A Message from the President

“Crouching Dragon, Weakened Eagle”; “China’s Hawks Demand Cold War on the U.S.”; “The Chinese Tiger Shows its Claws.” To read some of the headlines from earlier this year, one might conclude that U.S.-China relations were spiraling irreparably downward. The reality, however, is at odds with the sensational headlines. While there remain critical issues confronting our two countries, the media’s focus on conflicts largely ignores evidence that the overall relationship is deeper and closer – and more complex – than ever, and is one where cooperation regularly trumps conflict.

U.S.-China trade relations provide a good example of where there is a tendency in America to accentuate the negative. Recent American press coverage focused on barriers to trade and investment and the problems that U.S. companies have encountered in China suggest a sea change in U.S. business attitudes toward China. But there are other important aspects of the story that are often overlooked, such as the fact that China’s robust stimulus package and economic growth during the global recession helped pull the world’s economy out of recession and that numerous American companies have benefitted directly from China’s economic policies.

Chinese construction projects are using Caterpillar equipment, water infrastructure projects are built with ITT’s pumps and treatment systems, new trains are powered by General Electric engines. The trade numbers certainly support this: while American global exports declined 21 percent in 2009, U.S. exports to China declined only 2 percent. Over the past 12-18 months, American companies have overwhelmingly increased sales and profits, and are expanding their investments in China. In 2009, U.S. direct investment in China increased 21.5 percent. In this context, Google’s withdrawal from the China market is the exception rather than the rule.

While we all agree that China should move to deal with real foreign trade and investment problems – indigenous innovation policies (that impose unfavorable terms on foreign companies competing with domestic firms in China), creeping protectionism and intellectual property right violations – the American public deserves a more nuanced and balanced story.

The proper valuation of the RMB has become another important bilateral issue that has been seized upon in many quarters. We get incessant discussion of China’s refusal to budge on the issue. But underreported in the Western press and rarely heard in policy discussions is the March 8 statement by Zhou Xiaochuan, governor of the People’s Bank of China, who said that China will “exit the [currency peg] policy” and allow the yuan to appreciate as the global economic crisis subsides, in a manner that will avoid destabilization of the Chinese and global economy.

China’s holding of U.S. Treasury and related agency bonds is another favorite subject of the media. With reserves approaching $2.5 trillion and holdings of U.S. government debt exceeding $1 trillion, China, alarmists warn us, has great leverage to harm the United States. In fact, instead of giving China leverage, these enormous reserves pull China and the United States more closely together. A prosperous and more fiscally disciplined United States will be able to repay its debt. If China were to dump its U.S. debt, the American economy would certainly suffer – the value of U.S. Treasuries would drop and interest rates would rise – but the biggest loser would surely be China, as it would have sold its holding at a significant loss and caused reduced consumption in its largest customer. The Chinese leadership understands this delicate relationship and strongly hopes and believes (sometimes more strongly than Americans) that we will get our fiscal house in order.

We may have had an early glimpse of China’s plans for some of its dollar reserves in January when the China Investment Corporation announced interest in investing in U.S. high-speed railways. Such an investment would be good for both sides, creating American jobs, updating our rail infrastructure and decreasing our reliance on foreign oil. But this is not the way the story is getting played out in the media or Congress, both of which have suggested that such an investment might be a threat to U.S. security.

As you will see in this newsletter, the National Committee’s programs are designed to educate citizens of each country about the other. Media coverage or discussions of China that are incomplete, misleading or dead wrong require that we work even harder to educate, train and encourage the National Committee’s greatest resource – the thousands of teachers, scholars, policymakers and businesspeople who have been involved in our programs over the past four decades – to become educators within their own professional networks and communities.

In case this letter suggests that misperceptions only exist in the United States, let me close with an observation from my recent visit to China and the need to educate in China also. CCTV 2 invited me to join a televised dialogue on the RMB valuation issue with a studio audience of 50. At one point during the Q&A, a textile plant owner asked why the United States is trying to restrict China’s growth by pursuing a policy that seeks to appreciate the RMB. Once the audience finished applauding, they seemed to reject my argument that every administration over the last 31 years has encouraged China’s growth – out of a firm belief that a prosperous China is in America’s interests. Clearly we need more programs (and news articles) in China that educate Chinese about the United States and its foreign policy aims as well.
Forum on China’s Economy in 2010 at NYSE

To offer fresh perspectives on the outlook for China’s economy in 2010, the National Committee collaborated with the China Center for Economic Research (CCER) to present a half-day forum at the New York Stock Exchange on January 7, featuring forecasts and analyses by leading Chinese economists. A capacity crowd of over 350 Wall Street professionals and about 50 journalists attended.

The program featured keynote talks by Justin Yifu Lin, the chief economist and senior vice president of the World Bank, and Qin Xiao, the chairman of the China Merchants Group, followed by two panel discussions by other leading Chinese economists. Duncan Niederauer, the CEO and director of NYSE Euronext, welcomed everyone, and National Committee President Stephen Orlins moderated the first part of the program.

Dr. Lin, who founded CCER in 1994, is the first person from the developing world to serve as the World Bank’s chief economist. He spoke about the success and problems of China’s transition from a command to a market economy, pointing out that China’s GDP has grown at an average annual rate of 9.8 percent for 30 years, due to market-oriented reforms. However, the reforms were carried out gradually as the state protected heavy industry with pricing incentives on the factors of production — land, natural resources, capital, labor, and the environment. Those price controls are now contributing to distortions in China’s economy.

Chairman Qin Xiao’s conglomerate is best known for the China Merchants Bank, a subsidiary that was rated first for leadership among all publicly-traded Chinese companies by the Wall Street Journal in 2009. He presented a robust agenda for economic and political reform in China. He explained that China’s V-shaped recovery in 2009 was fueled by massive bank lending, which carries the risk of creating overcapacity in the export sector and bubbles in China’s stock and real estate markets. To truly rebalance the economy, he proposed that China reform the factor markets and state-owned enterprises. Dr. Qin also proposed that China “liberate” the currency exchange rate from its peg to the dollar by floating the renminbi within a real band against a real basket of currencies. Finally, Dr. Qin, who is also a member of the National People’s Congress, said the government should not try to derive its legitimacy from economic growth but from the provision of public benefits such as education, health care, pensions, and housing for the poor.

The first panel discussion was moderated by Professor Wu Ho-Mou, a CCER deputy director. Professor Lu Feng gave the economic forecast based on studies by CCER and other Chinese think tanks, predicting that China’s economy will grow by about 10 percent in 2010 and its GDP will surpass the U.S. GDP in size by 2025. Dr. Wang Jian-Ye, chief economist at the China Export-Import Bank, a subsidiary that was rated first for leadership among all publicly-traded Chinese companies by the Wall Street Journal in 2009.
Bank, warned that with expansionary monetary policies in industrialized countries, there will be large capital inflows into China that will severely test the country’s capital control mechanisms. Both Dr. Lu and Dr. Wang indicated support for currency appreciation, but Dr. Xiao Geng, director of the Brookings-Tsinghua Center, argued that China’s exchange rate does not need adjustment. Rather, rebalancing could be achieved through inflation, which, he said, is natural to emerging market economies. As domestic prices rise in China, goods would also cost more in dollars, even with a stable exchange rate.

The second panel, moderated by National Committee President Stephen Orlins, focused on the future of China’s economic model. Professor Yao Yang, CCER deputy director, expressed doubt that China will be able to move away from its export-led growth model because the country’s large and productive work force makes it naturally suited to labor-intensive manufacturing. Over the past decade, despite rapid economic growth and significant gains in labor productivity, workers’ wage growth has not kept pace with overall economic growth. The household savings rate has remained stable while corporate saving has risen rapidly. With households accounting for a shrinking portion of the country’s overall economic gains, Dr. Yao believes it is unrealistic to expect Chinese consumers to overtake producers as the primary drivers of economic growth.

CCER Professor Huang Yiping was more optimistic about the prospects of rebalancing. He noted that the Chinese government has been trying to rebalance the economy since 2003 but imbalances have actually worsened. This is because the government’s administrative measures, such as reducing the number of approvals for investment projects, have not altered the underlying incentives that favor investment in fixed assets and manufacturing. These incentives are created by distortions in the factor markets. Inexpensive land, capital, energy and labor, and the absence of pollution pricing, makes China an attractive place for manufacturing. In effect, he said these factor market incentives act like export subsidies. The key to rebalancing, he proposed, would be to reform the factor markets to remove incentives for over-investment.

