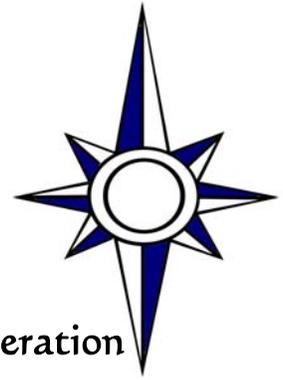


Comparative Connections

A Quarterly E-Journal on East Asian Bilateral Relations



U.S.-China Relations:

Strategic & Economic Dialogue Sets Agenda for Cooperation

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The inaugural session of the Strategic and Economic Dialogue was held in Washington in July, combining pomp with substantive discussions on issues of great consequence for the two countries and the world. High-level exchanges continued with the visit to the U.S. by Wu Bangguo, the head of the National People's Congress – the first visit by China's top legislator in two decades. A special meeting of the Military Maritime Consultative Agreement was held in Beijing to discuss the confrontations inside China's exclusive economic zone between U.S. Navy surveillance ships and Chinese vessels that took place earlier this year. The U.S. imposed tariffs on tire imports from China, prompting Beijing to file a formal complaint against the U.S. at the WTO and launch an investigation into U.S. exports of chicken meat and auto parts. Presidents Barack Obama and Hu Jintao met in New York and both attended the G20 in Pittsburgh. They will meet again in November when Hu hosts Obama for his first visit to China.

The inaugural Strategic and Economic Dialogue

The new mechanism for Sino-American cooperation that was officially announced at the first meeting between Presidents Obama and Hu on the margins of the G20 summit in London on April 1 had its debut in Washington in the last week in July. The Strategic and Economic Dialogue (S&ED), an amalgamation of the Senior Dialogue and the Strategic Economic Dialogue that were established by the Bush administration, is intended to provide a "unique forum to promote understanding, expand common ground, reduce differences, enhance mutual trust, and step up cooperation," according to the joint press release. Secretary of State Hillary Clinton and State Councilor Dai Bingguo co-chaired the strategic track, and Secretary of the Treasury Timothy Geithner and Vice Premier Wang Qishan co-chaired the economic track.

Through the employment of a whole-of-government approach, the S&ED is designed to enable discussions between U.S. and Chinese officials on issues that cut across agencies, such as climate change. The inaugural session was intended to set the agenda for future engagement rather than a meeting to announce agreements.

President Obama kicked off the S&ED with a speech that emphasized the need for the U.S. and China to cooperate to meet common challenges. He identified four areas where the two countries share mutual interests and can advance those interests through cooperation: 1) achieving a lasting economic recovery; 2) creating a clean, secure, and prosperous energy future; 3) stopping the spread of nuclear weapons; and 4) confronting transnational threats. To cope with the threats of the 21st century, Obama maintained, relations among nations must no longer

be seen as a zero-sum game. Instead, security must be shared. Obama presented a vision of the future in which the U.S. and China are “partners out of necessity, but also out of opportunity.” He was careful, however, to not endorse the concept of a G2, favored by Zbigniew Brzezinski and Fred Bergsten, which has unnerved U.S. allies in both Europe and Asia. “The relationship between the United States and China will shape the 21st century,” the president stated, “which makes it as important as any bilateral relationship in the world” – not the most important bilateral relationship in the world.

The only concrete accord reached was a Memorandum of Understanding (MOU) on climate change, energy and the environment that identifies potential areas of bilateral cooperation and establishes a Climate Change Policy Dialogue and Cooperation as a platform for future discussions and to promote coordination in support of implementation of the United Nations Framework Convention on Climate Change.

Discussions in the economic track of the S&ED centered both on the near-term goal of promoting recovery from the global economic crisis and the long-term goal of charting a course for sustainable and balanced global growth. Secretary Geithner presented the U.S. plan to sustain recent gains in private saving rates and bring the fiscal deficit down to a manageable level by 2013. He clearly articulated U.S. expectations for China to rely less on export-driven growth and more on consumption-led growth through measures such as strengthening and extending the social safety net, reform of the health care system, strengthening public and private pensions, and increasing minimum subsistence grants for the poor. Both countries also recognized that reforming their financial systems is essential to global financial resilience and rebalancing. They affirmed their commitment to work for a more open global trade and investment system and jointly fight protectionism. In addition, they pledged to work together to promote reform of the international financial architecture to ensure that they have the resources and the effectiveness necessary to perform their task.

