

**THE BROOKINGS INSTITUTION**  
**CENTER FOR NORTHEAST ASIAN POLICY STUDIES**

**AN EMERGING EAST ASIA**  
**AND THE NEXT AMERICAN ADMINISTRATION**

**SESSION THREE: CHINA'S PEACEFUL DEVELOPMENT**  
**AND THE HARMONIOUS WORLD**

**A KEYNOTE ADDRESS BY HON. LI ZHAOXING**

A joint conference with the Center for International and Strategic Studies,  
School of International Studies, Peking University

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ANDERSON COURT REPORTING  
706 Duke Street, Suite 100  
Alexandria, VA 22314  
Phone (703) 519-7180 Fax (703) 519-7190

**Panel 1: Emerging structures of international relations in East Asia**

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**Zhu Feng**, chairman

Deputy Director, Center for International and Strategic Studies, Peking University

*China increasingly active, America increasingly distracted*

**Ding Xinghao**

President, Shanghai Institute of American Studies; CNAPS Advisory Council

*Forms of East Asian regionalism*

**Qin Yaqing**

Executive Vice President, China Foreign Affairs University

*Non-traditional security issues*

**Wonhyuk Lim**

Fellow, Korea Development Institute; CNAPS Fellow 2005-2006

*Security dilemmas in Asia*

**Richard Bush**

Senior Fellow, Foreign Policy

Director, Center for Northeast Asian Policy Studies, The Brookings Institution

**Panel 2: East Asia's economic dynamism**

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**John L. Thornton**, chairman

Chair, Board of Trustees, The Brookings Institution

*Is China's growth sustainable?*

**Chang Ka Mun**

Manager Director, Li & Fung Development (China), Ltd.; CNAPS Advisory Council

*What are the prospects for Japan's economy?*

**Seiji Takagi**

Managing Director, Japan External Trade Organization, Hong Kong Office

Visiting Fellow, School of International Studies, Peking University

*Will the U.S. continue to embrace globalization?*

**Barry Bosworth**

Senior Fellow, Economic Studies Program, The Brookings Institution

*Implications for greater East Asia*

**Long Guoqiang**

Senior Fellow and Deputy Director-General

Development Research Center, State Council of the People's Republic of China

CNAPS Visiting Fellow 1998-1999

## **Lunch Keynote Address**

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*China's Peaceful Development and the Harmonious World*

**Li Zhaoxing**

Former Minister of Foreign Affairs, China  
Professor, Peking University

## **Afternoon Keynote Address**

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*The 2008 U.S. presidential election*

**Tom Mann**

Senior Fellow, Governance Studies Program, The Brookings Institution

## **Panel 3: U.S. foreign policy under the next administration**

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**Wang Jisi**, chairman

Director, Center for International and Strategic Studies, Peking University

*Directions of U.S. foreign policy after the Bush administration*

**Ivo Daalder** (remarks read by Richard Bush)

Senior Fellow, Foreign Policy, The Brookings Institution

*Defense and security challenges for the new administration*

**Michael Nacht**

Aaron Wildavsky Dean and Professor of Public Policy  
Goldman School of Public Policy, University of California - Berkeley

*Focus on China and Asia*

**Frank Jannuzi**

Senior Asia Advisor to the Majority Staff, U.S. Senate Committee on Foreign Relations

*A Chinese view*

**Yuan Peng**

Director and Senior Researcher, Institute of American Studies  
China Institutes for Contemporary International Relations  
CNAPS Fellow 2003-2004

*Commentary*

**Anne-Marie Slaughter**

Dean, Woodrow Wilson School of Public and International Affairs, Princeton University

WANG JISI: Your attention, please, ladies and gentlemen. I hope you have been enjoying some lunch. And I take this opportunity also to give our thanks to Mr. John Thornton, whose contribution to this conference and to Beida and to Brookings should be duly recognized. So, at this time, I would like to give my personal thanks, and also the thanks from all of us, to Mr. Thornton.

(Applause)

The main speaker at this time is Mr. Li Zhaoxing. Mr. Li Zhaoxing does not need an introduction, because all of the people here know that he is the former Foreign Minister. Even so, some of you may not know what he has been doing since his departure from that official position. So I feel I'm very privileged to say a few words about this.

After his departure from his former position, he has been even busier than before, traveling within China, traveling around the world to places as far as South Africa. And, of course, he also spends much of his time teaching in China.

