THE BROOKINGS INSTITUTION

JOHN L. THORNTON CHINA CENTER

WANG YI DINNER Q&A SESSION

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

PARTICIPANTS:

Moderator:

JEFFREY A. BADER Founding Director, John L. Thornton China Center Former Deputy Assistant Secretary of State, East Asia and Pacific Affairs, U.S. State Department Former Senior Director for East Asian Affairs, National Security Council John C. Whitehead Senior Fellow, International Diplomacy The Brookings Institution

Guest Speaker:

HIS EXCELLENCY WANG YI Minister of Foreign Affairs People's Republic of China

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PROCEEDINGS

MR. BADER: I'd like to thank Minister Wang for an address that was full of insight and full of ideas about how to build a new model of major power relationship. As the minister said, there was concern at the outset that this might be just a slogan. I think what we've heard from the minister tonight are some excellent ideas about how to make this much more than a slogan.

It's also important that this name for the relationship not simply be an umbrella for all of the old issues and all the old disputes. We need to infuse this new model with, if you will, the spirit of sunny lands and some new determination to solve problems rather than merely repeat old positions and old talking points. And I think Minister Wang has blazed the path and shown us the way how to do that.

So I'd like to take advantage of my position as moderator today to ask the first question, if I could, Mr. Minister. And we thank you for being willing to take some questions that will doubtless be ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

difficult and probably unpleasant. (Laughter)

My question is, as Strobe Talbott indicated, you are almost certainly the leading expert in the Chinese government on the subject of Japan. Although I must say that the gentleman who followed you as ambassador to Japan also did a terrific job, Ambassador Cui. (Laughter)

For many of us it has been very upsetting to see the world's second and third largest economies have their relationship become tense and deteriorate over what, to many of us on the outside, appear to be four uninhabited and uninhabitable rocks. I know it looks different in China and Japan, but that is the truth. As a foreign minister and as China's leading Japan expert do you have confidence and ideas about how to renormalize relations between China and Japan in the coming months? Will it require some sort of agreement about the Diaoyu/Senkaku Islands, these four uninhabited rocks, or will the two countries take a broader, higher view and look at the many important common interests that they have and find a way to ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

rebuild the relationship?

MINISTER WANG: Mr. Bader asked a very sensitive question from the very beginning. (Laughter) Well, to answer this question I want to first be very clear that it is China's consistent and clear position that the Diaoyu Islands are an integral part of the Chinese territory, and this position of ours has not changed and nor should it change. China has a firm determination to uphold its sovereignty and territorial integrity.

At the same time, we are aware that the Japanese side has its own thoughts and views. Then what should we do? It is China's consistent position that when it comes to territorial disputes we are ready to resolve the disputes through dialogue and negotiation.

That's 41 years ago when China and Japan broke their years of estrangement and achieved the normalization of diplomatic relations. Leaders of the two countries reached a very important agreement or you can call it an understanding, that is we have ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

different positions on this issue and we can set aside our difference and take care of it or resolve it at some later date. This understanding has been incorporated into many diplomatic documents and the memory of reaching such understanding is still fresh on the minds of both Japanese and Chinese diplomats who are personally involved in that part of history. That has enabled the continuance of peace and stability on the Diaoyu Islands and in their adjacent waters, including in the East China Sea, for so many years.

However, to our regret, last year the Japanese side decided to press its claim and control over the Chinese territory, the Diaoyu Islands, by nationalizing these islands, and that move broke what existed over these islands in the past 40 years. And under such circumstances one can easily imagine that the Chinese side must and, surely, need to make a response to it. So the situation may seem very complicated, but the whole story is actually a very simple and clear one.

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And how come circumstances continued to move in an undesirable direction? I want to tell you that it is because the Japanese side denied the existence of such an agreement or understanding which was reached 40 years ago. And, certainly, this is unacceptable to the Chinese side because, as I said before, this is a historical fact.

