

*Administration of Barack H. Obama, 2009*

## **Interview With Xiang Xi of the Southern Weekly in Beijing, China**

*November 18, 2009*

### *President's Visit to China*

*Mr. Xiang.* Your first trip to China is ending. So can you use just one sentence to tell us your favorite about the trip?

*The President.* It has been a very productive trip. We have worked on a range of issues of mutual concern to the United States and China, and I think it signifies the continued growth of the relationship that is so important not only to our two peoples but also to the world.

### *Basketball*

*Mr. Xiang.* I know you love basketball. So do you think you have time to play basketball while you're being President?

*The President.* You know, I do play, not as often as I used to, but I still play maybe once every week or two. And I enjoy going to games as well. I wish I could have gone to see the Shanghai Sharks, but it wasn't in my schedule. And I'm looking forward to meeting Yao Ming, who is one of my favorite players.

### *China-U.S. Relations*

*Mr. Xiang.* Two thousand and nine is 30 years anniversary of China and U.S. diplomacy. On the press reception, you said you welcome China to be a strong, prosperous country, playing a more important role on international affairs. And in the two countries' joint declaration, China also welcomed America to play an important role as a Asia Pacific country. So how do you see the China-America cooperation in Asia Pacific area?

*The President.* Well, first of all, I think it's obvious that China's emergence as a major economic power in the world has been one of the most important things to happen over the last two decades. And part of the reason that China has been able to grow so rapidly is because of strong trade ties between the United States and China.

More importantly, we're seeing our relationship move beyond just issues of trade and economics. We're now consulting with each other on critical issues like climate change that can't be solved unless the United States and China participate.

And so increasingly, I think, what you'll see is a broad strategic relationship between the two countries in which not only are we seeking to cooperate on key economic issues that can increase prosperity for both peoples, but that we're also working closely together on everything from climate change to nonproliferation to dealing with issues of terrorism to making sure that we're addressing critical issues like global poverty and food security.

And I welcome China's role in the world—on the world stage. As it has more resources and more confidence, it's able to take on more and more responsibilities. And we look forward to being an effective partner with China.

### *China's Market Economy Status*

*Mr. Xiang.* My fourth question is, America has not recognized China's market economic status, so what effort you give to this question?

*The President.* Well, keep in mind that China's nonmarket status under the WTO only applies to a few segments of the economy. Most of China's economic sectors are treated as part of the market economy. That's why trade with the United States is so robust. And my understanding is, is that the Chinese Government is taking steps necessary in order for it to achieve a market status by 2015, and certainly, we are interested in working with China for such a result.

*Mr. Xiang.* Do you have to schedule, to work on to recognize China's market economy status?

*The President.* Well, this is an issue that involves a lot of technical economic questions. And so what we have done through our strategic and economic dialog is to create a framework where we can work through many of these detailed issues at a technical level. Hopefully they can be resolved.

### *Trade*

*Mr. Xiang.* We notice China and America has a large content of trade, but America has many restrictions against China on high-technology exportation. Both China and America's companies are not very satisfied on this. So it also restricts the two countries' trade balance. How do you comment on this?

*The President.* Well, first of all, I think it's just important to recognize, obviously, that the United States has the most open markets in the world. That's why China is able to accumulate such significant trade surpluses with the United States. The issue of high-tech exports, though, is something that we are reviewing. I discussed this with President Hu. We do think there are opportunities for U.S. exporters to export high-tech technology or to export high technology to China. And some of these restrictions may be outdated, so we're going to be doing a comprehensive review.

One of the main goals, I think, in the G-20 summit in Pittsburgh was to agree that we need a more balanced growth pattern in which China is increasing domestic demand and other surplus countries are increasing domestic demand and the United States is saving more and exporting more. That, I think, will help to stabilize the world financial system as well as help create higher standards of living here in China and more jobs in the United States. And so this could be part of a broader approach that we need to take, and that includes looking at trade provisions; it includes what our currency policies are. All these things go into this broader goal of more balanced growth.

### *China-U.S. Relations*

*Mr. Xiang.* You talked twice, in Tokyo and Shanghai, that America not trying to contain China's rise. So how do you plan to carry out this policy? How do you do it?

*The President.* Well, I think through the kinds of ongoing discussions and dialog that we're currently having with China. It is in the United States interests to have a stable and prosperous China that helps to anchor a stable and prosperous Asia in the same way that Japan's stability, South Korea's stability creates a more peaceful world and greater commercial ties with the United States. The same is true in respect to our policy towards China.

I think that the only thing that could prevent such a positive outcome is if there are misunderstandings and miscalculations between the two sides. And that's why it's so important for us to have these continuous dialogs, both on the economic set of issues but also on security

issues. And the more trust that's been established between the two countries, the less likely such misunderstandings could occur.

*Mr. Xiang.* Thank you very much.

NOTE: The interview began at approximately 11:12 a.m. at the St. Regis Hotel. In his remarks, the President referred to Yao Ming, center, Houston Rockets; and President Hu Jintao of China. The transcript was released by the Office of the Press Secretary on November 19. A tape was not available for verification of the content of this interview.

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