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Chinese President Xi's September 2015 State Visit

Introduction

Chinese President Xi Jinping (his family name, Xi, is pronounced “Shee”) made his first state visit to the United States, and his second U.S. visit as president, in September 2015. He was the fourth leader of the People’s Republic of China to make a state visit to the United States, following in the footsteps of Li Xiannian in 1985, Jiang Zemin in 1997, and Hu Jintao in 2011. The visit came at a time of tension in the U.S.-China relationship. The United States has been critical of China on such issues as its alleged cyber espionage, slow pace of economic reforms, island building in disputed waters in the South China Sea, harsh treatment of lawyers, dissidents, and ethnic minorities, and pending restrictive legislation on foreign organizations. Even as the White House prepared to welcome President Xi, it was developing possible sanctions against Chinese firms and individuals over alleged cyber-espionage against U.S. firms. Ultimately, the summit between the two presidents appeared to produce some progress on two priority issues for the United States—cyber security and bilateral commercial ties—but less on such issues as maritime disputes and human rights. As expected, the two countries announced further cooperation in several areas, including climate change and military-to-military relations. They also pledged to cooperate in a new area, global development work.

The State Visit: Itinerary

President Xi and his wife, People’s Liberation Army singer Peng Liyuan, started their U.S. trip on September 22 in the state of Washington, where President Xi’s schedule included visits to Boeing Company and Microsoft Corporation, participation in a China-U.S. Internet Industry Forum, and a policy speech in Seattle. On September 24, President Xi and Madame Peng flew to Washington, DC, where they were met by Vice President Joe Biden and Second Lady Jill Biden. That evening, President Obama and President Xi engaged in two and a half hours of conversation over a “no tie,” private dinner at Blair House. On September 25, President Xi was accorded an arrival ceremony on the White House South Lawn, with a 21-gun salute, the standard for leaders on state visits. He and President Obama met in the Oval Office, and in an enlarged meeting in the Cabinet Room, and then held a joint press conference in the White House Rose Garden. President Xi and Madame Peng were the guests of honor at a lunch at the State Department—also customary for state visits—hosted by Vice President Biden and Secretary of State John Kerry. That afternoon, President Xi traveled to Capitol Hill to meet with congressional leaders and other Members. In the evening, President Xi and Madame Peng were honored with a state dinner in the East Room of the White House, the ninth state dinner of the Obama presidency. From

September 26 to 28, President Xi visited the United Nations headquarters in New York for the 70th meeting of the U.N. General Assembly. Among other things, he announced major new Chinese contributions to U.N. peacekeeping operations and military assistance to the African Union.

Outcomes Documents

As has been the practice since 2011, the two countries did not issue a joint statement. Instead, they conveyed outcomes through the two presidents’ joint press conference; a Joint Presidential Statement on Climate Change; identical negotiated bullet points on economic relations and cyber security, issued separately by each country; and bullet points on other issues, issued separately and not identical in wording. Several general statements about the bilateral relationship were included in China’s outcomes document, but not in U.S. documents. They included a Chinese assertion that the United States and China “... agreed to continue the endeavor to build a new model of major-country relationship ... based on mutual respect and win-win cooperation.” They also included a Chinese statement that, “China respects the traditional influence and practical interests of the United States in the Asia-Pacific and welcomes the United States to continue to play a positive and constructive role in regional affairs.”

The “new model” language was first proposed by President Xi in 2012, when he was China’s vice-president. U.S. officials, including President Obama, initially mentioned the concept in their public remarks, reportedly as a way of signaling that the United States agreed on the need to try to head off strategic rivalry. Since 2013, however, U.S. officials have grown concerned that China is using the “mutual respect” part of the formulation to suggest, misleadingly, that the United States has committed to respect China’s “core interests,” which include maintenance of Communist Party rule and defense of sovereignty and territorial integrity, including China’s claims to Taiwan and features in the East China Sea and South China Sea. While the United States no longer uses the term, it has not objected to China’s continuing to reference U.S. agreement on the broad concept.

Outcomes in “Areas of Disagreement”

The White House presented the Xi state visit as “an opportunity to expand U.S.-China cooperation on a range of global, regional, and bilateral issues of mutual interest, while also enabling President Obama and President Xi to address areas of disagreement constructively.” Much of the summit focused on areas of disagreement, discussed below.