The forum, funded by the Starr Foundation and CCER, with support from NYSE Euronext, was covered by American and Chinese media outlets including the Wall Street Journal, Reuters, Bloomberg, Barron’s, Caijing, China Daily, China Business News, CCTV, Phoenix Television, China Times and Xinhua, among others. Video of the lectures and panels are available on the National Committee’s web site, YouTube and Fora.TV; audio and podcasts are available on the web site and iTunes.

Qin Xiao, Chairman, China Merchants Group

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Members’ Bookshelf

A listing of recent books and special reports by National Committee members is available on the National Committee web site: www.ncuscr.org/our-resources/members-bookshelf

Lu Feng, Professor, CCER; Wu-Ho-Mou, Deputy Director, CCER; Wang Jian-Ye, Chief Economist, China Export-Import Bank; and Xiao Geng, Director, Brookings-Tsinghua center (l to r)
In conjunction with the forum at the NYSE, the National Committee and its partner the China Center for Economic Research (CCER) organized a Track II economic dialogue for the Chinese economists and a group of leading American economic thinkers to discuss important issues that affect bilateral economic relations. The informal, off-the-record dialogue was held over two days at the headquarters of C.V. Starr & Company in New York. The participants had a lively and open discussion that touched on a broad range of subjects including the rebalancing of the two economies, the yuan-dollar exchange rate, the trade deficit and borrowing needs of the United States, the need for factor market reforms in China, and the economics of global climate change and energy policy.

At the conclusion of the dialogue, the participants agreed to a set of principles that the two countries should adhere to in managing economic ties. This consensus was then shared with both governments as they prepared for the next round of the official Strategic & Economic Dialogue (S&ED). In April, Secretary of Commerce Gary Locke invited the American participants to Washington, D.C. for a briefing on the discussions before he departed for China for the S&ED.

The next session of the ongoing dialogue will be held in Beijing June 17-19, 2010.

Dialogue Participants (l to r) Prof. Xu Jintao, College of Environmental Sciences and Engineering, Peking University; Trevor Houser, former Senior Advisor to the U.S. Special Envoy on Climate Change; Prof. Yao Yang, Deputy Director, China Center for Economic Research (CCER); Dr. Wang Jian-Ye, Chief Economist, China Export-Import Bank; Dr. Nicholas R. Lardy, Senior Fellow, Peterson Institute for International Economics; Prof. Lu Feng, Deputy Dean, National School of Development (NSD), Peking University; Maurice R. Greenberg, Chairman and CEO, C.V. Starr & Company; Prof. Barry Naughton, University of California, San Diego; Dr. Jeffrey R. Shafer, Vice Chairman, Citigroup; Prof. Qin Xiao, Chairman, China Merchants Group; Prof. Huang Yiping, CCER; Carla A. Hills, Chair, National Committee on U.S.-China Relations (NCUSCR); Dean Yang Zhuang, Beijing International MBA Program at Peking University; Robert Rubin, Co-Chairman, Council on Foreign Relations; Prof. Wu Hoe-Mou, Director and Executive Dean, CCER; Stephen A. Orlins, President, NCUSCR; and Prof. Xiao Geng, Director, Brookings-Tsinghua Center; not pictured: Prof. Martin Feldstein, Harvard University; and David R. Malpass, President, Encima Global
NCUSCR Gala Honors Business Leaders

More than 300 guests attended the National Committee’s gala dinner honoring ITT Corporation and Google Inc. at the Mandarin Oriental in New York on December 3, 2009. Zhou Wenzhong, China’s ambassador to the United States, gave the keynote address discussing the state of Sino-American relations in the aftermath of President Obama’s trip to China. His remarks were informed by his presence on that trip. Three dozen journalists from twenty-one news organizations, publications and networks in the United States and China covered the event.

ITT Corporation Chairman, President and CEO Steven R. Loranger was honored for bringing a safe and sanitary water supply to tens of millions of Chinese, for ITT’s philanthropic program bringing education about clean water and hygiene to schools in rural China, and for helping the victims of the 2008 Sichuan earthquake by deploying its technologies to save lives in the aftermath of this tragedy.

Google Inc. President Nikesh Arora accepted the honor for Google’s opening up new horizons for millions of Chinese Internet users through its English and Chinese search engines, giving them greater access to information and advanced technologies. As the only multinational Internet company operating in China at the time, it stood for the right to operate freely in China, operating globally and transparently while complying locally.

The gala dinner is an important source of unrestricted funds for the National Committee’s programs. The National Committee is therefore very grateful for the generous support from companies and individuals which ensures the continuation of its work in support of productive and cooperative U.S.-China relations.

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Inaugural Human Rights and Rule of Law Dialogue

Following up on the groundbreaking 2008 U.S. visit of Huang Mengfu, vice chairman of the Chinese People’s Political Consultative Conference and chairman of the China Foundation for Human Rights Development (CFHRD) (see Notes, Winter 2008-2009), the National Committee worked with Chairman Huang and CFHRD to hold the Inaugural Sino-American Dialogue on the Rule of Law and Human Rights, December 12-13, 2009, in Nantong. For the first time leading American and Chinese legal officials, academics, judges and attorneys discussed developments in four areas of law that affect human rights: open government and government secrecy, pretrial detention, the role of lawyers and non-judicial punishment.

Over two full days of dialogue, participants discussed relevant legal practices in the two countries, shared experiences in legal reform, and exchanged views on how the rule of law can be used to protect human rights and address social problems. The assembled experts represented a wide array of legal institutions: China’s National People’s Congress, State Council, Supreme People’s Procuratorate, Supreme People’s Court and Ministry of Justice as well as provincial and local bureaus; the U.S. federal judiciary, Departments of Commerce and Justice; and defense bars and academia of both countries.

The range of participants brought a variety of institutional perspectives to each of the issue areas that added focus and depth to the discussions. Sub-topics of the wide-ranging and candid talks included China’s recent open government regulations, the Obama administration’s open government directive, reeducation through labor in China, immigration detentions in the United States, legal ethics and habeas corpus. The exchanges prompted experts from both countries to reflect on their own legal practices, and consider alternative approaches. Overall, the dialogue promoted greater mutual understanding and respect among the discussants and generated significant goodwill. Both sides pledged further cooperation and support for each others’ work on rule of law and human rights issues.

This Track II dialogue was the first of its kind to be hosted by non-governmental organizations in the two countries. It followed the November 2009 meeting of President Barack Obama and President Hu Jintao in Beijing, where the two leaders agreed to hold official dialogues on the rule of law and human rights.

The National Committee is grateful for program funding from The Starr Foundation and the U.S.-China Legal Cooperation Fund.
Annual Barnett-Oksenberg Memorial Lecture on Sino-American Relations

Ambassador Carla A. Hills, chair of the National Committee and chair and CEO of Hills and Company, delivered this year’s Barnett-Oksenberg Memorial Lecture on Sino-American Relations to an audience of more than 300 people on March 2, 2010, in Shanghai. Entitled “U.S.-China Relations: Challenges and Opportunities,” the address encouraged leaders of the two countries to develop a habit of meeting together regularly to ensure cooperative and productive relations and collaboration on issues of global concern. A video of the lecture may be viewed on the National Committee’s web site.

The annual Barnett-Oksenberg lecture has become an unofficial “state of U.S.-China Relations” address, and is held around the anniversary of the signing of the Shanghai Communiqué in the Jinjiang Auditorium, the site of the historic 1972 agreement signed by President Nixon and Premier Zhou. The lecture is named in honor of the late A. Doak Barnett and the late Michel Oksenberg, both American scholars and policymakers of distinction, whose writing and actions had a major impact on the bilateral relationship dating back to the 1960s, and who both dedicated much time and energy to the National Committee.

Ambassador Hills, the former U.S. trade representative and secretary of housing and urban development, also met with municipal officials and participated in three roundtables with members of the business, academic and policy communities during her three-day stay in Shanghai.

The Barnett-Oksenberg Lecture is the first and only ongoing lecture series in China on Sino-American relations. The Shanghai Association for American Studies, an organization that both Professors Barnett and Oksenberg were close to, is the Committee’s partner. The U.S. Chamber of Commerce provides invaluable logistical support. Past speakers have been the Honorable Chas Freeman, the Honorable Robert Zoellick, Dr. Kenneth Lieberthal and the Honorable J. Stapleton Roy.

Educational Exchanges continued from page 16

not at all shy.

The Sioux Falls Science Pavilion was also impressive: the visitors jumped right in, trying the hands-on exhibits, and enjoying themselves thoroughly. The group loved the architecture of this historic building—a former high school—and its first-rate 1,900-seat auditorium with state of the art acoustics, where Yo-Yo Ma has performed.

