align their claims with international law.” He maintained that “Freedom of navigation and overflight is a linchpin of security in the Pacific.” In language intended to provide backing to the Philippines, Kerry voiced US support for claimants to engage in arbitration and other peaceful means of negotiation. A US State Department official briefing on background said that “the great preponderance of leaders” joined the US secretary of state in speaking directly “about the issue of maritime security and the South China Sea with reference to the Code of Conduct.”

Kerry highlighted US concerns about the South China Sea again during his visit to Hanoi in mid-December. Speaking to the media with his host Vietnamese Deputy Prime Minister and Foreign

Minister Pham Binh Minh, he said that the US is “very concerned and strongly opposed to coercive and aggressive tactics to advance territorial claims.” Kerry repeated calls for claimants to clarify their claims and align them with international law and to use peaceful means to negotiate their disputes. While parties are working toward a code of conduct, he noted, they can take steps today to put crisis prevention arrangements in place. Kerry also warned China against unilaterally declaring an ADIZ over the South China Sea. A few days later at a joint press conference with the Philippines Foreign Secretary Albert Del Rosario, Kerry repeated US positions and concerns. He emphasized US support for arbitration and the rule of law and opposition to “unilateral actions that have the impact of being provocative and raising the temperature and potential conflict.”

US-China military exchanges continue to expand

US-China military exchanges were very active in the last four months of 2013, continuing a trend that started in late 2012 when Xi Jinping became secretary general of the Chinese Communist Party and apparently instructed the PLA to improve the US-China military-to-military relationship. On Sept. 9, US and Chinese officials met in Beijing for the 14th Defense Consultative Talks. James Miller, undersecretary of defense for policy, and Lt. Gen. Wang Guanzhong, deputy chief of the PLA General Staff, co-chaired the meeting. The two sides discussed how to advance a new model of military-to-military relations, ways to enhance communications to prevent misunderstand and misperception, and agreed to expand cooperation in areas of mutual interest, including humanitarian assistance, disaster relief, peacekeeping, and maritime safety. They also agreed to sustain bilateral dialogue on sensitive security matters, including nuclear, space, cyber, and missile defense. Regional topics addressed included East China Sea, South China Sea, and North Korea.

Later that month, a PLA delegation led by Maj. Gen. Chen Dongdeng, director of military management of the Department of the PLA General Staff, visited the Combined Arms Center at Fort Leavenworth. The exchange focused on the development of Army doctrine, operational theory development and instruction, and professional military education.

In early November, the *USS George Washington* hosted senior PLA officers and members of the press aboard the aircraft carrier as it sailed in the South China Sea toward Hong Kong. The Chinese officers, including Maj. Gen. Chen Weizhan, were from the PLA Hong Kong garrison.

A week later, the US and Chinese militaries held their first live humanitarian assistance and disaster relief drill at Bellows Air Force Base in Hawaii. The exercise simulated joint efforts to provide rescue and assistance to a third country that was hit by a severe earthquake. According to *Xinhua*, the drill was “designed to maximize ‘side by side’ interaction and communications,” and involved 47 US soldiers and other participants along with 26 officers and soldiers from the PLA. The two sides also exchanged briefings on their respective experiences in disaster relief operations. A second phase of the exchange took place at Fort Hamilton Base in New York where they visited the water conservancy project repaired by the US Army Corp of Engineers.

While that exercise was taking place, Su Zhiqian, commander of the East China Sea Fleet of the PLA Navy, received a delegation headed by Adm. Mark E. Ferguson III, vice chief of naval

operations of the US Navy. Ferguson was given a tour of the guided missile destroyer *Changchun*, the newly-commissioned light frigate *Shangrao*, and a new type of submarine. While aboard the *Shangrao*, the US delegation went to sea and observed Chinese training.

Near miss at sea

Even though professional interaction between the US and Chinese navies is increasing, the risk of an accident persists, especially as vessels from the two nations operate in close proximity to one another. Such a danger was highlighted in December when the *USS Cowpens*, a *Ticonderoga*-class guided-missile cruiser, and a PLAN amphibious dock ship had a dangerous encounter. The *Cowpens* was apparently conducting surveillance of China's new aircraft carrier, the *Liaoning*, which was conducting military drills in international waters. According to a report in China's *Global Times*, which cited an unnamed Chinese source, on Dec. 5, the *Cowpens* entered within a 45 km inner defense layer of the *Liaoning* carrier group. The Chinese source further charged that the *Cowpens* was tailing and harassing the *Liaoning* formation. The Chinese amphibious dock ship allegedly warned the *Cowpens* to leave the area.

