

CENTER FOR AMERICA-CHINA PARTNERSHIP

"A new school of U.S.-China relations provides a complete answer for America and China's success in the 21st century."—China Daily



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CHINA DAILY says:

"The Center for America China Partnership is the first US think tank that combines and integrates American and Chinese perspectives."

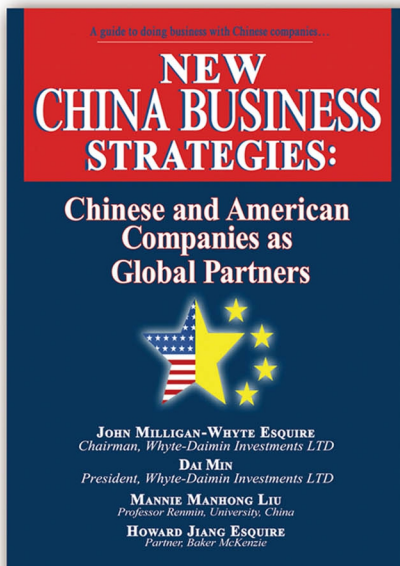
HON. MAURICE STRONG, former UN Under-Secretary General and Secretary of General of the 1992 UN Earth Summit, says:
"Works of genius, a masterpiece."

SEYMOUR TOPPING of the Council on Foreign Relations says:
"America and China becoming partners must and will become US policy toward China. No one on the Council on Foreign Relations could have written these books because we all come from the same background and think the same conventional way."

PROFESSOR Xi RUNCHANG of the Chinese Academy of Social Sciences says:
"These breakthrough books create a New School of US-China Relations. They are well thought out and researched books, presenting a win-win mindset and strategies providing a complete answer for America and China's success in the 21st century. American foreign affairs or economic scholars have been unable to transcend their zero sum game mindset and strategies on US-China relations."

AMBASSADOR RICHARD N. SWETT says:

"The authors have illuminated in a unique new roadmap to how and why the world's leading superpower and the fastest rising new power must



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turn their dangerous competition in a cooperative direction."

PEOPLES DAILY ONLINE says:

"John Milligan-Whyte is called the 'new Edgar Snow' and the '21st century Kissinger' and is the only non-Chinese to be elected the winner of the Social Responsibility Award from the China Business Leaders Summit."

WANG GUANGYA, former Deputy Foreign Minister and China's UN ambassador, says:
"These unique books fill important communications and perception gaps in China and America's relationship. John Milligan-Whyte is the missing man needed to articulate and integrate American and Chinese perspectives."

ZHOU WENZHONG, Secretary-General of the Boao Forum and former Chinese Ambassador to the US says:
"John Milligan-Whyte, as an American is able to speak freely and persuasively from both American and Chinese perspectives and address issues that others do not address in the same way or as effectively."

TOM LANTOS, former Chairman of the U.S. Congress Foreign Affairs Committee says:
"I absolutely agree with the game-theory based thesis of these books that neither America nor China can succeed in the 21st century if either do not ensure it and the other are successful."

China-US Grand Strategy Proposal

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December 14th, 2010

A proposed China-US Grand Strategy Agreement for Presidents Hu and Obama was drafted by John Milligan-Whyte, Dai Min and Dr. Thomas P.M. Barnett of the Center for America China Partnership with input from China's former Minister of Foreign Affairs and UN and US ambassadors, former Deputy Chief of the General Staff of the PLA, former Military Attaché to North Korea and Israel, former Vice Minister of Commerce and Secretary-General of Boao Forum. Film of meetings supporting the Agreement at the Institute of International Strategic Studies of China's Central Party School, Chinese People's Institute of Foreign Affairs, China Center for International Economic Exchanges, China Institute For International Strategic Studies, China Foundation for International & Strategic Studies, and the China Institutes of Contemporary International Relations in China's State Council are posted at US-China Relations.net. The Grand Strategy Agreement states:

"U.S.-P.R.C. Presidential Executive Agreement For Peaceful Coexistence & Economically Balanced Relationship"

Presidents of U.S. and P.R.C. sign an executive agreement containing each nation's pledge that:

1. U.S. and P.R.C. will never go to war with the other;
2. Each will respect the other's sovereignty and distinct political and economic systems;
3. U.S. pledge to eschew regime change in P.R.C. and of non-interference in its internal affairs;
4. P.R.C. pledges to continue its economic, social, and political reforms.

Taiwan

Pledged demilitarization of Taiwan situation, to include:

- i. Informal U.S. moratorium on arms transfers to Taiwan;
- ii. U.S. President's adherence to defense requirements of Taiwan Relations Act of 1979 is achieved through the following alternative means;
- iii. P.R.C. reduction of strike forces arrayed against Island;
- iv. U.S. reduction of strike forces arrayed against P.R.C. Mainland; and

v. Negotiation and promulgation of confidence building measures between U.S. and P.R.C. militaries.