The stay in Washington featured excellent briefings at the National Science Resources Center, the National Academy of Sciences, the National Institutes of Health, the American Association for the Advancement of Science, the American Association of Biology Teachers, and the American Association of Science Teachers, as well as two school visits, sightseeing and—since delegation members can’t go home empty handed—shopping!
The third annual CHINA Town Hall: Local Connections, National Reflections was conducted simultaneously in 35 U.S. cities on December 8, 2009, and four in China. The two-part program featured a live nationwide webcast with Assistant Secretary of State for East Asian and Pacific Affairs Kurt M. Campbell, in a conversation moderated by National Committee Vice President Jan Berris. Assistant Secretary Campbell discussed the state of the U.S.-China relationship in light of recent developments including the recently concluded visit to China by President Obama, the global financial crisis, trade imbalances and the Copenhagen summit. Following his remarks, he answered questions e-mailed in from audience members at the various venues across the world.

The national portion of the program was followed by a specialist (or panel) at each venue who discussed aspects of Sino-American relations relevant to the local community and answered audience questions.

“Developments in China, and America’s response to these developments, have a direct impact on the lives of just about everyone in the United States,” said Stephen A. Orlins, president of the National Committee on U.S.-China Relations. “CHINA Town Hall is designed to give people the opportunity to discuss these issues with America’s major China experts.”

Prior to assuming his current position, Kurt Campbell was the CEO and co-founder of the Center for a New American Security and concurrently served as the director of the Aspen Strategy Group and chairman of the editorial board of the Washington Quarterly. He has served in several capacities in government, including as deputy assistant secretary of defense for Asia and the Pacific, a director on the National Security Council staff, deputy special counselor to the president for NAFTA in the White House, and a White House fellow at the Department of the Treasury.

CHINA Town Hall: Local Connections, National Reflections is supported by generous funding from the Starr Foundation. A video of the nationwide webcast may be viewed on the web site of the National Committee.
For fourteen years, the U.S.-China Teachers Exchange Program (TEP) has sent American K-12 teachers to China and brought Chinese secondary school teachers to the United States for an academic year. Since the program began, about 300 Chinese and 100 American teachers have each taught hundreds of students in their host country and brought home indelible experiences and fresh perspectives that inform their careers as educators. Returned TEP educators from both countries have shared innovative concepts in special education, teacher and student assessment and course evaluation, educational administration and diversity and tolerance. They have gone on to become administrators and principals, to promote community service and support education for underprivileged children.

Generously funded by the Freeman Foundation since its inception, TEP provides an unparalleled opportunity for teachers to live in another culture, be immersed in a new education system, and return home with innovative ideas and a wealth of knowledge about life in their host country. The Chinese teachers placed in the United States generally live with host families, giving them more intimate day-to-day interaction with American life.

TEP participants also attend mid-year conferences in the host country, in which they share experiences, collaborate on ways to address challenges and develop ideas on how to incorporate what they have learned during their stay into their teaching once they return home. Many of the visiting Chinese educators also attend an optional ten-day summer study tour where they learn about the historical foundations, government, nonprofit sector and overall educational system of the United States.

The 2009-2010 academic year program includes ten Chinese teachers at secondary schools in Florida, Massachusetts, Oklahoma, New Hampshire and Wisconsin, and three Americans in Anqing and Beijing. Collectively, TEP participants and alumni serve as a bridge between two distinct cultures, and have a profound impact on the way the next generation of Americans and Chinese will regard each other.

The first time I ever went to China was in 1990, a year after Tiananmen Square. I was working for a company specializing in tourism to the former Soviet Union and was thrilled to find myself in Irkutsk, Siberia, preparing to take a group on the Trans-Mongolian Railroad. On the day of our departure, my Intourist Guide, Larissa, and I saw another tour manager who worked for my company in the hotel lobby getting ready to take a group on the Trans-Siberian from Irkutsk to Moscow.

“You see that tour manager?” she said, pointing to the older American gentleman, “I worked with him last year. Not only does he speak Russian like you, but he speaks fluent Chinese!” The idea of speaking both languages captured my imagination – as well as my envy – when I found myself trying to feed 20 American tourists as we crossed the Mongolian plains with a dining car worker who spoke some Chinese but not a word of English or Russian. By the time I woke up in Beijing a few days later, marveling at the throng of humanity effortlessly navigating the streets of the capital on their bicycles, I made a quiet vow to myself that no matter what it took, I would one day live in China and learn this ancient and mysterious language.

A mere six years later, at the end of my first year teaching computers at Staples High School in Westport, CT, our superintendent announced a comprehensive five-year initiative of which one component was a focus on globalization and international

Chris Fray at “English Corner” with Yangzhou Middle School students in a local restaurant, December 1998

Chris Fray
Staples High School
Westport, Connecticut

TEP Autumn 1998
Yangzhou 1998
Jiangsu Province
outreach. Much to my delight, Westport established a sister city relationship with Yangzhou, China, and instituted a Teachers Exchange Program between the two towns. As a new teacher, I waited a polite year before applying and was thrilled to be selected by my district to represent Westport as a teacher of English at Yangzhou Middle School for the first semester of the 1998-1999 school year.

While being interviewed by Margot Landman, I don’t think she could have imagined that this opportunity was the first step in fulfilling the vow I had made nearly eight years prior. When I attended the pre-departure orientation the summer before leaving for China, I quickly realized that all of the time and effort that Margot had put into preparing the program participants portended a truly collaborative exchange of not only ideas on how best to educate Chinese and American students but also an enlightening challenge to one’s concept of cultural norms.

I had fulfilled the first part of my vow to live and work in China, but the next step of learning to speak, read and write Chinese had only just begun. While teaching in Yangzhou, I scoured Chinese grammar books and made flashcards of new vocabulary on a daily basis. When my students came for lunch at my apartment for our weekly “English Corner” conversations, we’d sit around my kitchen table where I’d try out new phrases that I’d learned, prompting them to help me with my Chinese just as I was helping them with their English.

When I returned to the United States, I enrolled in a Chinese class at a local community college to bolster my emerging verbal skills and gain an introduction to writing Chinese characters. My subsequent six-year commitment to the development of my abilities in the Chinese language mirrored China’s rise as an economic powerhouse. When my World Language Department Head asked me one day in 2005 if I would consider switching from teaching Spanish to Mandarin Chinese, I said to her, “Absolutely! For me, this is a dream come true!"

Now in my fifth year of teaching Chinese at Staples High School, I have ninety-five students in five sections learning how to read, write and speak Chinese. With characteristic foresight on the part of our district’s administration, next year Chinese will be offered in the middle school at the sixth grade, leading to hundreds of sixth through twelfth graders studying Chinese in the Westport Public Schools within three years. Having experienced the necessity of travel to the target culture as part of a complete world language education, last summer I took seven of my students to China for a two-week visit to six cities, including Beijing, Nanjing and Yangzhou. I was able to see most of the Chinese exchange teachers for whom I’ve been a helper when they taught in the Westport Public Schools for their year abroad over the past 12 years, including several with whom I co-taught Chinese classes at Staples High School. In fact, my continuing contacts with colleagues in Yangzhou enabled me to arrange a four-day home stay in Yangzhou for my students, certainly one of the high points of their trip.

As for me, I was given my old apartment on the campus of Yangzhou Middle School and in between daily banquets, was able to sit at my old kitchen table and reflect on the “English Corner” conversations with my students where my dreams truly began to take flight.
that would visit some schools in Singapore. My job was to focus on how the schools there were implementing international curricula. While I wondered why I was in the delegation when all the other members were principals, deans or superintendents, the lure of seeing Singapore made it hard for me to say no to the principal this time.

Finally, the principal told me our school was looking into an International Baccalaureate Diploma Program (IBDP) and asked me to be a liaison with western teachers who would work in the department. This time, I said yes, thinking that, as a language teacher, I should do something to help the school.

I have since been part of program planning, holding a press conference where a national forum of principals was being held, resulting in wide coverage of our new program. It has become an IBDP preparatory program. I am responsible for speaking with many parents who call to ask about it, in the hope that it will serve as a bridge to world-famous universities like Harvard, Yale, Cambridge and Princeton. Speaking honestly with parents, I don’t deny the chances of getting into those schools, but if their children would not have been eligible to go to Beida or Tsinghua, there is no point expecting them to be admitted by Harvard or Princeton.

I have been busy recruiting students for the new program and helping with the search for a new coordinator of the program. Although this has caused me to feel stressed ever since I came back from the Teachers Exchange Program, I have been able to contribute to my school, and I find that I have done some good for Chinese high school education!

