



Committee of 100

## EXECUTIVE SUMMARY

22nd Annual Conference

Washington, D.C.

April 24-25, 2013

### C-100 CHAIRMAN

**DOMINIC NG**

*Chairman and CEO*  
East West Bank

### CONFERENCE PLANNING COMMITTEE

**HOWARD LI**

*Chairman and CEO*  
Waitex International  
Co. LTD

**TED WANG**

*Co-Head*  
U.S. Equities Trading  
*Global Co-Head*  
Equities, Delta One  
Trading  
Goldman Sachs & Co.

**BENJAMIN H. WU**

*Vice-Chair*  
U.S.-Asia Institute

**ANGELICA O. TANG**

*Executive Director*  
Committee of 100

### KEYNOTE SPEAKERS

**ZBIGNIEW K. BRZEZINSKI**  
*Counselor and Trustee*

Center for Strategic  
and International  
Studies; Former  
National Security  
Advisor (1977-1981)

**GAO XIQING**

*Vice Chairman and  
President*  
China Investment  
Corporation

The Committee of 100's 22nd Annual Conference brought together government, corporate, and opinion leaders from across the United States and China to discuss key issues in the world's most important bilateral relationship. The conference addressed four themes central to U.S.-China relations: building strategic trust in the bilateral relationship; economic cooperation and competition; Chinese investment in the United States; and portrayals of China in U.S. political campaigns and its impact on Chinese Americans.

Zbigniew Brzezinski, Center for Strategic and International Studies Counselor and Trustee and former National Security Adviser (1977-1981) and Gao Xiqing, Vice Chairman and President of the China Investment Corporation presented keynote addresses. The People's Republic of China's Ambassador to the U.S. Cui Tiankai, House Majority Leader Eric Cantor, and Senator Bob Corker presented remarks.

This year's conference broke the records for attendance, with over 400 registrants for the conference and 22 promotional partnerships with Chinese and American stakeholders. The conference was seen through viewing parties at Columbia University and SAIS Nanjing as well as through live-streaming. Speakers responded to questions from viewers at Tsinghua University, University of Bern, and other locations around the world. To date, 46 outlets have released news coverage of the 22nd Annual Conference.

View footage of the conference, including keynote addresses and remarks, here: <http://bit.ly/C100Conf2013>.

### KEYNOTE: ZBIGNIEW K. BRZEZINSKI, COUNSELOR AND TRUSTEE, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES; FORMER NATIONAL SECURITY ADVISOR (1977-1981)

The Chinese military press increasingly talks explicitly about China's peripheral zones of interest and influence and relationship. All of that creates a rather complicated relationship between the United States and China. But one which is not guided by any overt ideological hostility of the kind that, for example, prevailed between the United States and the Soviet Union. It is not guided by any explicit competitive claims to global preeminence. It is guided increasingly by a mutual realization that both countries need each other. And that is a very new development in the history of international politics, that an established power and a rising power increasingly acknowledge the fact, the unique fact that each needs the other.

We need the Chinese in terms of the global economy; we need the Chinese in terms of global stability, and Chinese involvement in the maintenance of global stability. The Chinese need access to our markets, to our financial arrangements and the Chinese have a stake in the United States playing a responsible, stabilizing role in the world. So in the final analysis, the complementary interests outweigh the pressures toward conflict...That we and the Chinese, and the Chinese and us, I think are intelligent enough to be aware of the fact that in the interdependent world in which we now live, a collision between such major powers would not produce a success for either one of them but a calamity for both and for the international setting.

View Zbigniew Brzezinski's full speech at: <http://bit.ly/Zbigniew100>.



**CONFERENCE  
OPENING  
RECEPTION**

**SENATE KENNEDY  
CAUCUS ROOM  
RUSSELL SENATE OFFICE  
BUILDING**



“Throughout its history, the Committee of 100 has led the charge to bring people together, to seek common ground among the people of China and the United States, to foster greater understanding between our two nations. From high-level visits to forums, from educational initiatives to cultural exchanges, this committee is offering a model in how to build bridges of respect between communities, cultures, and countries.”

**CONGRESSWOMAN  
NANCY PELOSI**  
*Minority Leader*  
U.S. House of Representatives



**CONGRESSWOMAN  
TAMMY DUCKWORTH**  
*U.S. Representative of  
the 8th District of  
Illinois*  
U.S. House of Representatives

**KEYNOTE: GAO XIQING, Vice Chairman and President, China Investment Corporation**

Today I'm asked to talk about our challenges in investment in this country and in the world... One I would say is external for us, that's all challenges outside of China, outside of our own control, things that we can't control, things that we can't even blame ourselves for.

