Text of address delivered by Premier Wen Jiabao of China at a luncheon held in his honor by the National Committee on U.S.-China Relations and the US-China Business Council on September 23, 2008 in New York. The following is the full text of Premier Wen's speech as released by Xinhua News Agency, followed by a transcription of the question and answer period.

Doctor Henry Kissinger, Ambassador Carla Hills, Mr. Greg Brown, Secretary Elaine Chao, ladies and gentlemen, I would like to begin by thanking the National Committee on U.S.-China Relations, the US-China Business Council, the Council on Foreign Relations, the Asia Society, the U.S. Chamber of Commerce, the United States of America-China Chamber of Commerce, the Committee of 100, the U.S.-China Policy Foundation, the America-China Forum, the Business Roundtable and the China Institute in America for co-hosting this event, which brings together friends, both old and new, for a delightful gathering.

I cherish the fond memory of the gracious dinner you hosted for me in Washington during my official visit to the United States back in 2003. On that occasion, I made a speech entitled "Working Together to Write a New Chapter in China-U.S. Relations," in which I drew three conclusions on Sino-U.S. relations. First, for China and the United States, cooperation benefits both, while contention hurts both. Second, the two countries have the foundation for cooperation and common interests. Third, China-U.S. cooperation is conducive to stability in the Asia-Pacific region as well as peace and development in the world.

Five years have passed since then and I am happy to see that these three conclusions have stood the test of time. China-U.S. relations have made significant progress. First, our high-level contacts are more frequent than ever before. There are now more than 60 dialogue and consultation mechanisms between our two countries. The Strategic Economic Dialogue and the Strategic Dialogue, in particular, have played an important part in increasing strategic mutual trust between the two sides. Second, our two-way trade grew from 126 billion U.S. dollars in 2003 to 302 billion dollars last year, an increase of nearly one and a half times within five years. China and the United States are now each other's second largest trading partner. The two sides have conducted dialogue and cooperation in a series of news areas, such as energy resources, climate change, product quality, and food safety. The U.S.-China Ten Year Energy and Environment Cooperation Framework signed not long ago stands out as a good example of such cooperation. Third, China and the United States have maintained communication and coordination on global security issues such as counter-terrorism and non-proliferation and on regional and international hotspot issues such as the nuclear issue on the Korean peninsula, to jointly contribute to world peace and stability.

Ladies and gentlemen, a Chinese saying goes, "amity between people holds the key to sound relations between states." Growing China-U.S. relations are also reflected by the ever-deepening friendship between our two peoples. In the wake of the devastating earthquake that hit Wenchuan of Sichuan Province, the U.S. side provided generous assistance in cash and in kind to China. I remember running into three young Americans in Beichuan, one of the hardest-hit areas, when I was overseeing the rescue and relief work there the day after the quake struck. I learned from my conversation with them that they were American volunteers rushing to the quake zone from Chengdu, capital city of Sichuan. They were the first group of volunteers from foreign countries that I met in the quake-struck areas. After them, headed by the USAID, representatives of some well-known American companies and organizations also went to the quake areas, at the risk of aftershocks, and offered us their advice on recovery and

reconstruction. Their visit was the very first of its kind in the history of exchanges between our two countries, and I later had a meeting with them in Beijing.

Thanks to efforts of the U.S. government and people of various sectors, 150 Chinese students from the earthquake-hit areas are now studying in the State University of New York. I am convinced that when they return to China after finishing their studies here, they will be able to better help the building of their homeland and will surely join in the endeavor to promote China-U.S. friendship. We also saw many scenes showing China-U.S. friendship during the Beijing Olympic Games that ended last month. Here are a few examples. President Bush and three generations of the Bush family traveled to Beijing and joined Chinese spectators in cheering for Chinese and U.S. athletes. The U.S. women's volleyball team and gymnastics team that competed with the Chinese teams both had Chinese coaches. Chinese players in NBA teams are very popular. The U.S. synchronized swimming team unfurled a banner with the words "Thank you, China" on it by the pool side, and they received thunderous applause from the Chinese spectators. These examples show once again that there exist a deep affinity and a strong bond of friendship between our two peoples. I wish to take this opportunity to express my sincere appreciation to the American people from all walks of life for their long-term commitment to the China-U.S. friendship, and to extend heartfelt gratitude to the U.S. government and people for their strong support to our earthquake rescue and relief work and our efforts in hosting the Olympic Games.

