
China Briefs

Yang Jiechi Cautions Sullivan on Taiwan Issue

In a phone call on May 18, Chinese State Councilor Yang Jiechi spoke with U.S. National Security Advisor Jake Sullivan. The phone call was triggered by ambiguous statements by U.S. officials regarding Taiwan, and in particular a recent State Department “Fact Sheet” on Taiwan, which revised the formulation of U.S. policy on Taiwan in previous fact sheets in a way that calls into question the U.S. commitment to the “one-China policy.” The clause that was removed stated that the U.S. does not support Taiwan independence and reiterated the U.S. view that Taiwan is a part of China. The revised “fact sheet” also refers to Taiwan as “a key U.S. partner in the Indo-Pacific.”

“The United States should match its words and deeds,” Yang said, “translate its commitments into concrete policies and actions, cooperate with China, properly manage differences between the two sides, and do more constructive things to bring bilateral relations back to the right track of sound and steady development.” The Taiwan question, he underlined, was “the most important, sensitive and core question in China-U.S. relations.” He said that the U.S. has until now consistently reiterated that it does not support Taiwan independence and that Taiwan is a part of China. “However, recent U.S. actions and statements on the Taiwan question are quite different,” he warned, adding that if the U.S. side persists in playing the “Taiwan card” and “goes further down the wrong path, it will surely put the situation in serious jeopardy.”

He said that China urged the United States to grasp the situation, strictly honor its commitments and abide by the one-China principle and the stipulations of the three relevant Sino-U.S. joint communiques, adding that the Chinese side will take firm actions to safeguard its sovereignty and security interests, and that the U.S. side can count on China to keep its promise.

Yang also underlined that peace and cooperation is the general trend in the Asia-Pacific regions as well as the common aspiration of the people, and that “any act that undermines the fundamental and long-term interests of countries in the region out of selfish interests is short-lived and doomed to fail,” as is any attempt to form factions and engage in separatist confrontation.

President Marcos Promises to Enhance China Relationship

As President Biden landed in South Korea on May 18th on a widely-publicized Asia tour, ostensibly with an economic program aimed at undermining China’s Belt and Road Initiative, the new Filipino president, Ferdinand (Bongbong) Marcos, spoke with Chinese President Xi Jinping by phone, saying he “will take Philippines-China relations as a foreign policy priority, and is ready to strengthen exchanges at various levels and deepen cooperation with China in economy, trade, infrastructure, energy, culture and education.” President Marcos, the son of the nationalist President Ferdinand Marcos Sr. (1965-1986), indicated in his presidential campaign and in presidential

statements that he will concentrate on economic development, and that in that arena China has already played a major role in the Philippines.

In the phone call, Marcos expressed his confident expectations for better and stronger development of bilateral relations in the future, adding that he is ready to work with the Chinese side to inject new and strong impetus into the development of bilateral ties.

In his turn, Xi pointed out that in the past six years, under the presidency of Rodrigo Duterte, China and the Philippines have adhered to good-neighborly friendship, worked together for common development, and established a comprehensive strategic cooperative relationship.

The two sides have effectively managed differences through dialogue and consultation, actively promoted practical cooperation in various fields, and achieved fruitful results in bilateral relations, Xi said, adding that facts have proven that the China-Philippines friendship is in line with the common aspirations of the people of the two countries, and cooperation between the two sides serves the common interests of the two people.

He said that China is ready to step up exchanges of governance experience with the Philippines, expand and strengthen existing cooperation with a focus on national economy and people’s welfare in such fields as infrastructure, agriculture, energy, and education, as well as the anti-COVID-19 fight and post-pandemic recovery, fostering new growth areas and promoting development and revitalization of the two countries and the region at large. China will, as always, provide active

support and assistance to the Philippines in its economic and social development, Xi added.

China Takes New Tack to Assure Continued Growth

China, like most other nations today, is having to deal with the combined effects of the continued COVID-19 pandemic and the mounting economic crisis exacerbated by the war in Ukraine and by the draconian sanctions regime of the U.S. against both Russia and China. China is better prepared to deal with this crisis, thanks to the long-term planning mechanism of the ruling Communist Party of China and the Chinese government.

Although faced with another round of new COVID-19 outbreaks of the omicron variant, which has hit both Shanghai and Beijing, China's implementation of the "dynamic zero-COVID" policy, with mass testing, quarantine, and vaccinations, has proven successful in Shanghai, with some industrial production coming back on line there, while the policy is now being implemented in the most heavily hit parts of Beijing.

In addition, extensive measures have been taken to maintain financing for infrastructure development and increased support to small- and medium-sized enterprises. There has also been announced a concerted program of tax relief aimed at keeping the SMEs operating without heavy losses.

Other measures are being taken to increase the rate of production turnover by building new high-speed rail lines and increasing the speed on the main lines that now exist, creating a more rapid transport of people and product in the market.

On May 18, the National Development and Reform Commission (NDRC), China's main planning body, announced extensive measures for cre-

ating a truly unified market. This was called for at an April 10 meeting of the State Council and the Communist Party. In the "dual circulation" model that is now in place in China, the huge domestic Chinese market becomes an independent motive force of China's economic growth. While the Chinese economy continues to open up to international trade, it cannot determine how that market will develop, as it can with the domestic market.

The State Administration for Market Regulation said that it will mainly focus on fields related to market access, fair competition, supervision of credit, and intellectual property protection to accelerate the establishment of rules in a unified market system. The aim is to remove local protectionism, market segmentation, and impediments restricting economic circulation to facilitate the smooth flow of products and resources on a larger scale.

"The key to building a new development pattern lies in the unobstructed economic cycle, which requires accelerating the construction of a unified national market, as a scattered and fragmented market cannot guarantee the free flow of factors, as well as the fair distribution and smooth circulation of products," said Liu Zhicheng of the Chinese Academy of Macroeconomic Research under the NDRC.

In addition, one of the speakers at the NDRC underlined the continued opening up, in particular in the area of high-quality development of the Belt and Road Initiative.

Xi Jinping to BRICS: Global Security and Development

President Xi Jinping addressed the virtual meeting of the BRICS (Brazil, Russia, India, China, South Africa)

Foreign Ministers on May 19. Noting the growing uncertainty in the world because of the continued pandemic and increasing political tension, Xi called on the BRICS to support his proposal for a Global Security Initiative. "Seeking one's security at the expense of another only creates more risks and more tensions," he said. He urged the BRICS to maintain close communication and cooperation on international issues and to reject the Cold War bloc mentality. Given the risks and challenges of the day, he noted, it is more than ever important for emerging markets and developing countries to strengthen solidarity and cooperation. Development, he said, is a common task for emerging markets and developing countries.

In the Joint Statement issued after the Foreign Ministers meeting, the five countries reiterated their commitment to multilateralism; upholding international law and the purposes and principles of the UN Charter; respecting the sovereignty, independence, territorial integrity, equality, and legitimate concerns of all countries; and to the central role of the United Nations in the international system. They called for efforts to enhance and improve global governance, respect democracy and human rights, and build a community with a shared future for mankind based on mutually beneficial cooperation. They reiterated the importance of ensuring equitable distribution of vaccines to fill the immunization gap globally and expressed support for the launch of the BRICS Vaccine Research and Development Center. They also called for peace negotiations in the Russia-Ukraine conflict.

At the meeting, Chinese Foreign Minister Wang Yi proposed that the BRICS engage in further outreach to other developing countries with the view of expanding BRICS.