Externally, it's mostly, again, two dimensions. One is what I would call the changing world...after 2008...then you started seeing all the regulatory changes, the whole pendulum swing...The second part of the external challenge is the change of mentality of all the regulators. That started out in this country, but then very soon it spills out to Europe and to many countries...We thought we'd be treated the same as other people, or so we were told. But very soon we found out that's not the case...we were more or less told—not in exact words, but more or less told—that we're singled out as a different investor.

[Regarding the potential for a central financial institution to integrate the BRICS nations (Brazil, Russia, India, China, South Africa)] These countries have nothing in common but for the size...every one of them is great in certain ways. And every one of them, including ourselves, has shortcomings. So in many ways, they are complementary. Because of that, I think it's good that we try to link up and try to do things together. And the problem is that these countries all have very different concerns in certain ways...We strive for consensus, but we realize our differences.

View Gao Xiqing's full speech at: <http://bit.ly/Gao100>.



**OPENING REMARKS: People's Republic of China Ambassador to the U.S. CUI TIANKAI**

There's clearly a strong and growing interest on the part of Chinese companies to invest abroad, especially in the United States...But on the other hand, there's increasing concern about barriers to mutual investment, especially to Chinese investment coming to the United States...The number of rejections may not be very big. But what will affect people's perceptions is not only the number of approvals but also, and maybe even more, why some of these investment proposals are rejected...I'm afraid that will affect investors' confidence, and that will, in the long run, turn away some of the important investors.

View Ambassador Cui's full speech at: <http://bit.ly/Cui100>.



**REMARKS: HOUSE MAJORITY LEADER ERIC CANTOR**

I believe that this country of ours is a country of opportunity, and if people want to come here to work, to grow, to create their dreams, we've got to get our legal immigration system straight and then ensure that we continue to be a country of laws and continue to have a strong system at our border and local interior enforcement system so that our country can continue to operate with transparency, equal application of the law, and equal opportunity for everyone.

View Congressman Cantor's full speech at: <http://bit.ly/Cantor100>.



**REMARKS: SENATOR ROBERT CORKER, SENATE FOREIGN RELATIONS COMMITTEE**

Three challenges: I don't think there's any question that North Korea is problematic to both countries. Secondly, cyber...The two countries have got to work in a very different way around the theft, the absolute theft, of intellectual property...And then thirdly, obviously as China continues to grow and expand...an abiding of the global rules that take place in that regard need to take place.

View Senator Corker's full speech at: <http://bit.ly/Corker100>.





## ROUNDTABLE I

**THOMAS J. CHRISTENSEN**  
Moderator  
*Boswell Professor of World Politics of Peace and War and Director China and the World Program*  
Princeton University

**ADMIRAL DENNIS BLAIR**  
*Former Director of National Intelligence*

**JAMES LEWIS**  
*Senior Fellow*  
Technology and Public Policy Program  
The Center for Strategic and International Studies



## ROUNDTABLE II

**CHARLES W. FREEMAN III**  
Moderator  
*Vice President for Asia the Middle East, and Africa*  
PepsiCo

**JAMES SASSER**  
*Advisory Council Member*  
APCO International

**CARLA HILLS**  
*Chair and CEO*  
Hills & Company

**SHARIF KAN**  
*President*  
Haier America

**ROBERT HORMATS**  
*Under Secretary for Economic Growth, Energy, and the Environment*  
U.S. Department of State

## STRATEGIC TRUST PRIORITY: BUILDING STRATEGIC TRUST IN U.S.-CHINA RELATIONS

**ROUNDTABLE I** analyzed causes of U.S.-China strategic mistrust and potential trust-building measures.

**THOMAS CHRISTENSEN** We're going to have a competitive security relationship; to some degree we'll have a competitive economic relationship. And then the question is: how do you keep that competitive aspect of the relationship from taking over everything and having it trump everything else? And one of the ways...[is] you have to manage those directly important issues that touch upon national security. You've got to wrestle with them, but at the same time, I think, if you're talking about trust..you have to build examples, concrete examples of how you have common interests and how you share certain values and preferences around the world in a way that doesn't pose a zero sum problem.

**ADMIRAL DENNIS BLAIR** On the Chinese side, the source of strategic mistrust is pretty straightforward...it is strongly believed in China that the ultimate goal of the United States in world affairs is to maintain its hegemony and dominance, and as a result, Washington will attempt to prevent the emerging powers – in particular, China – from achieving their goals and enhancing their stature...