When he was in Africa he joined a small group of people known as "The Elders." Although, personally, I don't think he is qualified —

(Laughter)

— as an elderly person. He was joined by some others like Nelson Mandela, Jimmy Carter, Archbishop Tutu, and many others. Obviously, they are all older than he is.

I think he also is young enough to be a professor, above all, at my university. I should also mention that he's an honorary chairman of our newly established Peking University Center for International and Strategic Studies. He has been very active in our activities. He is also a professor, and he has positions at other universities in China: Xinhua, the Foreign Affairs University, Nankai University, and the Foreign Languages University. Probably there will be more universities in the future. He has brought with him a few students from Nankai University in Tianjin. And I'm very jealous, because he never brought me anywhere.

(Laughter)

He is, of course, also very much plugged in to policy-oriented issues. He will now share with us his views about China's peaceful development, and the prospects of a harmonious world. Now, without further ado, Mr. Li Zhaoxing.

(Applause)

MINISTER LI ZHAOXING: Thank you, Mr. Chair, my alumni. I only keep my fingers crossed that you'll not regret to give me the floor.

(Laughter)

And I also hope that your co-chairs, Mr. John Thornton and Mr. Richard Bush, will not regret this either. For the simple fact that I'm so excited, I might speak too long.

(Laughter)

Simply because I feel very much at home.

Mr. Wang Jisi is so kind to offer that warmhearted introduction about my humble self. However, there is one thing I want to add to his statement. That is when he said I have an honorary teaching post at "*his* university." Well, nothing entirely wrong with that, but I would prefer to say at "*my* university." This is indeed my own alma mater, from 1959 to 1964, when I left the school to join the foreign service of new China.

So I'm so happy to be back home—so excited, so delighted. It is especially wonderful to be at this beautiful, abundant luncheon. When I look at all the food on the table, I certainly recall the days when I was a sophomore in 1960, when the whole country was suffering from economic difficulties. We did not have enough to eat in those days, even at this university, perhaps one of the best known in the country.

In that year, for me and many of my schoolmates, the big terror was to lose a food coupon. Imagine, you have to go to classes, but you feel that you don't have a full stomach. I do envy those professors and students here today. At least you have enough to feed yourself. In those days we didn't.

I also am delighted and honored to see so many of the old friends I made back in the States, across the ocean. I stayed in the U.S. for six years: three in New York, when I worked for the United Nations, and another three in D.C., where I had many happy days, and a few not-that-happy days.

(Laughter)

But they made me and my colleagues happier to return. I made a lot of friends in the States. It's always nice to recall that. Some friends were made, for example, on top of Capitol Hill. Some, or more, at the foot of the Hill. I had a lot of friendly chats with my American colleagues. I also had a lot of arguments, but each argument helped to further strengthen our mutual understanding and friendship.

I really don't know where to begin. I have so many things to talk about among friends. I'm not really a man of Shandong origin. People there drink a lot. I never take anything stronger than beer. However, I remember one line of a Tang Dynasty poet, which goes to the effect, "When you are with friends, even one thousand cups of strong liquor are not enough."

As I don't like any liquor, I sometimes translate that line of the poem into something different in English: "when you have friends to talk to, even one hour of chatting is far from enough." So I hope, dear friends, you will not regret to putting me up here. I'll go on talking and talking. So please go ahead with your food while I speak. Otherwise, you may starve.

I simply want to share with you my thoughts in a very honest and candid manner. At the head table here there is Mr. Richard Bush. I want to share a story with you, as a symbol of thanks to you for my belated congratulations or greetings on the Thanksgiving holiday.

Not too long ago, when I was still active in my diplomatic service, our two countries' leaders had a meeting in Beijing. The Chinese leaders told the American president, in Chinese that he would be very candid and honest. The Chinese foreign ministry interpreter was very good, or maybe too good. He turned that Chinese saying into, "I'll not beat around the bush." And the American president was a little bit surprised. "What? Beat around me?"

(Laughter)

That's fun, of course. Both sides had a good laugh. And today, I'll be following the example of my leader: to talk, and not to beat around Bush, my friend.

In the recently concluded Party Congress, President Hu Jintao emphasized, according to my interpretation, two things. One, China will be firm in marching on the road of peaceful development. And, two, China will be firm to materialize the scientific outlook [inaudible] itself.

My personal understanding is this is China's domestic policy. However, it also has a lot to do with our foreign policy. Domestically, we will remain firm on that road of continued development. We will rely on our own people's efforts as the main force to develop ourselves. China will never follow the road of those powers, one or two centuries ago, which sent troops abroad to colonize other lands. We will simply make the best use of our own people's talents and hard work. Also, to work for ourselves, for our own people.