### Chinese Taking Root in Oklahoma

In 2004, only three public schools in Oklahoma offered Chinese language classes. During the 2004-2005 academic year, that number doubled with the help of the first visiting native Chinese teachers in the state, who came through the National Committee’s Teachers Exchange Program (TEP). This successful program contributed to the rapid expansion of Chinese language instruction in Oklahoma, with 46 schools offering courses to 8,000 students statewide in 2009-2010. In a state of three million people with 650,000 K-12 students, this is higher than the national average.

Oklahoma’s Chinese language programs are now staffed with 24 resident Chinese teachers and 16 visiting teachers (from TEP and the College Board/Hanban Guest Teacher program). Five other schools are also receiving Chinese language instruction from the University of Oklahoma Tulsa and Norman campuses via interactive television.

Remarking on the rapid progress of Chinese language instruction in Oklahoma, Jessica Stowell, former director of the Oklahoma Institute for Teaching East Asia notes: “Communication opens doors; communication in a second language opens more doors, but communication in Chinese opens golden doors.”

TEP teacher Han Dongni (fifth from left) is welcomed to Tulsa, Oklahoma, by Jessica Stowell, former director of the Oklahoma Institute for Teaching East Asia (second from left), teachers and community members.
Educational Exchanges

For almost 40 years, the National Committee has conducted exchange programs for American and Chinese educators. Since 1981, it has been doing so on behalf of the U.S. Department of Education (and its predecessors) and China’s Ministry of Education, under a Memorandum of Understanding signed by the two countries. Each year, the National Committee sends one or two groups of American educators to China for one-month study tours, and brings two groups of Chinese educators to the United States for two-week study tours. These exchanges provide an abundance of insights, information and innovative ideas that benefit the individual educators and enhance the schools, districts and communities in which they live and work. Some highlights of each program follow.

Fulbright-Hays Seminars to China

The National Committee began administering the Fulbright-Hays Seminars Abroad Program to China in 1981. It was the first program of its kind designed to introduce American educators to China’s history, culture, society and educational system. In the past few years, a second seminar has occasionally been added that focuses on a specific area: in 2009 there was one seminar on native and foreign language instruction and training in China for elementary and secondary school teachers, and one on history and culture for post-secondary school educators.

Following their return to the United States, participants are required to create curricula based on their experiences; these are available on the National Committee’s web site for use by other educators.

Language Instruction in China

The seminar on native and foreign language instruction and training in China provided an opportunity for 16 elementary and secondary school educators to go to Beijing, Yanji, Xi’an and Changzhou from June 22 to July 18, with the optional three-day extension trip to Hong Kong. The itinerary included site visits and briefings on the history and diversity of China’s rapidly developing society with a focus on foreign language instruction and the particular challenges that it presents for Chinese educators.

As English is a required subject for all Chinese students beginning in the third grade, there are now more Chinese studying English than there are Americans. Thus, supplying sufficient numbers of trained teachers is a pressing issue; learning about how pre-service and in-service professional development addresses the huge need was of great interest to the American educators.

Chinese is a second language for some of China’s ethnic minorities who begin to learn Mandarin Chinese only when they enroll in primary school. Some areas thus face bilingual education issues similar to those in the United States. There are also unique challenges related to teaching the reading of alphabet-based foreign languages as opposed to character-based Chinese that

Fulbright Foreign Language Instruction in China seminar participant Ruth Rhone, foreign language department chair, Suitland High School in Forestville, Maryland, with Chinese students
fascinated the American teachers.

In addition to cultural and historical visits, the Beijing portion of the seminar included meetings and briefings at the National Committee’s partner organization for this and other education-related programs, the China Education Association for International Exchange (CEAIE); a branch of the private English language teaching company Wall Street Institute; Beijing Normal University’s teacher training program; and the Inter-University Program for Chinese Language Studies at Tsinghua University.

A visit to the Dandelion School, which serves the children of migrant workers, offered a perspective on the lives of some of the millions of migrant children in China, most of whom lack access to education. It was a highlight of the trip for many participants. In the words of one, “I hold the Dandelion School very close to my heart. Despite all odds, they are striving and making the grade! The principal, Dr. Zheng Hong, is one of the best instructional leaders I have met.”

In Yanji, near China’s border with North Korea, the group observed English classes and met with teachers and students at a Korean language school, held discussions with officials from Yanbian University and visited local historical sites. Xi’an provided the opportunity to meet with rural English teachers enrolled in professional development programs. The American teachers were matched with groups of Chinese teachers for presentations and informal discussion. In Changzhou, participants also had homestays, offering a close-up view of everyday life in China.

The 12 participants who elected to go on to Hong Kong were fascinated by briefings at the University of Hong Kong on the Hong Kong educational system (so different from what they had seen and heard on the mainland) and public opinion polling and relations with the mainland; on the business and economic climate in Hong Kong at the Hong Kong Chamber of Commerce; and on Hong Kong’s judicial system by a justice of the High Court. (They also watched part of a murder trial, which was an amazing experience.) A fabulous meal at a restaurant on the Peak was a great way to conclude the program.

Shortly after her return to the United States, one participant wrote, “The Fulbright trip was absolutely wonderful! It was the opportunity of a lifetime and I am most grateful to have been one of the participants. I learned so much about China and met such terrific people.”

History and Culture in China

Sixteen post-secondary school educators went to Beijing, Xi’an, Chongqing and Shanghai from June 30 to July 30, on a seminar on the history and culture of China. The seven days in Beijing were packed with visits to prominent cultural and historic sites and briefings with scholars and specialists. Among these were a discussion of contemporary China at Peking University, a meeting with a China Daily editor, a briefing on higher education in China at the Ministry of Education, a lecture and gallery visit focused on contemporary art in China, a tour of a traditional hutong neighborhood, and meetings on topics including Chinese literature, social reform and the economy.

Unfortunately, the group’s arrival in Beijing was marred by the quarantine of three participants under H1N1 prevention measures. On the flight to China they had been seated near a passenger who tested positive for the disease; thus they had a very different Beijing experience than their colleagues!

The five-day stay in Xi’an focused on China’s history, with visits to numerous museums and historical sites (including the terracotta warriors), and to secondary schools and Northwest University. The exploration of traditional Chinese medicine was capped by a visit to the Chinese Medicine Museum and an acupuncture demonstration. Historical themes were complemented by discussions of China’s on-going “develop the west” policy and contemporary economic development.

Chongqing was on the schedule for the first time and it turned out to be a highlight of the trip, allowing the delegation members to see rural areas and the amazing Dazu
Buddhist grottoes, among many other activities. An outstanding program in Chongqing was a lecture on the place of the city during the Second World War by a Chongqing University professor who later took the Americans to the General Stilwell museum. She had had a role in setting up the museum, especially its English-language signage. The juxtaposition of the history lesson and the museum visit had a deep impact on many participants, and one ended up writing her curriculum project on Stilwell. While she was conducting research at the Hoover Institution, repository of Stilwell’s papers, one of Stilwell’s grandsons (an old friend of the National Committee’s), got wind of her project and asked to meet her. She was thrilled, as was he: he told her that most Americans know nothing about his grandfather, and he was glad that she was doing something to ameliorate the problem. A comment from her post-trip message:

“Normally I am not this dramatic but I think that this trip changed my life – it made me want to learn more about China and Asia with a level of energy that I have not felt in a long time… This seminar tempered my incredibly Eurocentric nature. It challenged me greatly, but as a result, it forced me to grow as a person. THANK YOU! I promise I will communicate this enthusiasm to my students. I’m already driving my friends crazy.”

The formal portion of the seminar ended with a week in Shanghai that included overviews of China’s foreign policy and modern and contemporary history at Fudan University, a briefing at the Institute for Environmental Protection and a well-received visit to the Shanghai No. 4 School for the Deaf, which impressed the group and particularly resonated with one participant who works at a school for the blind.

Ten participants chose to participate in the Hong Kong extension. Like their language program counterparts, they attended briefings on Hong Kong public opinion, the business and economic climate in Hong Kong, and the judicial system. A discussion of human rights in China was a highlight. They also met with journalists and with social service providers focusing on children and youth, and had a quick tour of a local museum.

Some participants experimented with their curriculum projects during the fall semester, immediately after their return to the United States, and were delighted by how receptive their students were. As a result, four of them put together a well-received panel at the College English Association annual convention in San Antonio in March. The theme of the conference was “Voices,” and the four presented “Voices from China” ranging from Confucius (his impact on contemporary China) to Ma Jian, author of the novel Beijing Coma published in 2008.

Education Delegations from China

University Career Counseling

With approximately six million students graduating from Chinese universities annually, employment of college graduates has become a major issue. Until fairly recently, the government was responsible for making job assignments; now graduates must find their own jobs, and career counseling has been instituted on some college campuses. Thus the Ministry of Education asked that the subject be the focus of our programs for the 2009 and 2010 Chinese educators delegations.