In spite of this, we are still ready to sit down and have dialogue with the Japanese side to work jointly out of a way to control -- to manage the current situation. But the Japanese said to us that there is no such dispute between China and Japan, and that has made it impossible for dialogue to happen.

China and Japan are perpetual neighbors and the two countries have very close people-to-people exchange and business ties. We are still ready to sit down and have dialogue with the Japanese side, but first the Japanese side needs to recognize there is such a dispute. The whole world knows there is a dispute here. I believe that there will be a day when the Japanese come back to this table of dialogue. ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

So how things will go next is not just up to the Chinese side, but also up to the Japanese side, too. But I believe eventually there will come a day when the two sides come together to have serious dialogue and discussion to work out a solution.

MR. BADER: Thank you, Mr. Minister for that comprehensive answer. I'd like to take two questions now and we'll see after these two questions are posed and answered if there's any more time. The minister does have a tight schedule and is heading for New York. But could we get a couple of questions? Let's try Secretary Cohen and Jonathan Pollack. Secretary Cohen, please.

SECRETARY COHEN: Mr. Minister, thank you very much for a very comprehensive statement about the foreign policy of China. I attended a conference recently in Singapore. And during the course of the conference I met with a number of your counterparts throughout the ASEAN countries. And an issue was raised during that time, I'll stop here.

> MINISTER WANG: Go ahead, please. ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

SECRETARY COHEN: An issue was raised during that time about the so-called "nine-dash line" that is drawn in the South China Sea. And you mentioned earlier, of course, that we want to respect each other and accommodate each other's interests in the Asia-Pacific region. And the issue that was raised is whether or not the so-called nine-dash line, which had appeared in many maps prior to last June, now had been distributed. The new maps show a solid line. And I was wondering, is there any significance between the nine-dash line which indicates some dispute or some question about sovereignty and a solid line which would seem to be something quite different?

MR. BADER: And Jonathan.

MINISTER WANG: Continue?

MR. POLLACK: Minister Wang, thank you so much for your very, very full and candid remarks. I would like to raise the issue again of Korea and the Korean Peninsula, if I could. This has been a question that has persisted for many, many years. North Korea now, of course, insists that it is a ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

nuclear weapons state. It continues to expand its nuclear weapons potential and states unequivocally that it has no intention of giving up its nuclear weapons capacities. Quite the contrary, it wants to enlarge them. What reasons should we have for optimism in this case? You have mentioned, of course, the six-party talks and the anniversary of the September 2005 agreement in which China, of course, played a vital role. What reasons would we have for optimism about what could result from any kind of resumed talks? And how do you see the United States and China cooperating in this area as kind of a test case of this new model of major power relations? Thank you.

MINISTER WANG: Both questions are important ones. Well, for the question raised by Secretary Cohen, it's actually, for me -- it's the first time for me to hear it, that is the line has been changed into a solid one. Well, what I can say to you is that there has been no change in China's position with respect to the nine-dash line. I don't think this ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

line should become a solid line, but if you did see such a map showing this I would have to maybe further look into it and check it. But this line, the ninedash line, was drawn by the ROC government back in 1948 and this has been upheld by the successive Chinese governments and I don't think there has been any change in our position on this issue.

Well, second, about the Korean nuclear issue, there has been much discussion about this issue and I was personally involved in the six-party talks acting as the head of the Chinese delegation, chairing three rounds of the talks. But to our deep regret that the six-party talks have been at a standstill for quite some time, which is something that none of us wants to see.

We are also aware of these statements that Mr. Pollack just referred to which were made by the DPRK side. But I would also like to tell you that there have been some new developments recently. For example, the DPRK has said that it does not object to the September 19th joint statement and it is actually ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190 ready to come back to the statement and also the February 29th deal it had with the United States.

The first article set out in the September 19th joint statement is that the DPRK gives up all nuclear weapons and nuclear programs. At the same time, the joint statement also sets out the respective responsibilities and obligations for China, the United States, and other parties concerned.