The Strategic Track of the S&ED consists of four pillars: 1) bilateral relations (people-to-people exchanges); 2) international security issues (nonproliferation, counterterrorism); 3) global issues (health, development, energy, global institutions); and 4) regional security and stability issues (Afghanistan/Pakistan, Iran, North Korea). Clinton and Dai held in-depth discussions on all these topics. The joint press release highlighted the affirmation by both countries of the importance of the Six-Party Talks and continuing efforts to achieve denuclearization of the Korean Peninsula, their commitment to increase coordination to jointly promote stability and development in Afghanistan and Pakistan and consult on Iran and Middle East issues, and their willingness to enhance coordination and consultation on the issue of Sudan to jointly seek a political settlement of the Darfur issue and promote the peace process between the north and south of Sudan. In addition, the two sides noted their shared opposition to terrorism and agreed to work collaboratively to strengthen global nonproliferation and arms control regimes. They agreed to enhance the bilateral sub-dialogues on policy planning, Asia, the Middle East, Africa, Central Asia, Latin America, and counterterrorism within the Strategic Dialogue framework, with a view to broadening and deepening cooperation on issues of mutual concern.

Many Chinese commentators viewed the S&ED as proof that the China-U.S. relationship is more balanced now than in the past. For example, a writer in the *China Youth Daily* noted that in the

first four rounds of the prior Strategic Economic Dialogue U.S. concerns about the *renminbi* exchange rate was the main theme, but now attention has shifted to Chinese concerns about the safety of U.S. Treasury bonds. Wu Xinbo, vice dean of Fudan University's School of International Relations and Public Affairs, told *Huanqiu Shibao* that "China has the upper hand" at the current round of the S&ED and urged his government to "seize this opportunity to . . . set our demands." Chinese netizens applauded their officials' tough talk to their U.S. counterparts. Wang Qishan admonished the U.S. to "ensure the security" of Chinese assets in the U.S. and "balance the impact" of dollar issuance on the U.S. and international economies. Wang also asked the U.S. to "relax its high-tech exports" to China and to recognize China's "market economy status" as early as possible.

Head of the National People's Congress Wu Bangguo visits the U.S.

In the first visit by China's top legislator to the U.S. in two decades, Wu Bangguo traveled to Arizona, Washington D.C., and Alaska in early September. Wu began his visit with a three-day stay in Phoenix, Arizona where he attended the U.S.-China Economic and Trade Cooperation Forum. He also made stops at leading U.S. companies, including First Solar where he presided at the signing of an MOU between that company and the Chinese government to build a 2GW solar power plant in Ordos City, Inner Mongolia. The two sides also signed 41 agreements and contracts on investment, economic, and technological cooperation worth more than \$12 billion, involving new energy and materials, communications, electronics, machinery, and tourism.

Upon arriving in Washington, Wu met U.S. Speaker of the House Nancy Pelosi, who focused on the importance of the U.S. and China reaching an understanding on climate change. Wu then met President Obama, to whom he conveyed Hu Jintao's regards and expressed China's willingness to work with the U.S. to develop a positive, cooperative, and comprehensive relationship. *Xinhua* described their conversation as cordial and friendly, and quoted Obama as referring to the bilateral relationship as a "strategic partnership" that "has brought benefits not only to both countries, but also to the whole world."

At a dinner hosted by Secretary of State Clinton, Wu delivered a speech in which he put forward a three-point proposal to promote the bilateral relationship: 1) expand the scope of cooperation on the basis of mutual benefit and win-win progress; 2) build support for cooperation through increased exchanges; and 3) handle differences under the principle of mutual respect. He also called for removal of trade and investment barriers and urged the U.S. to properly handle bilateral trade disputes. In her remarks, Clinton said that China and the U.S. bear a heavy responsibility to cooperate in solving the world's toughest problems, including climate change, nonproliferation, nuclear weapons programs in North Korea and Iran, pandemic diseases, and poverty reduction.

In an interview with a TV news station in Phoenix, Wu asserted that the "U.S.-China relationship is now seen as the most important in the world. It is headed into a new historic stage." According to *Xinhua*, Vice President Joseph Biden echoed this assessment in his meeting with Wu, saying that he considers ties between the U.S. and China to be "the most important bilateral relationship in the world." Biden reportedly added that the relationship is "not zero-sum and that the United States hopes that China can succeed."