The first university career counseling delegation came to the United States in spring 2009. The very professional and engaged group of 12 had a highly successful tour of Washington, D.C., Pittsburgh, Salt Lake City, and San Francisco. The second delegation went to Dayton and Dallas in addition to Washington and San Francisco in fall 2009.

At Sinclair Community College in Dayton, profiled in The New York Times as a model for job placement, the delegation was briefed by the College’s senior vice president and provost about the school’s mission, programs, and student body. While enrollment is at an all-time high – during the economic downturn many people have returned to school – the employment picture in Dayton and beyond is changing. The group was very impressed by how quickly and effectively Sinclair Community College has adapted both its curriculum and its counseling services to meet the employment challenges facing its graduates.

China wants to develop entrepreneurs, and delegation members...
expressed interest before their arrival in learning how student entrepreneurship is encouraged in the United States. We therefore scheduled a meeting in Dayton with SCORE, a nationwide non-profit organization dedicated to nurturing small businesses. SCORE’s volunteers, working and retired business owners and executives, mentor people establishing businesses. Of great interest to the visitors was the fact that SCORE’s services are free. They were also astonished to learn that one of their Dayton briefers, an active SCORE volunteer, was 92 years old!

In Dallas the delegation met with officials at a U.S. Department of Labor regional office of apprenticeship, and visited the University of Texas, Dallas’ Career Service Center (CSC). While also dedicated to helping students find post-graduation employment, the CSC is significantly different from the Sinclair Community College career counseling office. In response to the needs of its students, career counselors spend much time helping students identify and secure internships around the country. CSC representatives also discussed various services offered to students including career coaching, networking and resume workshops, and alumni mentoring programs.

A college recruiter for Texas Instruments, headquartered in Dallas, described how a major corporation works with university career counselors to reach students. She emphasized the importance of social media, including Facebook, in connecting jobs and job seekers.

The program in Washington, D.C., the first stop on the study tour, began with a wonderful overview of American education offered by the senior editor for government and politics at the Chronicle of Higher Education. A retired executive vice president of Montgomery College (in Maryland) provided an overview of career counseling at the university level.

The executive director of San Francisco-based Aftercollege.com, an on-line platform that connects college students, alumni, and employers, focused on the reach of his company. The largest career network in the United States, Aftercollege.com serves almost three million students nationwide. It reaches students through academic departments and student groups on campuses, and is also very well-received by employers who use it to focus their recruiting to audiences they want to target. Delegation members were startled when the head of Aftercollege.com encouraged them to apply the model to China even though the process is patented in the United States. His goal is to assist students, and by extension, he explained, he hopes to see Chinese students gain access to a service he believes would be useful to them.

Secondary School Science Education

As a follow-up to a U.S. government science education mission that visited China in fall 2009, the Chinese Ministry of Education requested that the theme for the spring 2010 educators delegation be secondary school science education. We combined school visits with an array of briefings at science museums; colleges of education, including discussion of the training of science teachers and the development of national standards in the sciences; professional teachers’ organizations and government offices.

The spring delegation traveled from west to east (most National Committee delegations begin their programs on the east coast and move west), starting in San Francisco, continuing to South Dakota, and ending up in Washington, D.C. Highlights of the San Francisco visit included briefings at the Science and Health Education Partnership (at the University of California, San Francisco); the California Academy of Science, including tours of the Academy museum and lab facilities; and the Exploratorium. They all received very high marks.

Initially, the delegation members questioned the inclusion of Brookings and Sioux Falls, South Dakota, on the itinerary. After the visit, they agreed that there was tremendous value in seeing education in small cities, and they were extremely impressed by the hospitality with which they were welcomed. They heard about and observed education through visits to the Center for Earth Resources Observation and Science, where they discussed outreach programs for K-12 students; the South Dakota State University science teacher education program for an overview of how science teachers are prepared, educated and certified; and the Brookings School Board, where they discussed the Board’s role in setting science curricula and selecting textbooks.

Even in South Dakota, there are small world stories! A state senator was part of a panel the South Dakota hosts put together on the role of school boards in American education. She was a former school board member herself, a legislator, and the mother of school-aged children. In fact, she was joined by her 12-year-old son who made a few remarks about what it is like to be an intermediate school student. It turns out that the senator is a distant relative of General Joseph Stilwell! She knew that he “loved the Chinese people,” but was not fully aware of his role in China or in Sino-American relations. The Chinese science educators remedied that by giving her a mini history lesson.

Two school visits in Brookings included classroom observations at the high school and the intermediate school; the latter is housed in a beautiful new facility, developed in response to faculty and administration recommendations, which surprised the Chinese. On several occasions during the walk around the school, delegation members chatted with the outgoing young students, fourth and fifth graders who were continued on page 8
Land Use and Public Participation Exchange

The National Committee recently completed a two-way exchange program focusing on public participation in issues of land use, eminent domain and relocation in the United States and China. The program proved very timely, with issues of eminent domain gaining attention in the United States and homes being demolished for large developments in China stirring controversy. The Land Use and Public Participation Program, funded by the U.S. Department of State Bureau of Educational and Cultural Affairs, enabled government officials, scholars and experts from the United States and China to share innovations and successes in dealing with these issues and to develop fresh perspectives on the challenges faced in both countries.

The program was conducted in three phases. In the first segment (February 2009), the National Committee hosted eight Chinese government officials and scholars for a two-week study tour to New York, New Haven, Washington, D.C. and San Francisco. The group focused on procedural issues in New York, where they sat in on a New York Planning Commission public hearing, had meetings with municipal government officials to discuss the land use decision-making process and met with individuals in the private sector and at NGOs that work on these issues. In New Haven, they studied planning and development issues of a smaller urban area through meetings at Yale University, Yale Law School and the New Haven City Plan Department.

In Washington, D.C., the delegation learned about alternative dispute resolution methods and the federal government agencies responsible for land use decisions. This was done in briefings at the U.S. Environmental Protection Agency and the Bureau of Land Management, the Consensus Building Institute, the Conflict Prevention and Resolution Center (to discuss alternative dispute resolution methods for land use conflicts) and RESOLVE, which specializes in mediation in issues of energy, drinking water and watersheds.

Community groups and NGOs that work on land use issues were the focus in San Francisco: the East Bay Community Law Center, the San Francisco Planning and Urban Research Association and the Urban Land Institute. A visit with the Metropolitan Transportation Commission (MTC) covered regional planning and the MTC’s integration of transportation and land use planning.

Throughout the program, discussions were held with scholars who conduct relevant research at academic institutions such as Yale University, New York University and University of California, Berkeley.

In the second phase of the project, a group of four American experts went to Shanghai, Xi’an and Zhengzhou to meet with their Chinese counterparts and to give presentations on public participation in land use decisions at workshops for Chinese government officials and scholars. A total of eighty-three officials, scholars and graduate students attended day-long workshops conducted by the American experts in the three cities.

The Americans also gained a better understanding of the Chinese land use system through site visits and meetings with municipal government officials, law professors, lawyers specializing in the issue and representatives of civil society groups who work on the front lines of land use decisions in China.

In the final phase of the project, Chinese participants wrote two case studies of public participation in land use decisions, one in Shanghai and one in Xi’an. The case studies, written with feedback from the American experts, focus on the interactions among open government frameworks, land use decisions and public participation and may be viewed on the National Committee’s web site.
The most recent, and many participants felt, the most successful, session of our long-running Track II Dialogue on Northeast Asian Security was held January 19-25, 2010, in Washington, D.C. We attribute the success to two things. The first is the solid teams put together by the China Foundation for International & Strategic Studies, our Chinese partner, and the National Committee and our long time American partner, the Preventive Defense Project (PDP). The second is the fact that as so many people around the table had participated in this Dialogue for several years, their familiarity with each other made them more prone to be open with one another.

The most important component of the program is the day and a half of off-the-record discussions. The three overarching topics this year were world power trends and their implications, prospects for Sino-American cooperation on security issues and paths to partnership. As always, northeast Asia security and particularly cross-Strait issues received a lot of attention, but this year, with President Obama’s visit to China having so recently taken place, the subject of how each country treats its core interests also received a lot of attention. Some good, constructive suggestions were made by both sides to try to mitigate or ameliorate the tension between the two countries that everyone around the table knew would increase, as the United States had, the day before the meeting, announced an arms sale package to Taiwan. The fact that the Dialogue proceeded in the face of that announcement with no strains among those at the table is testimony to the importance of ongoing, closed door sessions among people who have come to know and trust one another.