Another change on the part of the DPRK recently is that the DPRK said it is ready to reiterate that it will be committed to the denuclearization because they said this is a legacy of their past leaders. To achieve the denuclearization of the Peninsula is our common goal. Now that the DPRK side has reiterated that it will come back to the denuclearization goal, it's time for the six parties to sit down and have serious dialogue to work out how we can achieve this goal. So one of the important items on my agenda of the visit to the United States is to discuss with the U.S. side how we can resume the six-party process to set a reasonable threshold for ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

the resumption of the talks, a threshold that is acceptable to all the parties.

Our position is a clear one. We are firm in our commitment to the denuclearization of the Korean Peninsula. We believe this is in China's own interest and we believe it is also in the DPRK's interest and the interest of all other parties, including the United States. Meanwhile, we believe this issue needs to be peacefully resolved through dialogue and negotiation. And the purpose of such dialogue and negotiation is to address the concerns of all the parties involved, including the legitimate concerns of the DPRK.

I believe our two countries, China and the United States, are in agreement with respect to the goal of denuclearization and resolving this issue through dialogue. While I'm confident that as long as we all get ready and be serious in moving forward our dialogue we will be able to achieve our common goal of the denuclearization of the Korean Peninsula, it is also our common responsibility. ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314

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I would be open to more questions.

MR. BADER: We'll take one last question. I'd say that Dr. Lieberthal had his had up first, so, Ken, fire away.

MR. LIEBERTHAL: Thank you, Mr. Minister, for your very informative formal comments and responses to questions. I was really struck in your speech that you characterize future U.S. cooperation on Afghanistan as quote a "it could become a new highlight of U.S.-China relations." Our cooperation on Afghanistan to date has been very limited and incipient. I wonder whether you'd share with us your thinking about what the future of U.S. cooperation with China on Afghanistan may consist of that would warrant calling it "a new highlight" of our relationship. Thank you.

MINISTER WANG: Well, on Afghanistan, China and the United States have very important common interests. We both want to see a stable Afghanistan post-2014 or after the United States troop withdrawal from the country and we both want to see Afghanistan ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

succeed in its reconstruction process. And neither of our two countries wants to see a resurgence of terrorists in that country.

Now parties are not so optimistic about the prospects of the country post-2014. And I believe that has made it all the more important for China, the United States, and other countries who have close links with that country to enhance cooperation. Well, concrete cooperation can involved a wide range of areas. Just now I just cite one example, that is the collaborative training program of our two countries. It is not a very big program, but it's a very positive one.

Next year, China will play host to the issue of Afghanistan International Conference, the Istanbul process international conference. We certainly hope the United States will participate in it where we can have a more detailed discussion.

With regard to the reconstruction process post-2014, on the economic front I believe both China and the United States can make a contribution and ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

China can make it's own contribution in helping the economic reconstruction. And the domestic political reconciliation process is a tough one. It involves complex ethnic and religious factors. But I believe on this, China and the United States can play a role, too, and we can also work together with, like, Pakistan and other neighbors of Afghanistan in this regard.

Now all people are talking about Syria, but probably in the latter half of next year the most important topic we talk about is Afghanistan. And I believe it's important for us to see far into the future. The Brookings Institution is a very forwardlooking academic institution and I believe that it is important for us to consider what Afghanistan will be like post-2014, and how China and the United States and other countries can work together on this. Thank you.

MR. BADER: Thank you, Mr. Minister, for providing us with a very productive and very enjoyable evening. Those of us who have worked with Minister ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

Wang over the years know him as a gentleman who is pragmatic, who is fair-minded, experienced. And I had the pleasure of meeting with a Chinese gentleman who was not in the government the other day, who said what he really appreciates about Minister Wang and his appointment is he's tough. I think we heard all of those traits displayed tonight, although the toughness is disguised by a velvet glove that he wears and projects. (Laughter)

I'd like everyone to show our appreciation for Minister Wang's address and his willingness to deal with difficult questions tonight by -- show your appreciation by giving a round of applause to Minister Wang. (Applause)

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