The second Obama-Hu bilateral

In the third week in September, Hu Jintao attended and delivered speeches at four major international gatherings in four days in the United States: the UN Climate Change Summit, the General Debate of the 64th UN General Assembly, the UN Security Council meeting on nuclear nonproliferation and nuclear disarmament, and the Third Financial Summit of G20 Leaders.

While in New York, Hu held a bilateral meeting with President Obama, their second one-on-one meeting since Obama took office. Both sides provided a positive assessment of their discussions. In contrast to the first meeting between the two presidents on April 1 on the sidelines of the G20 summit in London, which was then described by a senior administration official as “business-like,” this meeting was portrayed as “friendly” and “warm.” The emphasis in the discussion was on “common interests,” the official noted, “how far we’ve come in building the relationship” and “opportunities that we have to build the relationship further.” As the meeting opened, Obama told Hu that he is “committed to pursuing a genuinely cooperative and comprehensive relationship with China” and underscored the need to make bilateral relations more “dynamic and effective” in the face of numerous global and regional challenges.

The principal topics in the hour and a half discussion were North Korea, Iran, climate change, the global economic recovery, and bilateral economic and trade relations. The danger posed by Iran’s nuclear program received a great deal of attention. President Obama underscored the critical importance of the Iran nuclear issue to U.S. national security interests and expressed the hope that the U.S. and China can have the kind of cooperation on Iran that they have had on the North Korea nuclear issue.

According to *Xinhua*, President Hu observed that China and the U.S. share broader common interests in the face of the “complicated and ever changing” international situation. He also expressed Beijing’s willingness to work with the U.S. to seize opportunities to deepen cooperation and further promote the bilateral relationship “in a sound and healthy way.” Additionally, Hu noted that he hoped both sides would “properly handle problems” in bilateral ties and stressed that each country should respect and take care of the other’s interests and concerns. In this regard, Hu asserted that issues related to Taiwan, Tibet, and Xinjiang concern China’s sovereignty and territorial integrity and affect the national sentiment of the 1.3 billion Chinese people. He called on Obama to prevent U.S. territory from being used to conduct separatist activities against China.

On the tire dispute, Hu expressed concern and stated that the U.S. decision to impose special safeguard measures runs counter to the interests of both countries, adding that such incidents “should not happen again.” President Obama maintained that the tire case should not be interpreted as a weakening of his commitment to free trade and resisting protectionism. In the area of climate change, Hu reiterated China’s position that the developed countries should take the lead in reducing emissions and providing assistance to developing countries to help them transition to low-carbon economies. Obama highlighted the potential for bilateral cooperation in the area of clean energy.

Hu put forward four suggestions to strengthen the bilateral relationship. First, the two countries should maintain close top-level exchanges. Second, the two sides should effectively implement and follow up on the work of the first S&ED. Third, the two countries should deepen coordination and cooperation on major regional and international issues. He cited the Korean Peninsula, Iran, and South Asia as key regional issues and climate change, food security, global nuclear security, and epidemic diseases as important global issues. Fourth, Hu called for both sides to enhance cultural and people-to-people exchanges to consolidate the social basis of the bilateral relationship.

Cooperation on North Korea makes tentative progress

Joint U.S. and Chinese efforts to persuade Pyongyang to return to the Six-Party Talks and reaffirm its commitment to denuclearization made headway this quarter after many hours of consultation and coordination. In the first few days of July, U.S. Ambassador Philip Goldberg, coordinator for implementation of UNSC Resolution 1874 aimed at countering North Korea's nuclear program, led an interagency delegation to Beijing. On the eve of his visit, the Chinese created an interagency task force to coordinate implementation of the resolution. Representatives from government, military, and intelligence units comprising the task force, including China's Ministry of Foreign Affairs, the Central Bank, and customs officials, met with Goldberg to discuss cooperation and implementation of the resolution.

Also in early July, Beijing's negotiator for the Six-Party Talks Wu Dawei visited Washington. Less than two weeks later, Assistant Secretary of State Kurt Campbell met Wu and other Chinese officials in Beijing. In early September, U.S. Special Representative for North Korea Policy Stephen Bosworth visited China to discuss how to advance the process of denuclearization of the Korean Peninsula.