Cybersecurity. President Obama stated on September 16 that his administration viewed alleged Chinese cyber theft

of trade secrets as “an act of aggression that has to stop.” At the summit, the two countries agreed, first, that, “timely responses should be provided to requests for information and assistance concerning malicious cyber activities.” A high-level joint dialogue mechanism, scheduled to meet twice-yearly, will “review the timeliness and quality of responses to requests for information and assistance.” Second, the two countries agreed that “neither country’s government will conduct or knowingly support cyber-enabled theft of intellectual property, including trade secrets or other confidential business information, with the intent of providing competitive advantage to companies or commercial sectors.” Third, they agreed that at the international level, they would create a senior experts group for discussions on identifying and promoting “appropriate norms of state behavior in cyberspace.”

The pledge not to support cyber-enabled theft of intellectual property appeared to signal Chinese acceptance, for the first time, of the distinction the U.S. government draws between cyber intrusions for national security purposes and those for commercial benefit. In Seattle, before the summit, however, President Xi still appeared to equate them, saying, “Both commercial cybertheft and hacking against government networks are crimes that must be punished in accordance with law and relevant international treaties.” Asked if he was satisfied with China’s steps on cyber, President Obama said at the joint press conference that he would be watching now to see, “are words followed by actions.” He said he told President Xi that the United States has at its disposal both traditional law enforcement tools and the ability to impose sanctions, and that “... we will apply those and whatever other tools we have in our toolkit to go after cyber criminals, either retrospectively or prospectively.”

Economic Issues. Seeking to address U.S. concerns about the climate in China for U.S. businesses, the two sides agreed that technology standards should be developed in a transparent way, with industry participation. They agreed that competition policy and efforts to strengthen cybersecurity in commercial sectors should not discriminate against foreign companies. Both sides pledged not to “require the transfer of intellectual property rights or technology as a condition of doing business in their respective markets.” The two sides did not release enforcement details for these and other commitments, several of which repeated past Chinese pledges. In addition, President Xi stated in Seattle that, despite a 4.4% depreciation of the renminbi in August 2015, China would not seek to weaken its currency as a means to stimulate exports. The two sides reportedly made progress towards reaching a bilateral investment treaty (BIT). While they announced no breakthrough, they pledged to “intensify” negotiations. Patching up frictions related to China’s launch of a new multilateral development bank (MDB), the two countries pledged to work together to strengthen existing MDBs, with China saying it will “meaningfully increase its role as a donor.” They also agreed that new institutions should operate with the “high environmental and governance standards” of existing institutions.

Maritime Disputes. The United States and other nations have strongly criticized China’s extensive land reclamation

and military and civilian construction work on disputed reefs in the Spratly Islands of the South China Sea, with the United States particularly concerned about implications for freedom of navigation. President Obama said he told President Xi, “that the United States will continue to sail, fly and operate anywhere that international law allows.” President Xi surprised many U.S. officials by stating that, “China does not intend to pursue militarization” in the Spratly Islands. What President Xi meant by the statement is unclear, but U.S. officials immediately sought to build on it. Assistant Secretary of State Daniel Russel said on October 2 that, “... naturally, we will, as others will, be discussing in detail with the Chinese the steps that they are taking and will take to ensure that they are in no way militarizing the land features that ... they have built by dredging sand from the South China Sea.”

Human Rights and Civil Society. President Obama said he told President Xi, “that preventing journalists, lawyers, NGOs and civil society groups from operating freely, or closing churches and denying ethnic minorities equal treatment are all problematic, in our view, and actually prevent China and its people from realizing its full potential.” President Xi acknowledged democracy and human rights as “the common pursuit of mankind,” but appeared to reject U.S. criticism when he insisted on respect for the right of the people of all countries “to choose their own development path independently.”

Outcomes in “Issues of Mutual Interest”

Outcomes documents from the summit highlighted areas of cooperation. On climate change, the two leaders committed to work together for “an ambitious, successful” outcome to efforts to conclude a new global agreement under the United Nations Framework Convention on Climate Change (UNFCCC) in Paris in December 2015. (See CRS In Focus IF10296, *New Climate Change Joint Announcement by China and the United States*.) The two countries also announced that they had completed new annexes to two memoranda of understanding signed by the U.S. and Chinese militaries in November 2014, including one outlining rules for air-to-air encounters. The two coast guards will now seek to produce their own rules for surface-to-surface encounters. A new memorandum of understanding between the U.S. Agency for International Development (USAID) and China’s Ministry of Commerce for the first time provides a framework for cooperation on global development work. Other areas of cooperation highlighted at the summit included efforts to rein in the nuclear programs of Iran and North Korea, support economic development and reconciliation in Afghanistan, stem the transnational flow of terrorist fighters, crack down on wildlife trafficking, and conserve oceans. The two sides also reported progress on repatriating Chinese fugitives and Chinese illegal immigrants from the United States to China, announced a 2016 US-China Tourism Year, and pledged to expand Chinese-language teaching in the United States.

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