US Navy sources maintained that the *Cowpens* was shadowed by the PLAN amphibious vessel, one of four ships protecting the carrier formation as it conducted exercises in the South China Sea. The Chinese ship then suddenly crossed the bow of the *Cowpens* at a distance of 100 yards and came to an abrupt stop in the water. The *Cowpens* was forced to take evasive action to avoid a collision. The incident was defused when the *Cowpens* and the *Liaoning* made bridge-to-bridge communications to ensure safety of navigation.

Articles published by *Xinhua* and the PLA daily *Jiefangjun Bao* claimed that China's maritime authority had posted a navigation notice on its website designating three no-sail areas in advance of the commencement of the PLAN exercise. However, China's Maritime Safety Administration did not post a no-sail warning until Dec. 6, one day after the near miss occurred.

China's Defense Ministry confirmed, but downplayed, the incident on Dec. 18. A statement on the ministry's website noted the Chinese naval vessel "strictly followed protocol and properly handled" the encounter and the "two defense departments used normal working channels to stay informed of the relevant situation and carry out effective communication." A Pentagon spokesman adopted a similar stance, saying that the near-miss wasn't "a crisis-level incident by any stretch" and would not affect US-China military-to-military relations. In a statement sent to *Phoenix TV*, the US Department of Defense said that close military activities of navies from different countries are normal, and called upon all parties to follow international maritime rules.

In response to a question at a Dec. 19 press briefing, Defense Secretary Hagel condemned the dangerous maneuver by the PLAN amphibious ship as "irresponsible" and called for putting in place a mechanism to enable the US and China to defuse these kind of incidents "as they occur." On the same occasion, Gen. Martin Dempsey said that during his visit to China in May 2012, the two sides had agreed to establish "rules of behavior" when they encounter each other in the air, sea, and cyber domains. He added that working groups set up to discuss these matters have been "making some progress."

Third Plenum outlines road map for reforms

The Third Plenary Session of the 18th Chinese Communist Party (CCP) Central Committee came to a close on Nov. 12, bringing the official announcement of much anticipated domestic reform. The document outlining the Central Committee's plenary conclusions, "A Decision on Major Issues Concerning Comprehensive and Far-Reaching Reforms," was published three days later, on Nov. 15. This blueprint lays out a bold reform package and further highlights the strong personal authority of Xi Jinping.

With the ultimate goal of "rejuvenating the Chinese nation" in accordance with Xi's Chinese Dream, the Third Plenum has endeavored to address a number of crucial, long-standing problems that, if left unchanged, would likely hinder China's continued economic growth. Many of these reforms seek to stimulate growth of the middle class, including the easing of the infamous one-child policy, relaxation on restrictions for rural residents to obtain residency in urban areas, and numerous improvements to current taxation practices. The CCP also decided to do away with labor camps and reduced the number of crimes subject to the death penalty.

The Nov. 15 document assigned a "decisive" role to the market in allocating future resources, which is a decidedly stronger position than the "basic" role that prior government documents had accorded to the market. As anticipated, liberalization of the financial sector is a key focus of the new reforms. Private capital will now be allowed to set up small and medium-sized banks, and will similarly be allowed in other previously heavily guarded state owned enterprises (SOE). The document also calls for the creation of a deposit insurance system, the acceleration of market-based interest rates, and the convertibility of the renminbi capital account. SOEs will be required to remit a higher percentage of their profits to the central government and management of SOEs will be professionalized.

Reforms were also announced for the Chinese military, including the creation of a joint command system and operational theater commands that are likely to eventually replace the current seven military regions. The plenum also proposed the establishment of two new high-level leadership bodies to guide and implement the reform process and enhance coordination. The first, a leading group for "comprehensively deepening reform" was created in December with Xi Jinping as its head. The new leading group will be charged with managing the entire reform process. The second high-level leadership body will be a National Security Committee that will likely be launched at the National People's Congress next spring. The NSC is likely to be tasked with both internal as well as external policy matters.

The extent of the announced reforms not only demonstrates the CCP's understanding of some of the basic struggles facing the party and the country, such as the slowdown of growth in recent years, but also serves as a strong indication of President Xi Jinping's growing authority within the CCP. Still, despite the encouraging nature of the reforms, the CCP has not provided a timeline for execution, and it remains to be seen whether some of the more ambitious reforms will be successfully implemented.