After the American participants in the Dialogue departed, the

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**Preventive Defense Project U.S.-China Strategic Security Issues Dialogue**

**January 22-24, 2010**

**U.S. Representatives**

**Dr. William Perry**  
Michael and Barbara Berberian Professor  
Freeman Spogli Institute for International Studies;  
Co-Director Preventive Defense Project (PDP)  
Stanford University

**Ms. Jan Berris**  
Vice President  
National Committee on United States-China Relations (NCUSCR)

**Dr. Thomas J. Christensen**  
Professor of Politics and International Affairs  
Woodrow Wilson School of Public and International Affairs  
Princeton University

**Dr. Thomas Fingar**  
Oksenberg-Rohlen Distinguished Fellow and Senior Scholar  
Freeman Spogli Institute for International Studies  
Stanford University

**Ms. Deborah Gordon**  
Associate Director  
PDP  
Stanford University

**Dr. Lyle Goldstein**  
Director  
China Maritime Institute  
U.S. Naval War College

**Dr. Siegried S. Hecker**  
Professor  
Management Science and Engineering;  
Co-Director Center for International Security and Cooperation  
Stanford University

**Ambassador Carla A. Hills**  
Chair  
NCUSCR;  
Chair Hills and Company

**Dr. Arnold L. Kanter**  
Senior Fellow  
The Scowcroft Group

**Dr. David M. Lampton**  
Director  
China Studies  
Paul H. Nitze School of Advanced International Studies  
Johns Hopkins University

**Mr. Stephen A. Orlins**  
President  
NCUSCR

**Admiral Joseph Prueher (USN Retired)**  
Former U.S. Ambassador to China

**Dr. Edward S. Steinfeld**  
Associate Professor  
Department of Political Science  
MIT

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Chinese participants met with the State Department’s Deputy Secretary Jim Steinberg and Assistant Secretary of State for East Asian and Pacific Affairs (and past PDP participant) Kurt Campbell; Special Assistant to the President and NSC Senior Director for Asian Affairs Jeff Bader and head of the China desk (and a fellow in the Committee’s Public Intellectuals Program) Evan Medeiros; and Under Secretary of Defense Michèle Flournoy and Principal Deputy Assistant Secretary for Asian and Pacific Security Affairs Derek Mitchell. They had dinner with another Under Secretary of Defense, Ash Carter, a co-founder of PDP along with former Secretary of Defense William Perry.

The delegation also had several

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**Chinese Participants**

**Ambassador Wang Yingfan**  
Former Vice Minister of Foreign Affairs

**Mr. Chen Zhiya**  
Secretary General  
China Foundation for International & Strategic Studies (CFISS)

**Major General Huang Xing**  
Chief  
Department of Scientific Research Guidance Academy of Military Science  
PLA

**Major General Zhu Chenghu**  
Director-General and Professor  
Academic Department of Strategic Studies  
National Defense University  
PLA

**General Gong Xianfu**  
Vice Chairman  
China Institute for International Strategic Studies (CISS)

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**Mr. Li Ji**  
Director General  
Foreign Affairs Office  
Ministry of National Defense

**Dr. Yao Yunzhu**  
Director  
Asia-Pacific Security Research Office  
Department of World Military Studies  
Academy of Military Science  
(At Harvard this year)

**Mr. Cui Liru**  
President  
China Institutes for Contemporary International Relations (CICIR)

**Mr. Zhang Tuosheng**  
Chairman  
Academic Assessment Committee  
CFISS

**Dr. Huang Renwei**  
Vice President  
Shanghai Academy of Social Science

**Dr. Huang Jishu**  
Professor  
China Renmin University

**Mr. Zhu Haitao**  
Deputy Chief  
Planning Bureau  
Ministry of National Defense

**Dr. Yuan Peng**  
Director  
Institute of American Studies  
CICIR

**Mr. Ren Faqiang**  
Director  
Policy Analysis Division  
Department of North American & Oceanian Affairs  
Ministry of Foreign Affairs

**Mr. Lu Dehong**  
Director  
Research Department  
CFISS

**Ms. Fu Xiao**  
Associate Researcher  
CFISS
The 2009 forum, funded on the U.S. side by the ACE Charitable Foundation and Aetos Capital and coordinated with the program’s Chinese partner, the Chinese People’s Institute of Foreign Affairs, was held in the coastal city of Xiamen in Fujian Province, November 4-8, and included 25 current and alumni fellows. The Xiamen Foreign Affairs Office provided key logistical assistance.

The core of the Forum is always a series of discussions focused on a central theme; this year it was “Success & Failure.” Participants had eight to ten minutes to describe a professional or personal success or failure, and discuss a key lesson or two derived from the experience. The presentations – on such topics as balancing career and parenthood, mounting political campaigns, cultivating contemporary artists, conducting military operations and launching new businesses – led to fascinating exchanges that enabled the YLFers to learn about one another professionally and personally.

The Forum also always includes guest speakers, visits to local historical and cultural sites, and bonding activities. This year Xia Rongqiang (Chester Xia), director of Hadley-China and The Hadley School for the Blind in Fuzhou, told the inspiring story of how he taught himself English after he went blind in his early 20s, turning his hardship into personal and professional triumph. The following day, Evan Greenberg, chairman, president and CEO of ACE Limited (who took time out of a hectic set of China business meetings to travel to Xiamen for the sole reason of spending an afternoon at YLF) gave a riveting presentation on the growth of his insurance business in China, and shared his insights into what he sees as prospects for success and failure in China today.

Site visits included side trips to Gulangyu Island, formerly an enclave for foreign traders, and Nanputuo Temple, home to 120 monks and a library of more than 50,000 Buddhist texts. Both sites allowed the Chinese and American fellows to explore in greater depth how modern-day China incorporates, celebrates, and challenges its past and its traditions. The Forum was capped off with the fellows taking tandem bicycle rides along the coastline and enjoying an outdoor barbecue, Chinese style, for their farewell dinner.

Immediately following the
celebrates, and challenges its past and its traditions. The Forum was capped off with the fellows taking tandem bicycle rides along the coastline and enjoying an outdoor barbecue, Chinese style, for their farewell dinner.

Immediately following the Forum, a subset of American and Chinese YLF participants set off for an optional 3½-day extension trip across Fujian that allowed for further bonding. The group spent the first day in Nanjing County exploring the kejia tulou, remarkable rammed-earth houses that dot the landscape, and overnighted in one that had been retrofitted for tourists. The second day took place in Quanzhou, starting off with a visit to a medium-sized shoe factory – Quanzhou’s 3,000 shoe factories produce 500 million pairs a year, including one in every four pairs of sneakers made in China – and ending up at a private performance featuring master puppeteers from the Quanzhou Marionette Troupe. The group spent its final full day in Anxi County learning about harvesting and drying tea, and even had a tea-tasting at the Tea Culture Exhibition Hall. The group returned to Xiamen in the evening for a final dinner and last-minute bargain hunting.

The diversity of backgrounds, experiences and interests make YLF a perennally fascinating gathering of individuals who are quickly emerging as the leaders of tomorrow. The United States and China both benefit from this program which provides fellows with fresh ideas, new perspectives and lasting friendships on both sides of the Pacific.

YLF Fellows and Alumni at the 2009 Forum

November 4-8, 2009

Kirsten Bartok  
CEO, AirFinance

Du Chang-ping  
Vice Mayor, Fuyang City  
Representative, Anhui People’s Congress

Jennifer Dulski  
Co-founder & CEO, Center’d Corp.

Alexandra Harney  
Author; Head of Research, Visibility

Matthew Isler  
Lt. Colonel, United States Air Force

Stacy Kenworthy  
Chairman, Asymsys, Inc.

Li Hong  
Senior Partner, Zhong Lun Law Firm

Li Rong  
Co-founder and Vice President  
21st Century Business Herald

Liu Lei  
CEO, Savor Media Group

Liu Yadong  
Founder, Haohai Investment

Patrick McKenna  
CEO, Keniks, LLC

Reihan Salam  
Fellow, New America Foundation; Columnist, Editor

Tang Haisong  
Senior Director, Intellectual Ventures

Christopher Taube  
Director, Aetos Capital, LLC

Philip Tinari  
Writer and curator

Wang Jian Shuo  
CEO, Baixing.com

Wang Yang  
Managing Director, Rabobank Nederland, Shanghai Branch

Xiang Biao  
Academic Fellow, Institute of Social and Cultural Anthropology  
University of Oxford

Xiang Feng  
Vice President – Public Affairs & Strategy, China District UPS

Xu Jiansheng  
Partner, Sphere Logic Partners

Yan Wangjia  
CEO and Founder  
Beijing VenusTech Inc.

Yan Zhuming  
Assistant to the Managing Director and Executive Director, Xiamen Huayuan Construction Group Co., Ltd.