Ladies and gentlemen, with the U.S. presidential election less than two months away, many people have asked for my opinion of the China-U.S. relations after the election. I told them that whoever becomes the next U.S. president, China hopes to maintain and develop the constructive and cooperative relations with the United States. And we are confident that whoever becomes the next President of the United States, China-U.S. relations will continue to move forward, as the trend of history will not turn back. I say this because: First, China and the United States have never enjoyed so extensive common interests as they do today. From maintaining world peace and stability to tackling growing global challenges, to promoting trade and investment liberalization, China-U.S. cooperation has gone beyond the bilateral context in terms of both its substance and significance, and is having increasingly important impact on the world. Steady growth of China-U.S. relations serves the fundamental interests of our two peoples and meets the trend of the times. Second, due to differences in social system, development level, history and culture, there may be differences between the two countries on certain issues. This is nothing to fear. As long as the two sides engage in dialogue and consultation on the basis of equality and mutual respect, they will be able to gradually dispel misgivings and enhance mutual trust. Third, both the Chinese people and the American people are open, innovative, and eager to learn.

In just more than 200 years, the United States has developed itself into the most powerful country in the world, with brilliant achievements in the fields of economy, science and technology. The Chinese civilization, dating back 5,000 years, is showing great vitality in the new era. What is behind the splendid achievements we both have scored though our histories are different? I think it is openness, inclusiveness and the spirit of drawing upon the strengths of others. Two countries that appreciate each other and learn from each other can live together in amity and achieve common progress.

Fourth, China's development will not harm anyone, nor will it be a threat to anyone. China has taken an active part in the building of the international system and will not do anything to undermine it. China is a big responsible country. The Chinese economy now contributes to more than 10 percent of the world economic growth. China has taken an active part in the settlement of major international and regional

issues such as the nuclear issue on the Korean peninsula and the Iranian nuclear issue. China is ready to work together with the rest of the international community to jointly meet such global challenges as the financial turbulence, energy shortage, food shortage and climate change.

China and the United States are not rivals, but partners in cooperation, and can well become friends. During his stay in Beijing for the Olympics, President Bush said to me that the U.S.-China relationship is not one in which "I win you lose" or "you win I lose." Gains for China do not mean losses for the United States, and vice versa. The United States can benefit from China's prosperity and development and our two countries can prosper together. I am pleased to see that both the Republican Party and the Democratic Party attach importance to China-U.S. relations. I believe this shows the strategic vision and political wisdom of President Bush and the two political parties, and represents the wish of the entire American people. I want to stress that the Chinese Government has always attached importance to China-U.S. relations. We sincerely hope that through friendly cooperation, our two countries will pioneer a bright path of harmonious coexistence and common development between big countries with different cultural backgrounds.

History has shown that the smooth development of China-U.S. relations depends, to a great extent, on the proper handling of the Taiwan question. Today, the new leader in Taiwan has reaffirmed the 1992 Consensus, and Cross-Strait relations have shown sound momentum toward relaxation and improvement. The Association for Relations Across the Taiwan Strait (ARATS) and the Straits Exchange Foundation (SEF) will have their first meeting after a gap of nine years. Direct charter flights on weekends between the two sides have been launched, and tourists from the mainland have visited Taiwan. More major steps aimed at promoting the people-to-people, economic and cultural exchanges between the two sides of the Strait are now under discussion.

The current and coming period will be crucial for the development of cross-Strait relations. We are ready to work for practical solutions to the various issues under the principle of "building mutual trust, laying aside disputes, seeking consensus while shelving differences and jointly creating a win-win situation" and on the basis of the 1992 Consensus, so as to create conditions for the further growth of Cross-Strait relations.

Five years ago, President Bush openly expressed his position of opposing "Taiwan independence," which generated positive international impacts, won admiration and respect from the Chinese people, and enabled the smooth development of China-U.S. relations. Today, five years later, we hope the U.S. side will stick to its commitment of adhering to the one-China policy and the three Sino-U.S. joint communiqués, opposing "Taiwan independence," and supporting the improvement of Cross-Strait relations, to realize common development. This is beneficial to people across the Strait, to the China-U.S. relations, and to world peace.

Ladies and gentlemen, people are following closely the direction of China's development after the Beijing Olympic Games. I will answer this question when I address the United Nations tomorrow. To put it simply, China remains committed to the path of peaceful development, to reform and opening-up, and to an independent foreign policy of peace. The Beijing Olympic Games is a success, but China still has a long way to go before achieving modernization. For China, to run its own affairs well and to maintain stability and development is the biggest contribution that it makes to the world and the biggest international responsibility that it undertakes. Meanwhile, we will continue to work with other countries

to firmly maintain world peace and stability, actively participate in international economic cooperation, facilitate dialogue and exchange among different civilizations and work for the harmonious and sustainable development of the world.