JCCT Makes Modest Progress

US Commerce Secretary Penny Pritzker and US Trade Representative Michael Froman, along with Chinese Vice Premier Wang Yang, co-chaired the 24th US-China JCCT in Beijing on Dec. 19-20. The Commission is made up of three separate working groups on: trade and investment, business development and industrial cooperation, and commercial law. There is traditionally an additional side dialogue on export controls. Pritzker, while acknowledging that progress was made, revealed some frustration, stating that China and the US, “still have more work on critical issues if we are to further develop our economic relationship.”

Despite Pritzker’s apparent disappointment, several important conclusions were reached. China once again agreed to accelerate its negotiations to join the WTO Agreement on Government Procurement (GPA). Similar promises were made in July at the Strategic and Economic Dialogue, when China agreed to submit a bid to the GPA by the end of 2013. While this deadline has passed, Beijing nevertheless stated its intention to finalize its bid in 2014, with Chinese Commerce Minister Wang Chao indicating that the terms of this bid would be more or less on par with the other nations that have joined. Previous attempts by China to join the GPA have excluded Chinese SOEs, which was not in accordance with standard GPA regulations. At the recent Third Plenum, however, private investment in these SOEs was opened up slightly, which raises hopes for a more successful GPA bid in 2014. Froman stated his optimism that a breakthrough in this area would offer “significant opportunities for U.S. companies” in China. Susan Rice echoed Froman’s statements in her Georgetown University speech, saying that, if realized, the reforms proposed at China’s Third Plenum “could go a long way towards leveling the playing field for private and foreign investors.”

On intellectual property rights, a key area of concern for US companies, China committed to adopting and publishing a new Action Program on “trade secrets protection and enforcement.” If this program proves to be comprehensive and is implemented, it could alleviate a large source of tension in the US-China relationship. The US and China also signed a new memorandum of understanding (MOU) on US-China IP Cooperation and Technical Assistance. Under the terms of the MOU, the US agreed to “provide a program of technical assistance to Chinese intellectual property agencies, courts and the legislature on strengthening the protection and enforcement of intellectual property rights, and on adopting and maintaining innovation policies that are non-discriminatory and pro-competitive.” Cooperation on this issue should help China to better understand the nature of US concerns regarding IP rights, and to better regulate current practices. In addition, vague promises were made by China to promote the domestic sale of US beef. Both sides agreed on a target date of July 2014 for the resumption of US beef access to the Chinese market on the basis of “mutually agreed conditions.” If the sale of US beef does increase in China, this could eliminate a long-standing source of friction.

Also of note, in early December the US and China’s commerce departments jointly convened the 2013 US-China Legal Exchange, with meetings in Boston, Washington DC, and Orange County, California. The exchange centered on Chinese energy conservation and renewable energy law, as well as legal aspects of entrepreneurship in China. Chinese government representatives traveled to the US for the exchange to explain recent changes in Chinese commercial law.

ITA talks fail at the WTO

Information Technology Agreement (ITA) talks at the World Trade Organization broke down after the latest round of negotiations, which took place Nov. 11-21. Negotiators from more than 50 countries were seeking to update the 1996 international agreement that governs trade in electronic goods. The goal of the negotiations was to expand product coverage and reduce the list of sensitive items that would be excluded from trade liberalization.

Participants blamed China for the failure to reach agreement. A press release issued by the EU mission to the WTO indicated that the main outstanding issue was China's request for the exclusion of a large number of IT products from trade liberalization. Specifically, Beijing requested to treat 141 products as "sensitive" and to exclude 59 of these products altogether.

The US and other countries, including the European Union, viewed China's demands as excessive. The negotiating round ended in disappointment and frustration, especially since many participants had joined the talks with a mandate to conclude the negotiations. China's unwillingness to make concessions to close a deal was widely seen as a negative portent for future trade negotiations with China. As China seeks to join other negotiations, such as a new Trade in Services Agreement, or negotiate a US-China bilateral investment treaty, Chinese protectionist demands could obstruct a deal.

China's representative, Vice Minister Yu Jianhua, tried to allay concerns and hold out hope for a future agreement. He said that China showed "maximum flexibility," and attributed the failure to reach agreement to a "gap in perceptions." Yu added that "We could not reach a deal this time, but this is not the end of the road." Expressing the US position, US Trade Representative Froman commented, "China's refusal to show more ambition... is disappointing for all of the countries, companies and workers who stand to benefit from an expansion in information technology trade." He added, "Rather than heading toward a meaningful agreement at the WTO Ministerial, this puts the talks at serious risk of breaking down altogether and raises questions about China's commitment to meet the standards of negotiations in which it seeks to participate."