Kevin Yoder  
Member, Kansas House of Representatives

Zhang Bin  
Managing Director  
Union Mobile Pay Ltd.

Zhu Tong  
Director, China Operations  
Deutsche Bank China
In celebration of the 80th birthday of Jerome A. Cohen, a pioneer in the field of Chinese and Asian legal studies in the United States, National Committee President Stephen Orlins – a friend, colleague and former student – moderated an evening of reflections, stories and insights with Professor Cohen in New York on April 20. Professor Cohen played an important role in the re-opening of U.S.-China relations, and was the founder and director of East Asian Legal Studies at Harvard Law School from 1964 to 1979. He is of counsel (retired partner) to the law firm of Paul, Weiss, Rifkind, Wharton & Garrison and was one of the earliest foreign lawyers practicing law in the PRC. Since 1990, Professor Cohen has been with New York University School of Law, where he is co-director of the U.S.-Asia Law Institute and teaches Chinese law. He is also an adjunct senior fellow for Asian Studies at the Council on Foreign Relations. Below are excerpts from the program, the video of which is available on the National Committee’s web site.

Orlins: Thirty-eight years ago Jerome Cohen entered my life. Like a few students before me and hundreds after me, he changed my life. Without Jerry, I and hundreds of others ranging from presidents to judges, from academics to practitioners, from business leaders to heads of NGOs, would not be where we are today. His students span the globe and carry with them the wisdom and values that he has passed on to them. For all of this we cannot thank you enough.

For 38 years I have wanted to turn the tables on my law professor and be the questioner, so today is my chance.

Orlins: Do you ever regret not being a Supreme Court justice?

Cohen: No. Although I loved the two years in the Supreme Court, I was more interested in international affairs. I went to high school during World War II; I was going to save the world. We were UN kids in the late '40s, so being a Supreme Court justice seemed a bit tame if you were going to save the world.
Orlins: You have met some of the great figures in China of the 20th Century including Zhou Enlai, Deng Xiaoping and Chiang Kai-shek. Since they were talking to America’s leading expert on Chinese law, did any of them exhibit a sense of the importance of the rule of law to Taiwan and China’s future?

Cohen: Zhou Enlai was, of course, the most charming of them. On June 16, 1972, I had a four-hour meeting with Zhou Enlai. John Fairbank was sitting on the other side of him, and we teamed up and were trying to brainwash him into sending people to Harvard. Zhou Enlai was a considerable figure. He knew every guest’s background. He said: “I understand you’ve done many books about Chinese law.” He was obviously implying that I had made more of Chinese law than China had. He was a clever guy.

Chiang Kai-shek couldn’t have cared less. That was 1968 and I had just being asked by the American Council of Learned Societies and the Social Science Research Council to join a three-person academic mission to Taiwan; I was the law person. I was denied a visa. They thought I was going to see Peng Ming-ming, the recently released from prison former law professor who was a Taidu, a Taiwan Independence, supporter. Fortunately, a student of mine at Harvard Law School was the son of an advisor to Chiang, and through his influence they reversed that decision.

I had been told by Americans who were diplomats in Taipei that President Chiang Kai-shek always asked visitors: how can we improve our society? So, when the president asked me, how they could improve themselves, I had an enormous temptation to shout: “freedom!” But my practical side overwhelmed me, and I said, “You know, Mr. President, you’re always talking about how Taiwan is the true repository of Confucian traditional Chinese culture compared to the Mainland, which was going through the worst moments of the Cultural Revolution, of course… yet you’ve got thousands of Qing Dynasty volumes rotting in your basement. Somebody has got to organize and really do something with them,” and I suggested Chang Wei-jen, who had spent years studying Chinese law at Harvard. Now, if I had said “freedom,” I would have had a one way ticket back to the airport. But instead, Chang Wei-jen got a wonderful job in Academia Sinica, and the next time I visited, I saw he was running the restoration of these books and reprinting and writing about them; it was fantastic, and he’d become a great historian. So, Chiang Kai-shek did a lot for Chinese legal history even though that may have not been his intent.

Now, Deng Xiaoping really was not very aware that I was there because I was with Ted Kennedy. In late 1977, it was obvious Deng Xiaoping was making his comeback and everybody wanted to meet him. But he had two problems: one was that when we were there, he had the flu and was feeling very bad. The other problem was that Kennedy was the first of a hundred American senators who would want to meet him. And Deng was worried: if you meet one, you’ve got to meet them all. Well, we put on a campaign, and it worked, and we had a wonderful one hour and a half with him. The only trouble was, Deng was ill. And he liked to chew tobacco. Since he was weakened, he used a spittoon which was between him and Ted Kennedy, and I was sitting right behind them. We had all taken a group photograph with the eleven Kennedy kids, but I had not prepared the kids for meeting Deng Xiaoping except for a handshake and a photo. But he liked the kids so much he said that everybody should stay for the talk. Well, they were not prepared for Deng’s use of the spittoon, and when he started to use it, I thought Patrick Kennedy, then thirteen years old, would just break up audibly. I looked at him with dragon eyes, and fortunately, he behaved very well.

Deng cared about law, we learned a year or two later, by recognizing its relevance to China’s modernization. He not only called for economic reform, but he saw the relevance of law to that reform.

Orlins: The spittoon and Ted Kennedy wouldn’t qualify as your most difficult moment in China in forty years. What would be your most difficult moment?

Cohen: When we went to Beijing in February 1979 to be hosted by the Ministry of Finance, they gave us a very warm reception at the old Peking airport. In immigration there was a huge line of mostly Chinese people waiting. But they took us to a special line where we wouldn’t have to wait and they ushered us through. And from the back of the main line a Chinese gentleman saw the special treatment for foreigners and he said: “Bu gongping! Tamen yinggai paiduit!” (Unfair! They ought to stand in line too!) I was thrilled on the one hand and embarrassed on the other hand: thrilled because for 20 years or more we’d been separated from China; we didn’t know whether under the new Communist revolution, were we sharing common values? Especially with respect to ideas like equal justice under law and equality. And here this fellow shouts out equal treatment for foreigners and Chinese! I was happy, but I was also embarrassed. Why me? Why did he have to pick me out?

I can’t think of really difficult experiences we had in China. We had some very up and down negotiations. We had some wonderfully humorous events. You know, one of the questions we had during our 20 years of separation from China was whether communism had destroyed the traditional, wonderful Chinese sense of humor. But, lo and behold, when we had the chance for contacts through negotiations, we discovered on the contrary: communism had provided that sense of humor with a lot of new material. I’ll never forget
a negotiation in Guangzhou where we were going to build an office apartment building complex, an $80 million investment, and the Chinese wanted us to take all the risk. And I thought that was unreasonable. I said to the man across the table, “You want us to take all the risk?” And with a twinkle in his eyes he said: “Capitalists take risks; we’re socialists!”

During the first 12 years I studied China, I couldn’t go there. It was like studying the moon, or studying Roman law. We were not allowed to go to the promised land. And if you wait 12 years and once you have that opportunity, you never lose the zest for human contact that you’ve been denied so long. Steve and Owen (Nee) and I, we all worked in a room with 12 or 20 people on the other side of the table, and they’re more anxious than you are because here are big deal New York lawyers or coming from Harvard Law professor and they have never done a joint venture before; they think we’re going to pull the wool over their eyes, and you have to win their confidence, you have to show them you know something about their legal system, and they trust you and that was a challenge. If human contact matters to you, as it does to most of us, it was extremely gratifying.

Orlins: When you look back at this extraordinary career, what would you say was your greatest accomplishment?

Cohen: My greatest accomplishment is the people I have invested time in and those I have taught. And that’s the greatest satisfaction, to see what those people have become, not only in America but in other countries. And of course, prominent among the places where my students have been active is Taiwan. I have an opportunity to influence opinion for better or for worse—Lu Xiulian or Annette Lu, was my student; she was vice-president for eight years, the first woman to have such an office. Ma Ying-jeou, the president, was my student. That’s an immense satisfaction, to see what people do.

Orolins: If you had to do it all over, what would you do differently?

Cohen: You know, that reminds me of the joke about the three women who were comparing notes about whether they should have children if they had to do it all over again. Finally they turned to one woman who had four children and asked, “Would you have children again?” And she said, “Of course I would, but not the same ones!”

Orolins: Let’s move to the most recent past, to your work on human rights in China. I think it’s fair to characterize your position these days as saying in the Hu and Wen era we have seen little progress on the rule of law. So my question is not really about the last few years, but when we are all together celebrating your 90th birthday, what are you going to say about the rule of law in China, as we now see a growing middle class and rhetoric that seems to be moving in the direction of more rule of law, of a more independent judiciary and more open media? Even though we’re not seeing progress right now, do you see the right trajectory?