Ladies and gentlemen, we will soon celebrate the 30th anniversary of China's reform and opening-up policy and the 30th anniversary of the establishment of diplomatic ties between China and the United States. Over the past 30 years, profound changes have taken place in China and tremendous progress has been made in China-U.S. relations. We should not see this as a sheer coincidence but a historical necessity. President Franklin D. Roosevelt once said that, "The times call for bold belief that the world can be changed by man's endeavor, and that this endeavor can lead to something new and better." Today, we have every reason to expect and believe that the largest developing country and the largest developed country in the world will have enough courage and wisdom to tide over any hardship and obstacle, to build on past achievements, and to work together for an even brighter future.

Thank you!

Questions and Answers

Moderated by Mr. Gregory Q. Brown, Director, The US-China Business Council; President and Chief Executive Officer, Motorola, Inc.

Question: The first question is regarding food and product safety. Clearly these topics have captured the headlines in the United States over the past year, just as they have in China during the past week. It is an issue in which we have common interests: the protection of consumers, including children. What message would you like to convey to U.S. consumers about this important topic?

Premier Wen: Ladies and gentlemen, the Chinese government places high importance on the quality of Chinese products, and particularly on the safety of food. There is no denial that recently there has been a baby-formula public health incident in China, and this incident has caused great harm to the health of consumers, and particularly the infants. And this incident has also had very bad social consequences. As the leading official in charge of the government, I feel greatly distressed.

As a responsible government, we have taken prompt and resolute steps. We have ordered all the hazardous milk products and dairy products off the shelf, and we have also given the order to seal up and destroy the tainted milk products and dairy powder. At the same time, we are seriously looking into the incident, and hold the perpetrators and those involved accountable for what they did. Nonetheless, I believe what is more important is that we should learn the lessons from this incident:

Number one, we need to do everything possible to ensure the quality of the product, and particularly the safety of food. This concerns the health and life of everyone. We should never try to pursue corporate profit or economic growth at the expense of the health and life of people.

Secondly, we need to pay more attention to institutional building, and we need to strengthen oversight and inspection for every link and process in the production period, and at the same time we need to make every effort to protect the interests of consumers in earnest.

And thirdly, we need to place more importance on social ethics. I always say, that for an entrepreneur or an economist, the blood of ethics should run in their veins. And for enterprise or the economy, usually people are very familiar with the visible elements, like the company itself, the technology, the product and its management. People may not notice the things behind these elements, like the philosophy, the ethics and the responsibility. Only when we combine the two kinds of different elements can we actually establish the DNA of the economy and the corporation.

Number four, China and the United States should step-up their cooperation in ensuring product quality and food safety. I want to assure you here that we will take measures to improve the product quality and food safety in China in a fundamental way and when it comes to product quality and food safety, we want to make sure that our products and our food not only meet the domestic and international standards, but also meet the specific requirements of the importing countries, and we will make every effort to attain this goal. Thank you.

Question: Premier Wen, you studied geology as a graduate student and therefore are very accustomed to looking back over time. When people look back at your time as Premier, what do you want them to say was your single greatest accomplishment?

Premier Wen: I had a background in geological studies and I am familiar with an important theory in the study of the history of geological periods: that is the catastrophic theory. In the past six years since I took office as the Chinese Premier, it is fair to say that we have encountered numerous disasters and difficulties.

From the outbreak of the SARS epidemic, to the sleet- and snow-storm that hit southern China, and then to the massive earthquake that devastated Wenchuan, Sichuan province, and from the accidents in the coal mines to the food safety incident that occurred recently, all this has given us a very informative experience, and we have learned new things from overcoming these difficulties. As I always say: what a nation loses in a disaster will always be compensated by progress later on.

As you may know, I very much enjoy reading <u>Meditations</u>, a classical work written by Marcus Aurelius. In this classical work I once read: as for so-called great men, where are they now? They are all gone. Some of them may be enough to form a story and some others may not even be enough to form half a story. So I would rather prefer leaving some spiritual legacy behind, mainly as the following two points:

Number one, in the wake of a disaster, we should not yield to the difficulties, rather we should have the courage to face up to the difficulties head-on and we should have the courage to lead our people to surmount the difficulties. To do that, we need to have a firm stand; we need to have courage and confidence.

Number two, as far as a government is concerned, a government should be responsible for its people, should be dedicated to serving the people, and should be marked by dedication and its clean and honest behavior. Except for these, a government should not have any privilege whatsoever. All the power belongs to the people and all the power should be used for the people.

As an old Chinese saying goes: a spring silkworm keeps producing silk until it dies and a candle keeps giving light until it burns into ashes. I am already sixty-seven years old, and I will dedicate the rest of my power and energy entirely to the Chinese nation and to the Chinese people and I hope that when I leave this world people will remember that I, as the Premier, have actually followed the two principles that I mentioned before, and that way I will also rest in peace. Thank you.