People-to-people exchanges strengthened

At the invitation of Secretary of State Kerry, Chinese Vice Premier Liu Yandong visited the US for the Fourth China-US High Level Consultation on People-to-People Exchange (CPE). The talks, which took place in Washington DC on Nov. 21, focused on six areas: education, science and technology, culture, sports, women and youth. Liu hailed the talks as "very successful," and said that 75 important joint outcomes were achieved. Kerry, co-chair of the CPE, noted the importance of people-to-people exchanges in building a "new type of major power relations" between the US and China.

Among major outcomes of the consultations were the launch of bilateral and global science and technology forums, and an agreement to establish a China-US innovation demonstration park. The two sides will also continue to advance student exchanges and opportunities in their respective countries. Writing in *USA Today*, Liu said "The key to sound relations between countries lies in the amity between their peoples based on mutual understanding."

Looking back and forward

2013 was a year of ups and downs for US-China relations. The Obama-Xi summit in June at the Annandale Estate in Sunnylands, California marked the high point, as the two leaders agreed to try to avoid the past pattern of military conflict between rising powers and established powers, and instead establish a new model of major power relations. China's announcement of an East China Sea ADIZ constituted the low point. Friction dominated over cooperation on such issues as the South China Sea and cyber security. Greater success was achieved on multilateral challenges, including the implementation of sanctions against North Korea and in talks aimed at a nuclear deal with Iran.

2014 will see continued improvements in the bilateral military relationship, with a trip to China by Defense Secretary Hagel expected in the first half of the year and China's participation in the *Rim of the Pacific (RIMPAC)* exercises in Hawaii in June and July. A summit between Obama and Xi is not on the agenda, though it cannot be ruled out, and the two leaders will almost certainly meet on the sidelines of multilateral forums such as the G20 and APEC. Tensions will likely persist on maritime issues, including the East China Sea and South China Sea territorial disputes and the activities permissible in Exclusive Economic Zones. Competition in the military sphere will also continue, especially the rivalry between Chinese efforts to prevent the US from easily gaining access to its near seas in a crisis and US insistence on maintaining access to those waters in all circumstances. Concerted efforts will be needed to identify areas of cooperation and produce positive results, but doing so will be essential to keeping bilateral ties on an even keel.

Chronology of US-China Relations* September – December 2013

Sept. 6, 2013: President Barack Obama and President Xi Jinping meet on the margins of the G20 conference in St. Petersburg to discuss cooperation in the Asia-Pacific region.

Sept. 6, 2013: Committee on Foreign Investment in the United States approves the \$7.1 billion takeover of US pork giant Smithfield Foods by China's Shuanghui International Holdings.

Sept. 6, 2013: Vice President Li Yuanchao meets a US congressional delegation led by Sen. Kirsten Gillibrand in Beijing.

Sept. 6-9, 2013: Three Chinese ships visit Pearl Harbor in Hawaii for a routine port visit, the first in seven years.

Sept. 6-10, 2013: Adm. Wu Shengli visits the US and meets US Navy Chief of Operations Adm. Jonathan Greenert and tours Third Fleet headquarters in San Diego before going to Washington.

* Chronology and research assistance by CSIS intern Denise Der

Sept. 9, 2013: Deputy Chief of General Staff of the Chinese People's Liberation Army Lt. Gen. Wang Guanzhong and US Under Secretary of Defense for Policy James Miller co-chair the Defense Consultative Talks in Beijing.

Sept. 9, 2013: US Special Representative for Afghanistan and Pakistan James Dobbins and Minister of the Chinese Embassy in Washington Lu Kang hold a ceremony to launch the US leg of the US-China joint training program for 12 young Afghan diplomats.

Sept. 11, 2013: Acting Deputy US Trade Representative Wendy Cutler and Under Secretary of Commerce for International Trade Francisco Sanchez co-chair the US-China Joint Commission on Commerce and Trade (JCCT) Mid-Year Review in Beijing.

Sept. 12, 2013: US Special Representative for North Korea Policy Glyn Davies meets China's Special Representative for Korean Peninsula Affairs Wu Dawei in Beijing to discuss North Korea.