**BLAIR CONTINUED** On the American side I think that the situation is somewhat more complicated, but I see two underlying causes for China. The first is quite simple: China's authoritarian system of government. Americans, at their core, simply do not trust a country that has a repressive government. The second is a more sophisticated concern, and it is held by those who know Americans quite well. We believe that China's actions are more governed by power relationships than they are by a commitment to general rules which all nations should follow.

**JAMES LEWIS** We've already had two partnerships with China. Guess what? They're both over. The first partnership was an anti-Soviet alliance...That alliance ended with Tiananmen Square. After that we built an economic alliance, an economic partnership...And so this economic partnership has been tremendous, but it's also now ending...So I'm not sure what the basis for a third partnership will be. It's not military. It's not economics. We have to figure this out. A good first step would be sustained engagement at senior levels that goes beyond simple meet-and-greet, that goes to direct discussions of we want something; here's what we're prepared to give.

## BILATERAL TRADE RELATIONS: THE GLOBAL IMPACT OF U.S.-CHINA COOPERATION AND COMPETITION

**ROUNDTABLE II** explored the challenges and opportunities for U.S.-China trade and economic cooperation.

**JAMES SASSER** When you ask [American businesses] how they're doing in China, 9% say their Chinese operations are very profitable; 65% say they're profitable. This was in 2003. In 2013, ten years later, 9% of the U.S. companies still say they are very profitable; 68% say they're profitable. So there's a lot of complaint and a lot of turmoil, but still I think, overall, American companies feel like they're doing pretty well in China. And so that economic glue between the two countries, I think, continues to hold us together as we become more mutually interdependent economically.

**CARLA HILLS** So what are the challenges?...One is the fragile economic global circumstance. It is inevitable that when you have tough economic times, that stokes economic nationalism and increases pressure to protect the domestic market... Secondly is the trust deficit...[The] trade deficit is fed by economic friction, and the polls show that there is a deep distrust on both sides... And finally, there is the knowledge gap. I think it's a concern that Americans know so little about China's culture, history, and how China affects the global economy.

**HILLS CONTINUED** I think too few Chinese recognize what Americans complain about, particularly in the business sector, whether it be licensing, the speed with which they can have a branch, the equity caps on more than a hundred sectors, the protection of intellectual property.

**SHARIF KAN** Haier came to the country back in 1999. One of our themes, or how we drive our business, was localization...We participate actively in industry associations and work with the regulatory agencies in terms of setting the standards for the products and for the services, be it from a safety standpoint or from an international harmonization standpoint...I can tell you more than 90% of the people [employed at Haier] are Americans.

**ROBERT HORMATS** Let me just identify a couple of things [that the U.S. and China can cooperate on]. One of them is environment and energy cooperation... Second, shale. We have no interest at all in hurting China's ability to develop its energy sector or constraining China's growth by restricting its access to global energy markets...We have every interest in helping China to reduce its dependence on imported energy and to strengthen clean energy in China.

## THE POLITICS OF BUSINESS: CHINESE OUTBOUND INVESTMENT IN THE UNITED STATES



### ROUNDTABLE III

**DAVID MARCHICK**  
Moderator  
Managing Director  
The Carlyle Group

**MICHELE DAVIS**  
Partner  
Brunswick Group

**DAVID FAGAN**  
Partner  
Covington & Burling,  
LLP

**DAN ROSEN**  
Partner  
The Rhodium Group

**ROUNDTABLE III** examined the domestic challenges for Chinese companies and individuals looking to invest in the United States. Speakers discussed the openness of the American market to foreign investment.

**MICHELE DAVIS** [The Washington press corps] look for controversy and especially anything that can stir up a political debate in town and I think that is true on a lot of issues related to China, not just investment...And if the Chinese investor is not prepared to answer that in the first go around you start off completely on the wrong foot in this town. CFIUS, the regulators who sit on the committee are largely immune from politics and I think they try to separate themselves from politics and look at the facts but they certainly read every single article that is written and if the company has not answered questions they will turn around and ask for more details.

**DAVID FAGAN** If you look at the big data out there at the macro level, we have a pretty good record about substantiating our open investment policy... At the same time, there is a "but." And the "but" comes into the details and it reflects some about the experiences that some investors have had including CIC in that most recent deal...That in combination with some other issues including cyber security has meant that there is sort of a trust but verify approach to our openness to investment from China.