An important test of U.S.-Chinese cooperation on the North Korea nuclear issue arose when a North Korean freighter, the *Kang Nam I*, was cited by the U.S. as likely to be carrying cargo banned under UN Security Council resolutions. The freighter drifted across the South China Sea for several weeks in June and appeared to be steaming toward Myanmar, but turned around and returned to a port in North Korea, apparently after Beijing urged Myanmar to refuse to allow the ship to dock. Speaking at a press conference in Phuket, Thailand, where she attended the 16th ASEAN Regional Forum, Secretary Clinton singled out China in describing the successful conclusion of the incident, calling China's pressure a "proximate cause."

In an interview with CNN on Sept. 20, President Obama expressed satisfaction with the cooperation from both China and Russia in sanctioning North Korea for its nuclear and missile tests. "We have been able to hold together a coalition that includes the Chinese and the Russians to really apply some of the toughest sanctions we've seen, and it's having an impact," he said.

Coordination between the U.S. and China, in addition to cooperation among the other members of the Six-Party Talks and supportive nations of the international community, may have yielded some progress toward the end of the quarter. After Chinese State Councilor Dai Bingguo visited Pyongyang as Hu Jintao's special envoy, Kim Jong-il declared that the DPRK would continue to

maintain its goal of denuclearization and expressed his hope to resolve relevant issues through bilateral or multilateral dialogue.

Maritime safety meeting held; military exchanges continue

During the S&ED, discussions on military issues were held between Commander of the U.S. Pacific Command Adm. Timothy Keating and Guan Youfei, deputy director for China's Defense Ministry's Foreign Affairs Office. Keating told the press that the two sides agreed on the resumption of bilateral military exchanges, which had already been discussed and announced in June after the Defense Consultative Talks in Beijing. He also expressed his hope that the U.S. and Chinese militaries can strengthen cooperation in the fields of military exercise, personnel exchange, and humanitarian rescue.

In early September on a visit to Australia, Keating and the Chief of the Australian Defense Force Angus Houston proposed that three-way military exercises be conducted, beginning with small-scale naval and land activities. Keating expressed the shared desire of the U.S. and Australia to better understand China's intentions. He called China's public statements on its defense plans as "less than fulfilling" and urged China to not "stand in isolation in the Asia Pacific."

A special meeting of the Military Maritime Consultative Agreement was held in Beijing Aug. 26-27 to discuss the confrontations inside China's exclusive economic zone between U.S. Navy surveillance ships and Chinese vessels that took place earlier this year. The Chinese and U.S. delegations were headed, respectively, by Guan Youfei and Randolph Alles, director for Strategic Planning and Policy at U.S. Pacific Command. The Chinese, in a Defense Ministry statement, charged that frequent U.S. military air and sea surveillance and survey operations in China's EEZ are the cause of the confrontations and called on the U.S. to reduce and eventually cease its operations. The U.S. called on China to conduct its maritime maneuvers safely and in accordance with international norms. Behind closed doors both sides apparently acknowledged the need to avoid an unwanted collision, although no specifics were agreed upon regarding whether and how they would respectively modify their maritime practices.

China's media sent contrary signals, however, suggesting a possible Chinese willingness to continue to challenge U.S. military presence near its coast and even use military force against U.S. surveillance platforms operating in China's EEZ. Dai Xu, a PLA Air Force colonel and frequent media pundit, warned in the foreign affairs weekly *Guoji Xianqu Daobao* that China might react to future U.S. surveillance activities in its EEZ by pursuing three levels of escalation: "warning," "driving out," and "surrounding and sinking the intruding vessel." An article by *China Radio International Online* that was carried on the website of the official party newspaper *Renmin Ribao* maintained that the *EP-8* – a new surveillance aircraft that the U.S. Navy plans to acquire – "could easily become a target of attack by China's air defense systems and fighter planes." It called on the U.S. "to reduce and gradually bring to an end its military reconnaissance directed against China, and thus provide a good atmosphere for mutual trust between the armed forces of China and the United States."