Sept. 13-14, 2013: Assistant Secretary of State for East Asian and Pacific Affairs Daniel Russel visits Beijing and meets Chinese Foreign Minister Wang Yi and other officials.

Sept. 16, 2013: China's Commerce Ministry announces duties of up to 6.5 percent on the import of US materials used to make solar panels.

Sept. 19-21, 2013: Foreign Minister Wang Yi visits Washington and meets Vice President Joe Biden, Secretary of State John Kerry, National Security Advisor Susan Rice, and Congressional leaders.

Sept. 24-Oct. 1, 2013: Air Force Chief of Staff Gen. Mark Welsh, Gen. Herbert Carlisle, the Pacific Air Forces commander, and Chief Master Sgt. of the Air Force James Cody visit Beijing.

Sept. 26, 2013: Chinese Foreign Ministry spokesman Hong Lei lodges solemn representations to the US in response to the delivery of *P-3* anti-submarine aircrafts to Taiwan.

Sept. 26, 2013: Secretary of State Kerry and Foreign Minister Wang meet on the sidelines of the 68th UN General Assembly in New York.

Sept. 27, 2013: US International Trade Commission lifts punitive duties on shrimp from China.

Oct. 4, 2013: Due to the US government shutdown, President Barack Obama cancels his trip to Asia to attend the Asia-Pacific Economic Cooperation (APEC) Economic Leaders Meeting in Bali, and the East Asian Summit in Brunei, and visit the Philippines and Malaysia.

Oct. 8, 2013: Secretary Kerry meets President Xi on the sidelines of APEC.

Oct. 9, 2013: Secretary Kerry and Premier Li Keqiang meet on margins of East Asia Summit.

Oct. 9-10, 2013: Shao Qiwei, chairman of the China National Tourism Administration, leads a delegation of 50 to attend the China-US Tourism Leadership Summit in Chicago.

Oct. 10, 2013: Bipartisan Congressional-Executive Commission on China releases its 2013 Annual Report on human rights and rule of law developments in China. It maintains that China has not made significant progress in expanding civil liberties or restraining the CCP's power.

Oct. 21, 2013: NASA lifts a ban barring Chinese scientists from attending the Kepler Science Conference at NASA's Ames Research Center in Mountain View, California.

Oct. 21-22, 2013: US Chamber of Commerce and the China Center for International Economic Exchanges co-host the 5th US-China CEO and Former Senior Officials Dialogue in Washington.

Oct. 22-25, 2013: Tenth round of Bilateral Investment Treaty talks are held in Washington.

Oct. 25, 2013: World Trade Organization (WTO) upholds a joint claim by the US, Japan, and EU that China's export duties on rare earth metals violate WTO rules.

Oct. 28-29, 2013: China's Special Representative for Korean Peninsula Affairs Wu Dawei visits Washington and meets US Special Representative for North Korea Policy Glyn Davies and other officials to discuss how to achieve the shared goal of denuclearizing North Korea.

Oct. 28-30, 2013: US Secretary of Energy Ernest Moniz visits Beijing for the US-China energy policy dialogue.

Oct. 29, 2013: Construction begins on a nuclear security center in Beijing jointly financed by the US and China.

Oct. 29, 2013: US International Trade Commission approves countervailing duties and anti-dumping probes on imports from China and Japan of a chemical used to sanitize water.

Oct. 30, 2013: In its Semi-Annual Report to Congress on International Economic and Exchange Rate Policies, the US Treasury Department states that China's yuan is still "significantly undervalued" and has not strengthened as quickly as necessary.

Nov. 6, 2013: US-China Economic and Security Commission releases a draft report that states that cyber intrusions by China's PLA Unit 61398 continue apace.

Nov. 7, 2013: Senior PLA officers from the Hong Kong garrison tour the aircraft carrier *USS George Washington* in the South China Sea.

Nov. 7-8, 2013: Officials gather in Charlottesville, Virginia for the sixth U.S.-China Legal Experts Dialogue. Acting Assistant Secretary for Democracy, Human Rights, and Labor Uzra Zeya and Acting Legal Adviser Mary McLeod lead the US delegation; Supreme People's Court Senior Judge Hu Yunteng leads the Chinese delegation.

Nov. 8-12, 2013: *USS George Washington* and four escort ships make a port visit in Hong Kong.

Nov. 9-12, 2013: Third Plenary Session of the 18th Chinese Communist Party (CCP) Central Committee is held.