So this is, indeed, a road of peace. A development by the Chinese people, of the Chinese people, and for the Chinese people.

Eternally, China will surely follow the spirit of the U.N. Charter. The dean, Mr. Wang, said that among the audience there are a few of my students. Indeed, I told them that one of the books they must read is the U.N. Charter. I told them that I do understand students now are different from the students in my days. You have a lot to do, a lot of things to enjoy. In case you don't have time enough to read the full Charter—which is not very thick at all—then at least read and remember the very first sentence, which came into effect the 24<sup>th</sup> October 1945.

In the very first sentence of the Charter, there are three principles clearly mentioned or provided for.

One, we should work to ensure that everybody enjoys basic human right.

Then, there must be equality between men and women.

And thirdly, countries, large and small, are all equal.

Very simple, yet difficult to implement. In China, we are determined to translate all these principles into reality. We want to make friends, and to be good partners with all people around the world. We hope that the world will be one of peace and common prosperity, all the world enjoying harmony.

The United States being the biggest and richest country in the world, it is an important factor in our internal affairs, as well as our external affairs. I believe the Sino-U.S. relationship is China's most important bilateral relationship.

We ought to thank God that since the visit by President Nixon to China in 1972, relations between our countries have made great progress, despite a few setbacks here or there. And I have to thank all the American friends present here at this luncheon hosted by Mr. Wang, the Dean, for your contributions, which have worked to make the relationship so good, so useful to both sides, and a relationship which has brought a lot of real benefits to the people, as well as to the rest of the world.

To begin with, in recent years, the nature of our bilateral ties has been even more clearly defined. Our two countries have agreed that we are not only stakeholders, but constructive partners as well. This is the important.

Both sides agree that we do have differences. That's only natural. However, the issues in which we find common ground outweighs the areas where we have differences.

Second, our strategic dialogues have been pretty fruitful, and more and more frequent. Between our two countries we have already had six rounds of strategic and strategic economic dialogues, which have brought us even closer.

Third, and maybe more importantly, we have a lot of cooperation in all fields. Take, for example, between the years 1949 to 1971, altogether, only 1,500 Americans traveled to the mainland of China. In so many years, only 1,500 American friends came to the mainland of China. However, now, on average, every day, every 24 hours, more than 5,000 people from both sides fly to each other—every day. The change is tremendous. This progress is remarkable.

Another example is in the field of trade. According to the statistics available to me, from January to October of this year, our bilateral trade volume has already surpassed \$248 billion U.S. dollars. It's probably safe to say that by the end of the year, our bilateral trade volume will be surpassing \$300 billion U.S. dollars.

Education-wise—again, according to figures that came to my eye early this morning—we have now some 90,000 students studying at American colleges and universities. In this field, America enjoys a big surplus. You have some 10,000 students studying in Chinese colleges and universities. These are only a few figures to illustrate how close we are now to each other, and how fruitful our bilateral cooperation is for both our nations.

In international matters, our common grounds have increased. I came back to Beijing only two days ago. I came from Korea, where everybody was talking about the Korean nuclear issue. Now, the name of one of the co-chairs, Mr. John Thornton, came to my mind. He told me just now that his name does come from the word “thorn” or “thorny.” He must be from a rural area, a village with many thorns, rather than bushes.

(Laughter)

However, it was even on this thorny issue, or complicated and sensitive issue—the nuclear issue in the peninsula of Korea—that China and America do have a lot of common interests and can find common ground. We worked so well together in the Six-Party Talks. Both of our countries are for peace and stability, and the non-nuclear proliferation of that peninsula.

Further away from us there is another thorny nuclear issue. That is the Iranian nuclear issue. And, again, China and America are working together, with other parties, to find a diplomatic solution which will ensure peace in that region, as well as for the rest of the world.

Even further away is another important issue, the issue of Darfur of Sudan. Here we can find our countries' diplomats working together. The day before yesterday, China sent its first group of peacekeepers to that faraway land. We are very happy that, together with so many countries, including America, we are now working for a better future of our African friends.



Naturally, when you have a friendship, even when the friendship is so strong and so good, you have problems. Just like a coin, it always has two sides. One of my former teachers, Qian Zhongshu, wrote in his book that this is a queer world. The people in the city want to go to the countryside to enjoy their holidays or weekends. The rural people want to go to the town, or to the city, to see what the people there are like. Those who are single want to get married, and those who are happily married, after a few years maybe, want to, well, get out of wedlock, and so forth.