Also in August, U.S. Chief of Staff of the Army Gen. George Casey traveled to China to visit the Shenyang Military Region Command, attend a seminar at the Academy of Military Sciences in

Beijing, and meet Chinese counterparts. According to an account published by the PLA's newspaper *Jiefangjun Bao*, Casey underscored the importance of strong ties between the militaries to the bilateral relationship and to regional and global peace and security in a meeting with Chen Bingde, member of the Central Military Commission and chief of the PLA General Staff. Chen emphasized the need for the U.S. to respect China's "core interests" and "properly handle differences and sensitive issues" to create conditions for deepening military cooperation. He criticized U.S. arms sales to Taiwan as having harmed China's core interests and negatively affected the healthy development of U.S.-Chinese military ties.

In an unusually harsh public exchange, Chen told the press that the U.S. fails to consider whether its actions hurt the feelings of the Chinese people. "We can't cooperate in this way," he asserted. "We have to cooperate in a candid and friendly manner in a way that will continue our cooperation from generation to generation."

After departing China, Gen. Casey visited Japan to attend multilateral meetings that brought together military leaders and senior officials from Asia-Pacific nations. Casey told the Japanese media that he hoped to expand cooperation with China by conducting a joint disaster relief exercise at the suggestion of the PLA. China sent participants to the programs in Tokyo for senior officials, but did not send representatives to the event for regional army chiefs.

Blowout over tires

On Sept. 11, President Obama announced his decision to impose tariffs of up to 35 percent on the import of low-cost Chinese tires for light trucks. The decision was made after a finding by the U.S. International Trade Commission (ITC) that Chinese imports of tires had "surged," thereby posing a threat to the U.S. domestic market. Under WTO rules, the finding allowed the U.S. to invoke special safeguard measures, outlined in the 1974 Trade Act, designed to protect against a "harmful surge of imports into the U.S." This was not the first time the issue had been raised; the Bush administration declined four requests to enact similar sanctions.

In his statement to the press, Obama remarked that the decision was simply an effort to enforce existing trade rules and was not meant to signal a shift to a protectionist policy. This position was reiterated by U.S. Trade Representative Ron Kirk, who added, "Enforcing trade laws is key to maintaining an open and free trading system." The White House was not legally obligated to enact the tariffs; rather the decision was made after attempts to negotiate concessions from Beijing failed. The tariff rate imposed was considerably less than the 55 percent tariffs recommended by the ITC.

Despite President Obama's insistence that the decision was simply a question of following the rules, many observers in both the U.S. and China saw politics at play. The original demand for tariffs came from the United Steel Workers Association, members of which make the steel belts found in radial tires. The Union's support is thought to be critical to the successful passage of health care reforms. While acknowledging the critical importance of the healthcare issue for the Obama White House, many commentators, notably Cornell University economics professor Eswar Prasad, feared the move would negatively affect the G20 meeting in Pittsburgh and could incite a trade war, with potentially dire consequences for both U.S.-China trade relations and the

world economy. An editorial in *The Economist* noted that the decision might also spur other special interest groups in the U.S. to demand similar measures. On the other hand, several commentators argued that the decision, although bad economic policy, was good foreign policy. Writing in *Newsweek*, Robert Samuelson asserted that the tariffs sent a strong message to Beijing that the U.S. would not stand for predatory trade practices. The U.S. tire industry, for its part, opposed the tariffs, a fact that was quickly seized upon by the Chinese media. A report in *Xinhua* claimed that the decision had “caused wide disappointment from American industries” and would harm the U.S. economy.

Obama’s decision was immediately denounced in a strong statement by the Chinese Ministry of Commerce (MOFCOM), which by Sunday evening had announced it would open an investigation into U.S. exports of chicken meat and auto parts. Although the move followed closely behind the U.S. decision to impose tariffs, Chinese officials asserted that the two events were not connected, stating that the decision was “based on the laws of our country and on World Trade Organization rules.” An article in the *New York Times*, however, suggested the move was a response to an unanticipated outpouring of public anger over the issue, particularly by Chinese netizens. The decision to investigate chicken meat and auto parts was quickly followed by a formal complaint from Beijing to the WTO and a request to discuss the issue with Washington. If a compromise cannot be reached within 60 days, China has the option of asking the WTO to investigate the matter. In the meantime, MOFCOM announced that Chinese tire companies would raise the price of their U.S. exports to offset the loss in business. Chinese rubber industry officials expect the tariffs to cost China approximately \$1 billion dollars in exports a year and affect 100,000 jobs.