**DAN ROSEN** China's direct investment in our backyard is only about a three or four year-old story at the most. We are just at the very beginning of what will be a long story to come...[It's] not so much about China becoming unusual as an investor here. It's just China becoming normal. China becoming like the U.K. or Japan or Canada as a direct investor in the largest economy in the world.

## CAMPAIGNS AND ELECTIONS: ASSESSING MEDIA PERCEPTIONS OF CHINA IN U.S. ELECTION CAMPAIGNS



### ROUNDTABLE IV

**EUGENE ROBINSON**  
Moderator  
Columnist and  
Associate Editor  
The Washington Post

**NEIL NEWHOUSE**  
Partner and Co-  
Founder  
Public Opinion  
Strategies

**ORVILLE SCHELL**  
Arthur Ross Director of  
the Center on U.S.-  
China Relations  
Asia Society

**ANDREW DUGAN**  
Advanced Design and  
Analytical Analyst  
Gallup

**SENATOR TIM KAINE**  
U.S. Senator of the  
Commonwealth of  
Virginia  
U.S. Senate

**STEWART KWOH**  
President and  
Executive Director  
Asian Pacific American  
Legal Center

**ROUNDTABLE IV** discussed portrayals of China in U.S. media and election campaigns and the impact of these portrayals on Asian Americans.

**NEIL NEWHOUSE** The bottom line is there may be a lot of huffing and puffing in the presidential elections about China but it does not seem to have impacted voter impact regarding the country...the truth is, bottom line, Americans really do have serious concerns about China. They revolve around what they perceive as unfair trade but then it's also cyber spying, intellectual property theft, these are real concerns...And finally, when it comes to U.S. politics, Chinese Americans count and they are beginning to count a lot...we will be hearing a lot more about Asian Americans as a swing constituency in the 2016 and 2020 elections.

**ORVILLE SCHELL** I think that if you look at the two notions of what the media are in China and the West, they are totally different...And it very much manifests itself when you are in China as a member of the media. And remember, these people, these several hundred [journalists] are the avenue through which the world really understands China...in many cases, the system of controls, which grows out of the old Maoist model of the media, is something that [journalists] deeply chafe under...This is an area which does pollute the well of perception by making an added sort of impediment, an irritant to a more smoother reaction between China and the world that is facilitated by the media.

**ANDREW DUGAN** 52%...is the percentage of Americans that view China either mostly or very unfavorably according to our latest poll which was conducted in February of this year. This is in line with current trends that have seen the majority of Americans rate China unfavorably and I think it reaffirms China's place as a nation viewed warily by most U.S. adults.

**SENATOR TIM KAINE** China in the 2010 and 2012 campaign cycles was pretty much about as reliable a punching bag where you could get an applause line as there was. So why is that? ...[First] there's an American anxiety...where somebody is overtaking us, we get depressed and we view them with suspicion...[in addition are] the Chinese behaviors that caused the most angst on Capitol Hill, are things like intellectual property theft and piracy, cyber security.

**STEWART KWOH** [According to a poll by the Asian American Justice Center], even though Asian Americans would tend to agree with the candidate on every other issue, if they came out with an anti-Asian view, 51% said they would turn to another candidate. And amongst Chinese Americans it was 62%. So I think that's one of the clear messages that we can provide in these national and local and statewide campaigns, if you want the Asian American vote, you cannot stereotype, you cannot use denigrating language, you cannot use the mocking of accents.

## GALA HIGHLIGHTS



**MADAM LI HAIFENG**  
*Vice-Chairman*  
The National Committee  
of the Chinese People's  
Political Consultative  
Conference

**IRENE HIRANO INOUE**  
*President*  
U.S.-Japan Council



## AWARD RECIPIENTS

**CONGRESSWOMAN JUDY CHU**  
*U.S. Representative and Chair*  
Congressional Asian Pacific  
American Caucus



*Chinese in America Advancement  
Award*

**THE HONORABLE SCOTT BROWN**  
*Former U.S. Senator of*  
Massachusetts



*Chinese in America Advancement  
Award*

**XU BING**  
*Vice President*  
Central Academy of Fine Arts



*Chinese in America Achievement  
Award*

## PROGRAM PARTICIPANT PROFILES



C-100 China Delegations

**CLIVE CROOK**  
*Columnist*  
Bloomberg View

C-100 Leadership Development

**NANCY POON LUE**  
*Senior Advisor and Deputy*  
*Performance Improvement Officer*  
U.S. Department of Education