(Laughter)

For countries, too, even if you have a friendship and a lot of cooperation, you have problems. We have also to be very prudent in handling each others' concerns or differences that happen to exist, so that we can have our cooperation be further expanded and deepened.

For U.S.-China relations, the most sensitive issue is still the Taiwan question. For us, that is the most important. That is the softest spot on the heart of every Chinese, for it has a bearing on our national sovereignty, territorial integrity, and the national sentiments of the entire Chinese people.

On many occasions, President Bush, and the American government, told the world that America will honor its commitment that they enshrined in the three joint communiqués between our countries. America will pursue the one-China policy, and will oppose the so-called Taiwan independence, or the so-called joining into the U.N. of that island. We only hope that all our American friends will honor their promises.

On our part, we believe both Taiwan and the mainland belong to one China, and the people on both sides are all Chinese. We will make every effort, and with our utmost sincerity, to work or to strive for a peaceful reunification. At the same time, we absolutely will never allow or tolerate anybody to separate Taiwan from our great country, our great motherland, in any name or by any means.

We hope we'll get your sympathy, your understanding, and your support for us on this most important issue. That will be in the interest of our friendship and partnership, as well as in the interest of America itself.

On other issues, we can work together to first increase our mutual trust on hot international issues, and on a few differences that crop up in our trade cooperation, education cooperation, and so on and so forth.

Take for example, the renminbi rate issue. I don't know even how much salary I have. I send all the money every month to somebody else in my family.

(Laughter)

So I know very little about currency or financial matters. Earlier this year, when my American colleague came to me for an official visit, the first issue she mentioned was that the renminbi rates should be further appreciated. She said that was the opinion of the current administration, and that there strong pressure from the Congress and from the people.

I told her, off the cuff, for I wasn't prepared, that I was under even stronger pressure. Among other things, the Chinese National People's Congress has by far more members than the American Senate and the Congress put together. In addition, we have more people. Many Chinese kept asking me, then, as the foreign minister, "Why does America, a friendly foreign country, worry that much about China's domestic matters?" I simply could not answer. So the two of us compared notes. We're confided in each other our own respectful concern, and we reached consensus. And that was good.

I believe if our countries could resolve issues like TCK, or Florida, where oranges, tangerines, we can also resolve other issues, through patient, honest dialogue and consultation.

Another thing I'm very happy to talk about is the upcoming Beijing Olympic Games, and then the Shanghai World Exposition. I want to express thanks, through our American friends present here today, to the American government and people. We thank you for supporting Beijing's bidding for the games.

About one-and-a-half months ago, I was in Washington, D.C., and I had a good meeting with the other Bush—

(Laughter)

—President Bush, the father, as well as the current president, George W. Bush, who told me so happily that he would be the Honorary Captain leading the American team to the competition. I was so happy. I told him that I only hope I could find the opportunity to go to welcome the American team, and to cheer for the American young men and women, for them to collect many medals, gold, silver or bronze.

We also hope our American friends, after you supported Shanghai's successful bid for the 2010 World Expo, will come to join us in Shanghai. I hope that will further expand trade, as well as cooperation on economic, scientific, and technological issues.

In short, dear friends, I'm pretty confident that if we bear in mind the strategic common grounds we enjoy, the common interest our two peoples have, and look at, and handle, all the issues from a long-term and strategic point of view, that

the relations between our countries and the friendship between our peoples will surely be further strengthened and enhanced.

In these few words, I wish all of you, in advance, a “merry Christmas and a happy new year.” Thank you.

(Applause)

DR. WANG: Thank you very much, Mr. Li Zhaoxing, for this brilliant speech. My only personal reaction to this is that I wish he would serve another term as China’s Ambassador to the United States.

(Applause)

But he is so kind to agree to us that he would entertain two questions, because we are running a little bit over time.

MINISTER LI: Is that my fault?

(Laughter)

DR. WANG: No, no, no. We began late. Yes, Mr. Zhang? No? I don’t remember the name of this gentleman.

QUESTION: Hello. My name is Masahiro Matsumura, I’m a former Brookings visiting fellow. We are very much impressed with your unscripted address, and very much impressed with your mentioning [inaudible], very much amazed that you referred to the human rights.

