



# President Xi Jinping

## Major Speech

### Seattle

September 24, 2015

# Robert Lawrence Kuhn

## Simultaneous Commentary



**RLK: I see three aspects of President Xi Jinping's speech. The first is China's domestic situation, characterized by Xi Jinping's four strategies, which they call "Four Comprehensives": building a moderately prosperous society, deepening reform, rule of law, and strengthening party discipline. Important to understand because Xi's policies drive the domestic economy.**

**In the second or middle piece, President Xi had to present very specific answers to many very specific questions that many Americans have.**

**Starting with cyber-security for sure, dealing with the currency devaluation, the stock market, various elements of the Chinese economy, where it's going, how foreign businesses are treated in China.**

**Doing business in China is a**



major concern to his audience tonight. Business corporations have been China's biggest supporter in the past - but they have wavered in the last year or so - therefore Xi is speaking directly to them.

The third part of the speech that we are just beginning to hear is Xi's vision of a new type of major power relationship between China and the U.S. – which embeds the ideas of non-conflict, non-confrontation, mutual respect, win-win cooperation. The vision is to apply this new way of thinking to many, many different categories.

So, a very comprehensive speech, dealing with specifics, a nice degree of warmth, which we want to see in our leaders. So I think it's a good start for the coming week, which will have its difficulties to come.

Host: And you know, Robert, listening to this speech as we have been, it was very



surprising as you said at the beginning, it was very personal, but we do know that right now the relations between the United States and China are strained, at their lowest point as they have been in many years. But we do know that when Obama and Xi Jinping get together, they quite often work these issues out. Is that what you're expecting?

RLK: I am expecting success - but we have to recognize that the success of this summit may be because of the low expectations that everybody is setting. Because indeed it is true that relations are a low point, driven I think largely by cyber-security but other issues as well, such as the South China Sea—which I haven't heard discussed here yet—and human rights in China. There are a whole series of things which have concerned many people – also including some activities that are going on in China: controls on NGOs,



detaining human rights lawyers, clamping down on the media, a whole series of things.

President Xi did address that in his way by saying that everything in China will be according to law; he addressed intellectual properties rights, which relates to cyber-security and other things. So, he addressed all of the major issues.

But the problem is this combination of things that have occurred, both internationally, in terms of China's cyber-aggressiveness (as many people would say), it's aggressiveness in the South China Sea – while at the same time, what people perceive to be a domestic regression in terms of certain rights.

And so from a foreign point of view, that combination has become very worrisome. From China's point of view, because Xi Jinping is really a reformer



– he really wants to reform China economically and socially and in every other way - but to enact such deepening reform, and at the same allow more political freedoms, there would be great worry of dramatic instability. The reason is because reform by itself is unstable, so if at the same time you allow more political flexibility, then you are liable to have instability. We're not saying we agree with that line of thinking; we are saying that's the way they think. And so the political controls that we see happening enables Xi and his vision to create much deeper economic reform and rule of law - both of which are resisted and confronted by deep interest groups (that he referred to). He said that this moment of reform is much more difficult, much more challenging. He said that openly in China and here.

Host: Yeah.

RLK: And because of such



resistance to reform, Xi must do what he can to have a stable society in order to affect reform.

Host: Robert, I'd like to get the view from Beijing, Steven Jiang is standing by there in our Bureau. Steven, you know we've seen in the past, these trips by Chinese leaders to the United States are very important. How is it being seen this time?

SJ: The pomp and ceremony is really what they are after. And this being Mr. Xi's first state visit, he will get the full package when he heads east to Washington D.C.: a 21 gun salute, a joint press conference with Mr. Obama in the Rose Garden of the White House, as well as a black tie state dinner. But as many others have pointed out, expectations are low in terms of substance. Remember, Mr. Xi arrives in the U.S. with some vulnerability because of China's slowing economy and because of the largely failed



attempt by the government to rescue the plummeting stock market. So that air of invincibility that has surrounded him for so long has disappeared a little. That's why he needs to stand firm when he visits a foreign country. And so maybe he will sound conciliatory but will give very little ground, when it comes to contentious issues that have divided Beijing and Washington.

**Host:** Let's go back to Robert in New York for one last question here. We did hear probably the only person who had some tough words for the Chinese president was the Commerce Secretary, basically saying there are very broad concerns about the openness and the level playing field of the Chinese economy.

**RLK:** Yes, that's absolutely correct, and I think the important factor here is that this critique is being said openly. I would be much more worried if these things were



only said in private, or not said at all. The fact that we're hearing openly about cyber, about U.S. companies not being treated with a level playing field, about all of these very specific issues of contention, that to me is a good sign. I don't mind disagreement; what I do mind is when problems are not talked about. Then you do know you really have a problem.

So I look for a very successful summit. It's not going to solve all the problems—we're starting at this low point that we all agree—but the fact is that the U.S. and China are inextricably bound at the hip as we say. It is impossible in today's world for the U.S. economy to do well and China not, or for China to do well and the U.S. not. With so many problems in the world, global peace and prosperity is dependent upon this bilateral relationship.