Xinjiang riots

Early July saw the outbreak of widespread rioting in Urumqi, the capitol of China’s western province of Xinjiang. The precipitating incident took place on June 26, when a brawl between Uighur and Han workers at a factory in Shaoguang in southern China left two Uighurs dead. On July 5, Uighurs in Urumqi organized a demonstration to call for an investigation into the incident. A confrontation between protestors and police quickly spiraled into violence, leading to the deaths of several Han bystanders. Rioting, marked by Han-Uighur interethnic violence, continued for almost a week, with riot police attempting to control unruly crowds with batons and tear gas. Speculation about the severity of the problem increased when President Hu cut short his attendance at the G8 summit in Italy, missing a scheduled meeting with President Obama, to head back to Beijing to chair a meeting of the Standing Committee of the Politburo on the instability in Xinjiang.

A second wave of riots swept the city in early September, following a series of needle attacks that began on Aug. 17 and were purportedly carried out by Uighur separatists. Police were called in to deal with the rioters, who demanded justice for the deaths of the Shaoguang Uighurs and the resignation of Wang Lequan, Xinjiang’s party secretary, for his failure to quell the violence. Peace was restored to the region in mid-September, but only after 197 were killed and as many as 1,080 were injured. Arrests topped 1,400. Charges related to the violence have just begun to enter the courts. Eleven participants in the June 26 brawl in southern China that started the incident have been indicted on related charges. Twenty-one rioters have also been indicted in

Xinjiang on charges of homicide, arson, property damage, and robbery. Two Uighurs are to be tried in connection with the needle attacks.

The riots reveal underlying tensions between the local Uighurs and the majority Han Chinese, a fact Beijing downplayed in the release of a Sept. 21 White Paper highlighting the positive state of ethnic relations. Nevertheless, comments by Hu Jintao at the Fourth Plenary Session of Chinese Communist Party's (CCP) 17th Central Committee on Sept. 16 acknowledged the serious challenge that the situation in Xinjiang presents to the party's rule. Chinese leaders have blamed the unrest not on ethnic tension, but rather on separatist activities, purportedly led by the World Uyghur Council, which is headed by activist Rebiya Kadeer.

U.S. reactions to the events have been muted. The White House issued an official statement on July 6 calling for all parties "to exercise restraint," and State Department commentary on the riots was limited to a press briefing, in which Press Secretary Ian Kelly said that the U.S. was "monitoring the situation in Xinjiang very closely." Secretary Clinton has remained relatively quiet on the matter. In advance of her July trip to Asia, Clinton called on all sides to remain calm. "We are trying to sort out, as best we can the facts and circumstances from the region," she stated cautiously. During a July 28 joint press briefing with Treasury Secretary Geithner after the S&ED, Clinton noted only that "we [have] expressed our concerns" to the Chinese. Chinese Vice Foreign Minister Wang Guangya expressed praise for Clinton's "moderate" stance on the issue, noting that, "The United States unequivocally said that this incident is entirely a domestic affair of China." Speaker of the House Pelosi also released a statement denouncing the violence. She called on the Chinese government to protect Uighur rights and to allow reports on the events as they unfolded.

Next quarter

The U.S.-China relationship is very active and the two sides have agreed on a comprehensive agenda. The atmosphere and tone of the bilateral relationship are quite positive and both countries appear eager to cooperate where there is sufficient overlap in their interests. Presidents Obama and Hu have met twice, interacted at multilateral gatherings, and spoken on the phone several times. Both leaders emphasize their desire to strengthen the relationship and work together to address regional and global problems. *Wen Wei Po* reported that a leading expert on international affairs characterized the relationship between the two countries as having moved to a new stage.

In November, the two presidents will have another opportunity to exchange views and promote cooperation when Obama makes his first visit to China. The military relationship will also get a boost with the visit to Washington by Lt. Gen. Xu Caihou, vice chairman of the Central Military Commission. In the final quarter of 2009, the issues likely to receive the most attention are climate change, Iran, and North Korea.

Chronology of U.S.-China Relations July-September 2009*

July 1, 2009: Thousands in Hong Kong participate in a pro-democracy march on the twelfth anniversary of China's rule demanding more autonomy in their government.