Cohen: Well, I’m an optimist. I love China, I love Chinese people and have enormous confidence in them. When you compare the China of 1978 with the China of today, you see enormous progress. So how can you not feel that the general trajectory of China is right? But it doesn’t mean that there can’t be some serious bumps along the road in the next ten years, and that relates to the legal system, I feel.

There wasn’t legal education in China when we first went there. And now you have over 625 law schools and law departments. You have a huge number of people studying law; several hundred thousand people take the bar exam every year. There are 200,000 judges, about 165,000 lawyers, roughly the same number of prosecutors. Every legal agency has a legal staff that has studied law; every factory of any significance, every economic unit, legislatures of the cities and provinces. You have, in other words, an overlapping series of new legally sensitive elites. Even in the police.

If you think of rule of law with respect to bankruptcy or taxation, or intellectual property, I’m not so sure that the trend has been adverse in China. Maybe not huge progress in the last few years, but China has done pretty well, especially since getting into the WTO. But when it comes to the rights of people against the state, that’s the weakest link in China’s progress. You need somebody in the leadership who sees the relevance of the improvement of legal institutions to the country’s peace, stability, and harmony.

It’s not the rising bourgeoisie in China who are demanding law reforms, but it’s the people who are in the lower classes who haven’t benefited from this fantastic economic development. Nevertheless, they’re getting exposed more to rights consciousness, even induced by the leadership, who keep talking about constitutional amendments for human rights, property rights. The leadership is creating its own demand among the masses for following rules, being less arbitrary.

Orolins: When did you first start working with us, with the National Committee?

Cohen: I was not among the illustrious founders. I came on a couple of years later. It’s an amazing experience to sit here today with you because I used to be the only kid in the room.

Orolins: Finally from this extraordinary career, what lessons should we take home?

Cohen: Study medicine!
In Memoriam

The Board and staff of the National Committee were saddened by the passing of three long-time Board members who contributed greatly to our work over the past four decades. While Carl Stover, Robert McNamara and James Lilley were very different personalities, all three shared the innate conviction that dialogue with China, even under very trying circumstances, was crucial, and that cutting off China from the west was not in America’s best long-term interests.

Carl Stover (1930-2010)

Carl Stover’s death, on January 19, was the most recent of the three, but he was the first to become involved with the Committee. In fact, Carl was among the handful of visionaries who in the mid-1960s began to urge the rethinking of American policy toward China, concerned that its isolation was more likely to be harmful than beneficial to U.S. interests and to world peace.

Carl served on the program committee for a national conference at Georgetown University in April 1965 that brought together an extensive and wide range of expertise and viewpoints about China and on the future of U.S.-China relations. The next month the House Foreign Affairs Subcommittee on the Far East and the Pacific published a report urging that “at an appropriate time” consideration be given “to the initiation of limited direct contact with Red China through cultural exchange activities.” Seven years later, the National Committee, then in its sixth year, would sponsor the visit of the Chinese ping pong team to the United States, the first such contact.

During those seven years, Carl was a key figure at the National Committee, beginning with a luncheon in January 1966 at which Carl and several others decided that a national organization was needed to meet the perceived demand for unbiased information on U.S.-China relations. He was part of a four person (yes, there was a woman involved) steering committee to shepherd such an entity into existence and when the National Committee on United States-China Relations was founded on June 9, Carl was elected treasurer of the new organization. He continued in that role until the fall of 1971 when he became president, a task he took on for a year to see the Committee through the considerable fundraising and management that was necessary to prepare for and run the first visit of a Chinese group to the United States. After its completion, he returned to Board membership and served on and off as a director for a total of 20 years, 11 as treasurer.

Carl’s strength was his management skills, which he brought both to his professional career and his pro bono efforts, tirelessly working to make the world a more peaceful place. The Committee was fortunate to have his talent and dedication to steer us through our formative years.

Robert McNamara (1916-2009)

After I had gotten to know him, I told Bob McNamara that being a child of the ’60s, my first reaction to learning that he was going to join the National Committee Board was, frankly, dismay. His response, typical of his wry, self-deprecating humor: “You think you had a problem; my son was a devoted follower of H. Bruce Franklin. Can you imagine Christmas dinners??” (For those readers not of a certain age, Professor Franklin was one of the most outspoken American academics opposed to U.S. involvement in the Vietnam War.) Over the years, my initial reaction against Bob changed into great admiration for him.

Given the positions he had held (president of Ford Motor Company,
secretary of defense under President Kennedy, president of the World Bank among them), I assumed that he was used to assistants taking care of and doing things for him and would thus need a lot of attention. 

Au contraire: Bob was about the most self-sufficient person who has ever been on a National Committee program – getting himself to and from wherever he was supposed to be (always on time, of course); carrying his own bag (which actually wasn’t very difficult as I never saw him with anything larger than an oversize briefcase – even on a trip of two weeks!); and with his usual mantra of “I’m fine, Jan. Don’t worry about me.” And I never did.

Actually it was his Bob’s first wife, Margaret, who was an early member of the National Committee, joining in December 1973 after participating in the first American women’s delegation to China along with several National Committee members. Bob didn’t become a member until eight years later, but he immediately got involved, joining the Board in 1981 and participating in the first Track II meeting between the United States and China – our 1984 Distinguished Citizens Dialogue. He was fiercely committed to keeping lines of communication open and continued being one of the most eloquent and thoughtful interlocutors in our ongoing dialogue, participating in six of them and supporting them with generous financial contributions. He also pioneered the first segment of what has turned into another of our long-term Track II projects, leading a delegation of four recently retired four-star military leaders to China during a time when our two militaries had no communication.

Bob’s contributions to the Committee, however, transcended particular activities and were reflected in the advice he gave repeatedly over his 24 years as a Board member, 20 of them as a vice chair. Long before the era of globalization he urged us to focus on long-term, global issues and to keep the dialogue going – even in times of crisis.

Bob asked that there be no funeral or memorial service for him. To me, the most fitting memorial came in what he wrote to his children in 1999 after Margaret’s death:

“I leave this earth believing I have been blessed with a wife, children, and friends who have brought me love and happiness beyond compare – beyond anything I ever dreamed possible. Heaven, for me, will be to remain in their hearts and memories as warm and close as we were in life. I will hope, as well, to see others continuing to pursue the objectives which I have sought (very imperfectly at times): to move the world toward peace among peoples and nations, and to accelerate economic and social progress for the least advantaged among us.”
James Lilley (1928 – 2009)

Jim Lilley’s career spanned many years and many different jobs and involved work in and on several different Asian countries, but his first love was always China, the land of his birth. He left there in 1940 at the age of 12, returning in 1973 as the first “declared” U.S. intelligence official in China. Almost 20 years later, in 1989, he returned to Beijing as the U.S. Ambassador, just weeks before June 4. Under very difficult circumstances, he managed to make clear the American opposition to the Chinese government’s handling of the crisis, while ensuring that diplomatic bridges were not burned.

Although he was only on the National Committee board for two years (1993-95), Jim was consistently generous in his assistance to the Committee over four decades, whether as an assistant secretary at both the state and defense departments, as head of the American Institute in Taiwan and the American Enterprise Institute’s China program, as a businessman, as a research scholar or as the ambassador to China. We knew that we could always count on him to answer questions, brief delegations, give speeches, and serve on panels. As a Board member, we knew that he would always bring realism, experience and candor to our deliberations.

Jim’s characteristic tough-minded analysis, acerbic wit and salty language always made him a great speaker. It certainly helped make our December 2008, New York program celebrating 30 years of Sino-American relations such a success. It featured all five of our (still living) former ambassadors to China. He had planned on traveling with them to China to do a reprise of that program in Beijing in January 2009, but a recurrence of his cancer prevented that.

I went to see Jim just two weeks before his death. It was the first time I had been to his home and it was wonderful to see him in his library, surrounded by books on Asia; an oil painting of Suzhou Creek that had been given to his parents in the 1930s by the artist; a stunning piece of calligraphy representing the characters for “freedom” that had been done for him by the South Korean dissident leader and later president, Kim Dae-jung; and a drawing by his talented 16 year old sister of a very handsome Jim at the age of 13. While he was thinner and weaker, he still projected his usual imposing presence and keen intellect. I told him that I was off to China and we discussed a mutual friend whom we had both lost touch with. I got back to my office on November 12 and among the several messages that had been left on my voice mail during my absence was one from Jim, very kindly giving me the contact information for our friend. Jim died that very day.

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Carla A. Hills

President
Stephen A. Orlins

Vice President
Jan Carol Berris

Vice President
for Administration
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