In today’s real world there are many countries which violate human rights in the domestic domain. When you find such a state, what can the rest of the members of the United Nations do? States vary case by case, but I’m very much interested to hear your opinion. Thank you.

MINISTER LI: For me, I believe every government responsible for its own people, and for world peace, stability and development should be caring for people’s basic human rights.

And, again, we have to be factual. That is, every country has its own specific conditions. Take China, for instance. China is not just another country. China is the biggest developing country in the world, and has the largest population.

When I was Foreign Minister, I felt ashamed that I didn’t know even how many countries there are in the world. Only towards the end of my term, I started to love again mathematics, a subject I liked the best when I was a pupil in

primary school. I started my calculation, and I discovered that, according to my standard, there are now 196 or 197 countries in the world.

Last year, the total GDP volume of the whole world was made known. I made my own calculation, and again found that the Chinese GDP total ranks number four among all the 190-more countries. We were number four. Not too bad.

However, I also recall President Hu Jintao's remarks. President Hu Jintao told us that we must always bear in mind we are still a developing country. We have a lot more to do. So I calculated our GDP in per capita terms, and found that China was only ranked 108<sup>th</sup> in the world last year.

So, on the one hand, we have to be confident that China's future will surely be good under the leadership of President Hu Jintao and the Chinese government. We will overcome difficulties, and let all the Chinese live a better and better life, step by step.

On the other hand, we have to know that we have long to go human rights-wise, too. We are now making sure that the gap between the coastal areas and the hinterlands will be narrowed, and that the gap between the poor and the wealthy should be narrowed too, on the basis that all of us should be better and better off in our living standards.

Just like the well-know American poet, Longfellow, once wrote: let us try to ensure that each tomorrow would be better than today. This is also true with our human rights record, I hope.

Education-wise, we have such a lot to learn from developed countries, particularly America. According to the Education Ministry's figure, last year among the same age group, only 21 percent of the young men and women of China could be admitted into universities and colleges. In countries like the United States of America, Great Britain, France, and Japan and Korea, the rate was something between 70 and 80 percent. I believe education is also part and parcel of human rights, not only food and housing or the right to elect or to be elected.

Even environmental protection has a lot to do with our people's living standard. That is why China is so active in participating in the so-called global climate change diplomacy. We want to have a sustainable development. We want our people not only to have good food, but also have clean air and clean water to enjoy.

So, in this regard to this topic, I believe scholars, or the elites, to quote my table-mate, Dr. Ann-Marie Slaughter, we also have a lot to do together. I thank you.

(Applause)

QUESTION: I have a question. My name is Alexandre Mansourov, and I'm a former CNAPS fellow. Some people look at the rise of China, and are concerned. They look at the Chinese energy policies, and the increasing militarization underway in China. What would you tell the people of the world, including in the United States, why they should not be afraid of the peaceful development of China? Why they should not be afraid of a rising China?

MINISTER LI: Good. Thank you very much for this very important question. Now you are in China, you have so many Chinese around you. I believe you can answer this question yourself.

(Laughter)

But I want to add to your potential reply. One, military-wise, I'll just give you two figures. In China, the total military budget is less than 10 percent than that of your country. And in per capita terms, it's less than 1/60. But, more important than that is: China is a country with a tradition of peace loving, and we need peace.

Energy-wise, China mostly relies on its own supply of energy source. For example, China is now the world's biggest coal producer. Naturally, we important crude oil, but, according to President Hu Jintao and the Premier Wen Jiabao, the biggest source of China's energy is to practice economy in the use of energy. We will do that. We will learn high-tech methods that the increase efficiency of our oil use, from you and from countries like Japan, and so forth.

I don't think people in other countries have any reason to worry about the so-called China threat, which has never existed, and will never crop up—except for those very tiny number of people who perhaps have ulterior political motives. I don't think there is anybody like that—at least in this audience. I thank you very much.

DR. WANG: Professor Li, thank you very much for your clear and comprehensive statement of China's external policy. You do us a great honor by being with us today and talking to us. On behalf of all of us, I wish to give you a small token of our appreciation. Thank you very much.

MINISTER LI: Thank you very much.

(Applause)

I was in the States for six years, so I have learned something from my American friends. That is to let your friends share your joy by looking at the gift you happen to receive.

(Laughter)

Another thing is for self-protection. To ensure that that has nothing to do with a so-called political contribution or things like that.

(Laughter)

Thank you.

(Applause)

DR. WANG: Thank you all. I think the lunch is closed. All of us will move to the meeting hall and continue our session.

(Recess)