Interview with Ambassador Cui Tiankai January 17, 2019 Washington, D.C.

Part 1

James Chau:

Ambassador Cui Tiankai, thank you very much for giving your time today here in Washington D.C., to share some of your thoughts on a world that continues to change. One of the changes is of course the Phase One trade agreement between China and the United States. Unpack that for us. What exactly does it represent and what change will it introduce to the world?

Ambassador Cui:

First of all, welcome to Washington D.C. at the beginning of the New Year. Let me wish you and your team a very happy New Year.

James Chau:

Thank you.

We've just concluded what people call the Phase One trade agreement between China and the United States. I think it's a good example that, despite all the differences between our two countries, there's still a clear need and a growing common interest for the two countries to reach agreement on important issues like trade and others.

When you look at this Phase One, when you say "Phase One", does that necessarily indicate that there's going to be a Phase Two, maybe a Phase Three?

I think actually this is a continuous process, because we have a huge volume of bilateral trade between China and the United States and growing mutual investment. So there are always issues we have to address, concerns we have to raise. People have to talk to each other, to have ongoing consultations on all these issues related to bilateral trade. So of course we're now talking about Phase One. Naturally, there might be a Phase Two or Phase Three, but whatever you may call them, the need for continuing consultation is clearly there.

You use some interesting words and phrases there: "talk to each other", "talk", "consultation". Is it easier two years after the dispute began to talk to one another?

Maybe good things are never easy in the world. There's a saying in the English language, "easy come, easy go". I think

Ambassador Cui:

James Chau:

Ambassador Cui:

James Chau:

Ambassador Cui:

that to be frank, the trade talks was quite tough sometimes, but there's good commitment by both sides to overcome the difficulties, to continue their coordination and consultation, to reach some concrete outcomes. And they did it. So it seemed to me there's still a good degree of common sense out there.

James Chau:

And then, therefore, what happens next? As you said, perhaps whether it's called Phase Two or [Phase] Three is not significant in itself, but perhaps more significant is what will follow after Phase One, and what can people all over the world perhaps anticipate and prepare themselves for?

Ambassador Cui:

I think that the first thing we have to do, and by "we" I mean China and the United States, we have to do together is to implement this Phase One agreement. To show to the world that we have good faith in this, and we are ready to materialize whatever we have agreed on paper. This is the first and most important thing we have to do together right now.

James Chau:

When you look at this Phase One, what is perhaps the most valuable component, because the US-China relationship surely impacts people all over the world? Not only in these two countries. And when we think about the communities, the farmers for example, the individuals who are involved, the suppliers, the producers, the manufacturers, what should they look at amongst this more than 100 page text and say, "that's important to us?"

Ambassador Cui:

You see there are all together nine chapters in the agreement, and there are a lot of specific, even technical, issues involved. So I think the government agencies in both countries that are dealing with these issues on a daily basis, they are in a much better position to present and explain this to the public. But I believe what is the most important thing behind this agreement (maybe not everybody is fully aware of this) is the underlying principle of solving any problems between us through dialogue and consultation on the basis of equality and mutual respect. I think that this is the most important thing.

James Chau:

That's interesting because these negotiations and this Phase One is a result of two years, which began with a disagreement of some sort. Do you think two years on that not only you have a Phase One agreement to show for, but perhaps a more honest relationship, a different kind of positive relationship between the two countries?

Ambassador Cui:

Actually if we look at the past history, China and the United States established diplomatic relations in 1979. So, last year was the 40th anniversary. If you look at the past history, it's clear there was a kind of, if we may use the term, "decoupling" between the two countries for 22 years, before Dr Henry Kissinger's secret visit. Then we resumed ties, we built a very strong relationship over the decades. I think we should really draw the good lessons from the past. I think history has proved cooperation is the only option for our two countries. When we cooperate, both countries will benefit from it, and confrontation will make both countries hurt very badly. We should bear this in mind as we move forward.

James Chau:

You mentioned the wider China-United States bilateral relationship. Many people have said that this trade agreement is surely not going to be solved, but as you said back in 1972, when Dr Kissinger went to China, followed by President Richard Nixon, and of course Jimmy Carter in 1979 with Deng Xiaoping, was surely even more impossible at the time than any trade agreement today. When you look back to '72, '78, '79, and the forming of that relationship into what it is today, there wasn't even a [Chinese] embassy here in Washington at the time. Surely that was more difficult?

Ambassador Cui:

We started with a liaison office in the Mayflower Hotel.

James Chau:

What year was that?

Ambassador Cui:

I think '73. So, I think that we have done a great deal over the last few decades for our relationship, and there's a clear need for us to continue in the same direction.

James Chau:

I have to ask you though, why is the US-China relationship so important as the Chinese Ambassador? I've always said that it impacts humanity. But in your words and with your insight, what should people around the world think about in terms of the critical aspects of this relationship between these two families of people?

Ambassador Cui:

China and the United States, we are the two largest economies in the world. We are both permanent members of the United Nations Security Council. So we bear great responsibilities, not only for our own peoples but also for the global community. At the same time, there are a growing number of challenges. Global challenges. The whole international community is faced with issues like climate change, terrorism, disease, natural disasters [and] financial instability. All these things. No country can handle these issues all by itself. We need international cooperation, especially maybe cooperation between China and the United

States. So, this Phase One agreement is giving people better confidence, not only for the global economic prospects, but also for the possibility of major countries cooperating with each other on global issues.

Cui Tiankai, Ambassador of the People's Republic of China to the United States James Chau, Editor-at-Large, China-US Focus

Ends