Nov. 12-14, 2013: US Army and China's People's Liberation Army hold a joint disaster relief exercise in Hawaii.

Nov. 13, 2013: Roberta Jacobson, US assistant secretary of state for western hemisphere affairs, leads the US delegation at sixth China-US Sub-Dialogue on Latin America in Beijing.

Nov. 15, 2013: US Treasury Secretary Jacob Lew visits Beijing and meets President Xi and Vice Premier Wang Yang to discuss China's new economic agenda following the Third Plenum.

Nov. 18-22, 2013: Vice Premier Liu Yandong co-chairs the fourth China-US High-level Consultation on People-to-People Exchange with Secretary of State Kerry in Washington.

Nov. 20, 2013: US Ambassador to China Gary Locke announces that he will leave his position early next year to rejoin his family in Seattle.

Nov. 20, 2013: National Security Adviser Susan Rice delivers a speech at Georgetown University.

Nov. 20-22, 2013: US envoy for the Six Party Talks Glyn Davies visits Beijing and meets counterpart Wu Dawei.

Nov. 21, 2013: US Trade Representative Michael Froman suspends Information Technology Agreement negotiations after accusing China of jeopardizing talks on expanding a WTO agreement to eliminate trade tariffs on technology products.

Nov. 23, 2013: China announces the establishment of its East China Sea Air Defense Identification Zone (ADIZ).

Nov. 25, 2013: Twelve US Senators urge the US Commerce Department to uphold anti-dumping and countervailing duty orders against Chinese steel to protect US steelmakers.

Nov. 26, 2013: Two unarmed *B-52* bombers conduct a routine training mission through China's announced ADIZ.

Nov. 26, 2013: Vice Premier Wang Yang discusses trade issues by phone with Secretary of Commerce Penny Pritzker and US Trade Representative Michael Froman in preparation for the 24th Session of the China-US JCCT.

Nov. 29, 2013: State Department extends six-month Iran sanctions waivers to China, India, and South Korea after all three countries reduce purchases of Iranian crude oil.

Dec. 3, 2013: China files a complaint under the WTO dispute settlement mechanism over US anti-dumping measures against 13 types of Chinese products.

Dec. 4-5, 2013: U.S. Vice President Joe Biden visits Beijing on a tour of Northeast Asia and meets President Xi Jinping and Vice President Li Yuanchao.

Dec. 4-9, 2013: US Department of Commerce hosts the US-China Legal Exchange.

Dec. 5, 2013: Bipartisan group of US senators including Robert Menendez, Marco Rubio, and Bob Corker write a letter to the Chinese Ambassador to the US Cui Tiankai criticizing the establishment of the East China Sea ADIZ, asking that China not implement it.

Dec. 5, 2013: *USS Cowpens*, a US guided missile cruiser, narrowly avoids a collision with a Chinese Navy ship maneuvering nearby in the South China Sea.

Dec. 10, 2013: China blocks the entry of 59,100 tons of US corn after it is found to have a strain of genetically modified corn not yet approved by the Ministry of Agriculture.

Dec. 13, 2013: China announces it will stop levying anti-dumping and anti-subsidy duties on certain types of cars imported from the US when the measures expire on Dec. 15.

Dec. 13, 2013: China suspends imports on shellfish from the West Coast of the US after detecting high levels of arsenic and a toxin that causes paralytic shellfish poisoning.

Dec. 15, 2013: Foreign Minister Wang and Secretary of State Kerry discuss bilateral ties and exchange views on Israeli-Palestinian peace talks and the Syria issue over the phone.

Dec. 19-20, 2013: Vice Premier Wang Yang hosts Secretary of Commerce Pritzker, US Trade Representative Froman and Secretary of Agriculture Tom Vilsack for the JCCT in Beijing.

Dec. 20, 2013: President Obama nominates Sen. Max Baucus (D-MT) to be the next ambassador to China.

Dec. 23, 2013: China rejects two batches of US corn byproducts totaling 2,000 tons shipped to Shanghai after they were found to be tainted with a genetically modified strain not approved by China's Ministry of Agriculture.

Dec. 24, 2013: Office of the US Trade Representative presents its 2013 annual report to Congress on China's compliance with its WTO obligations. The report says the US has "many concerns" over China's business practices, despite significant progress.

Dec. 31, 2013: Foreign Minister Wang Yi delivers an address "In Commemoration of the 35th Anniversary of the Establishment of China-US Diplomatic Relations."