North Korea

Pledged de-escalation of strategic uncertainty surrounding North Korea nuclear program, to include:

- i. U.S. eschews regime change in North Korea;
- ii. P.R.C. encourages North Korea to adopt economic reform policies to be implemented on terms appropriate to North Korea's own situation;
- iii. North Korea agrees to terminate nuclear program and resume economic cooperation with South Korea; and
- iv. U.S. and P.R.C. support peaceful reunification of North and South Korea on terms and timetable determined by North and South Korea.

Iran

Pledged management of relations with Iran to include:

- i. U.S. eschews regime change in Iran;
- ii. P.R.C. to support Iran's peaceful development of its nuclear energy program;
- iii. Iran to willingly submit to regular international inspections of its nuclear energy program; and
- iv. U.S. to eliminate trade restrictions and promote trade with Iran.

South China Sea & East China Sea

Pledged management of sovereignty disputes to be solved peacefully and bilaterally, to include:

- i. P.R.C. sets up multilateral South China Sea Regional Joint Development Corporation with neighboring claimant states; and
- ii. P.R.C. pledges to negotiate resolution of all such disputes on the basis of the P.R.C.-ASEAN agreement entitled, "The 2002 Declaration on the Conduct of Parties in the South China Sea."

ASEAN Economic and Peacekeeping Collaboration

U.S. and P.R.C. pledge:

- i. Harmonization and coordination of their respective roles in regional economic and security forums;

China-US Grand Strategy Proposal

- ii. Pursuit of peaceful coexistence in their bilateral relations with other Asian nations; and
- iii. Promotion of economic stability and growth of ASEAN nations in their multilateral relations within ASEAN, APEC, etc.

Military-to-Military Ties

U.S. and P.R.C. pledge to cooperate on international and non-traditional security issues, to include:

- i. Lifting of U.S. embargo on military sales to China;
- ii. Regular scheduling of joint naval exercises in Asian waters, with standing invitations to other regional navies;
- iii. Permanent expansion of officer-exchange program;
- iv. Creation of joint peacekeeping force/command in conjunction with other countries within the UN Security Council framework;
- v. Expansion of U.S.-P.R.C Maritime and Military Security Agreement to include frequency of U.S. close-in reconnaissance; and
- vi. Establishment of joint commission collaborating annually on U.S. and P.R.C. technology sharing and transparency of budget expenditures.

Existing and Future International Institutions and Issues

U.S. and P.R.C. pledge to support continued reform of existing institutions (e.g., UN, IMF, World Bank, WTO, G20) to better reflect the evolving global economy and international issues, to include climate change, Doha Agreement, etc.

Strategic and Economic Dialogue (SED)

To implement the new collaborations listed above:

- i. SED becomes permanently sitting commission for continuous senior-level communications and collaboration on economic and security issues; and
- ii. SED reviews all existing tariffs, WTO complaints, and other trade and economic disputes and issues.

P.R.C. Investment into U.S. Economy

P.R.C. pledges to invest up to 1 trillion USD directly into U.S. companies at direction of U.S. President in exchange for:

- i. U.S. removes trade restrictions and high-technology

export bans with P.R.C.;

- i. P.R.C. commits to purchase sufficient amount of U.S. goods/services to balance bilateral trade on annual basis;
- iii. P.R.C. companies' access to U.S. market made equal to that of U.S. companies access to P.R.C. market;
- iv. Ownership limit for new P.R.C. investments in U.S.-owned or controlled corporations limited to 45 percent of shares, with additional 10 percent reserved for preferred equity/pension funds on a case-by-case basis and final 45 percent remaining with non-P.R.C. ownership;
- vi. U.S. and P.R.C. to facilitate global joint ventures between U.S. and P.R.C. companies, with initial example to involve major U.S. firm, possibly General Motors; and
- vii. U.S. and P.R.C. to collaborate in SED on goal of full employment throughout each economy, targeting in particular areas suffering inordinate unemployment or needing special economic growth arrangements.

Other Areas of Bilateral and Multilateral Cooperation

P.R.C. and U.S. to collaborate:

- i. Implementing principles in the Preamble, Article 1 of the UN Charter;
- ii. Rehabilitation of failing and failed states seeking assistance;
- iii. Combining U.S. and P.R.C. markets, technology and financing to ensure affordable costs for all nations of effective pollution remediation and sustainable energy and financing of globally needed technology; and
- iv. Joint space exploration with other UN member states.

No Creation or Operation of "G2" Arrangement

Nothing in this Executive Agreement constitutes, is intended to, nor permits the creation or operation of a "G2", and instead this Agreement:

- i. Establishes an improved framework of collaboration among the U.S., P.R.C. and other UN member states;
- ii. Neither seeks nor infers any formal alliance between the U.S. and P.R.C.; and
- iii. Creates a new U.S. and P.R.C. partnership commitment to the Principles of Peaceful Coexistence in the UN Charter.

Mutually agreed on the _____ day of _____ 2011.

President Barack Obama

President Hu Jintao