July 2-3, 2009: Ambassador Philip Goldberg, the U.S. coordinator for implementing UNSC Resolution 1874 leads an interagency delegation to Beijing to discuss its implementation with representatives from the Ministry of Foreign Affairs, Central Bank, and Customs.

July 5, 2009: 197 people die and over 1,700 are injured as Uighur rioters clash with police and Han Chinese in Urumqi, Xinjiang after days of rising tensions.

July 6, 2009: Chinese Deputy Foreign Minister Wu Dawei meets U.S. Deputy Secretary of State James Steinberg to discuss the North Korean nuclear issue and the recent riots in Xinjiang, among other issues. Secretary of State Hillary Clinton drops by during the meeting.

July 8, 2009: Chinese President Hu Jintao cuts short his stay at the G8 summit in Italy and returns to China to deal with the aftermath of deadly riots in Urumqi, Xinjiang.

July 9, 2009: In place of President Hu, Chinese State Councilor Dai Bingguo meets President Obama on the sidelines of the G8 summit to discuss climate change, global economic stability, terrorism, and the DPRK denuclearization issue.

July 14-17, 2009: U.S. Commerce Secretary Gary Locke and Energy Secretary Steven Chu visit Beijing to meet Chinese officials, including Premier Wen Jiabao, to discuss renewable energy industry protectionism, and greenhouse gas emission reductions.

July 15, 2009: The U.S. Senate Committee on Foreign Relations holds a hearing entitled "Maritime Disputes and Sovereignty Issues in East Asia," during which Sen. James Webb reaffirms U.S. recognition of Japanese claims over the Senkaku Islands in the East China Sea. Chinese Foreign Ministry spokesman Qin Gang responds angrily to the claim, saying that China holds indisputable sovereignty over the islands.

July 16, 2009: A U.S. federal judge convicts Chinese-born Dongfan "Greg" Chung of stealing trade secrets critical to the U.S. space program.

July 16-18, 2009: Assistant Secretary of State for East Asia and Pacific Affairs Kurt Campbell travels to Tokyo, Seoul, and Beijing for consultations.

July 20, 2009: A photo exhibition opens in Hong Kong to mark the 30th anniversary of the establishment of China-U.S. diplomatic relations.

* Chronology by CSIS interns Lyle Morris and Ben Dooley. Ben Dooley also provided research assistance.

July 22, 2009: Chinese Foreign Minister Yang Jiechi and U.S. Secretary of State Hillary Clinton meet during the 42nd ASEAN Forum in Phuket, Thailand.

July 23, 2009: Nominee for U.S. Ambassador to China, Utah Gov. Jon Huntsman testifies before the U.S. Senate Foreign Relations Committee.

July 27-28, 2009: The first meeting of the U.S.-China Strategic and Economic Dialogue convenes in Washington. China's delegation is composed of 150 members, led by Vice Premier Wang Qishan and State Councilor Dai Bingguo. The U.S. delegation is headed by Secretary of State Clinton and Treasury Secretary Timothy Geithner.

July 28, 2009: U.S. Special Envoy for Climate Change Todd Stern and Chinese Vice Chairman Xie Zhenhua sign the U.S-China Memorandum of Understanding to Enhance Cooperation in Climate Change, Energy, and the Environment.

Aug. 2, 2009: Chinese security officials detain 319 people, most of them Uighurs, suspected of taking part in the July 5 riots in Xinjiang Province, bringing the estimated total number of people detained following the riots to over 2,000.

Aug. 5, 2009: The U.S. Trade Representative (USTR) announces it will hold a public hearing on a proposal to impose duties on tire imports from China

Aug. 7, 2009: The Senate confirms Utah Gov. Huntsman as U.S. Ambassador to China.

Aug. 12, 2009: A WTO panel rules that China violated international free trade rules by limiting imports of books and movies.

Aug. 17, 2009: China announces it will formally appeal the WTO ruling against its restrictions on imported films, books and audio-visual products.

Aug. 20, 2009: China's Ministry of Defense launches a website to increase transparency.

Aug. 20, 2009: Chief of Staff of the U.S. Army Gen. George Casey meets Chen Bingde, member of the Central Military Commission and chief of general staff of the PLA.

Aug. 22, 2009: U.S. Ambassador to China Jon Huntsman arrives in Beijing.

Aug. 25, 2009: President Hu Jintao concludes a four-day visit to Xinjiang.

Aug. 26-27, 2009: A special session of the U.S.-China Military Maritime Consultative Agreement talks are held in Beijing.

Sept. 3, 2009: U.S. Special Representative for North Korea Policy Stephen Bosworth arrives in Beijing, the first stop of a three-nation tour, to discuss issues related to denuclearization of North Korea. He meets Chinese Foreign Minister Yang Jiechi.

Sept. 4, 2009: At least 5 people are killed and 14 wounded in Xinjiang as a result of protests by ethnic Han demanding a government clampdown on Uighurs for failing to prevent what they believe to be needle-stabbing attacks against Han Chinese.

Sept. 5, 2009: The top Communist official in Urumqi, Li Zhi, is dismissed from his post.

Sept. 8, 2009: Top Chinese legislator Wu Bangguo visits Arizona and signs a memorandum of understanding with First Solar Inc. to build a 2,000-megawatt solar photovoltaic power plant in the Inner Mongolian desert.

Sept. 9-10, 2009: Wu Bangguo meets President Obama, Senate Majority Leader Harry Reid, and Senate Minority Leader Mitch McConnell in Washington.

Sept. 11, 2009: President Obama announces plans to impose a 35 percent tariff on automobile and light-truck tires imported from China.

Sept. 14, 2009: White House Adviser Valerie Jarrett, accompanied by State Department Undersecretary Maria Otero, the designated new Special Coordinator for Tibetan Issues, visits Daramasala and meets the Dalai Lama.

Sept. 14, 2009: China files a formal request with the WTO for consultations with the U.S. to settle the dispute over tariffs on Chinese tire imports.

Sept. 15, 2009: Coca-Cola Inc. announces that a second manager working for the company's Shanghai bottling plant was detained by police on suspicion of accepting bribes.

Sept. 15, 2009: U.S. National Intelligence Director Dennis Blair releases the 2009 U.S. National Intelligence Strategy, which groups China with Iran, North Korea and a resurgent Russia as nations with the ability to "challenge U.S. interests in traditional and emerging ways."

Sept. 15-18, 2009: The fourth plenary session of CCP's 17th Central Committee is held. The session focuses managing threats to the party's political standing, including the recent riots in Xinjiang and corruption among cadres.

Sept. 16, 2009: Chinese security forces reportedly uncover a bomb-making operation in Aksu, about 430 miles southwest of Urumqi, Xinjiang, arresting six suspects.

Sept. 16, 2009: Chinese Foreign Ministry spokeswoman urges the U.S. "to discard its Cold War mindset and prejudice, correct the mistakes in the NIS [2009 National Intelligence Strategy] report and stop publishing wrong opinions about China which may mislead the American people and undermine the mutual trust between China and the United States."

Sept. 16, 2009: Treasury International Capital releases figures showing that China increased its investments in U.S. Treasury bonds by \$15.26 billion dollars in July 2009.

Sept. 17, 2009: China sentences four people to 8-15 years in jail for carrying out attacks with syringes in the Urumqi, Xinjiang.

Sept. 21, 2009: Hu Jintao arrives in the U.S. to attend the UN Summit on Climate Change, the 64th annual UN General Assembly Debate, the UN Security Council's nuclear nonproliferation and disarmament summit, and the G20 summit.

Sept. 22, 2009: Presidents Obama and Hu meet on the sidelines of the UN Summit on Climate Change in New York, where both deliver a speech.

Sept. 22, 2009 China appeals a WTO ruling regarding its regulation of the import of books and audio/visual materials. The ruling was made in April 2007 after the U.S. filed claims stating that China was not allowing US imports sufficient access to Chinese markets.

Sept. 24, 2009: Deputy Secretary of State Steinberg gives a speech at the Center for a New American Security titled "The Administration's Vision of the U.S.-China Relationship."

Sept. 24-25, 2009: Presidents Obama and Hu Jintao join other leaders from the G20 in Pittsburgh to coordinate positions on global economic recovery, financial regulatory reform, and world trade issues.

Sept. 25, 2009 Ford Motor Corporation announces that it will build a new factory in China to produce Ford Focuses for sale in China.

Sept. 27, 2009 The fourth Sino-U.S. Energy Policy Dialogue opens in Qingdao, China.

Sept. 29, 2009: Deputy Secretary Steinberg meets Chinese officials in Beijing.