

Singapore leader sees role in US-China relations

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By Marc Yablonka

Singapore's Prime Minister says his country's leading role among U.S.-China relations is not only beneficial to the superpowers, but significant to the economies of the Asia-Pacific region.

Making a rare appearance at China's Central Party School in Beijing in September, Singapore Prime Minister Lee Hsien Loong urged China to continue to have faith in its partner – the United States.

While acting as an intermediary between the two nations, Lee asserted that Asia's security and prosperity are a result of American presence in the region.

“The U.S. has legitimate long-term interests in Asia and plays a role in Asia which no other country can. This is not just because of its military or economic strength, but for historical reasons.”

Lee stated that since the end of World War II, 60 years ago, the peaceful environment that exists in Asia today enabled it to thrive.

“Of course, Singapore's position is due to its own considerations. But it is concerned about regional peace and stability, and that means it has the same goals and shares common interests with China,” Lee said.

Lee recognized the interests shared by superpowers, specifically China's reliance on U.S. markets and American technology, and the fact that China is a major manufacturing and export base and the largest foreign holder of U.S. Treasury securities.

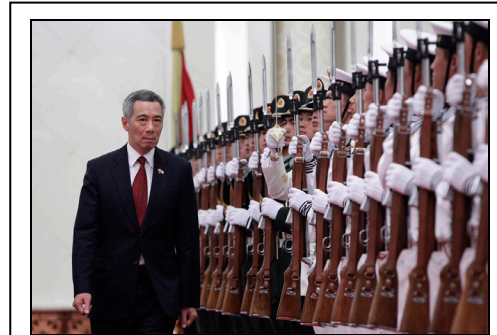
“Hence, [China] does not wish to see the U.S. economy in trouble,” he said.

Economic issues drive both nations

Before leaving for China, Lee told the Chinese media in Singapore that he expected bilateral economic cooperation between the United States and China would strengthen as the economies of both countries improve, the China Daily News reported.

In his China speech, Lee called the United States enormously resilient and creative and made up of worldwide talent from all over the world, including China and other Asian countries.

It was clear from the tone of Lee's speech that he sees Singapore as a conduit of future relations between the two economic and political giants and that Southeast Asia would be affected by future developments between China and the U.S.



Singapore Prime Minister Lee Hsien Loong inspects an honor guard during an official welcoming ceremony at the Great Hall of the People in Beijing, China, in September. [Reuters]



Detractors of the current Sino-American economic relationship, however, think their American counterpart's desire is to hold China back and that China should be less accommodating. Meanwhile, the same may be true on the other side of the Pacific.

"Some Americans are anxious about China's rise. The elite are concerned about America's influence in the world, while ordinary workers worry about their jobs and futures," Lee told those in attendance at the Central Party School.

Chinese officials comment on Lee's speech

An initially silent Chinese media are reporting on Lee's visit and quoting Chinese officials.

At the 6th Summer Davos Forum, Chinese Premier Wen Jiabao responded to questions from Chinese journalists about American concerns over China's trade practices and his views on fair trade. Wen struck a tone for cooperation between the United States and China.

"Both countries stand to gain from cooperation and lose from confrontation," Wen said. "Despite the difficult situation this year, China-U.S. trade has continued to grow. Many U.S. companies have invested in China and most of them have made profits even in a time of financial crisis."

In spite of the economic downturn, trade between China and its American counterpart topped \$446.7 billion last year, Wen said.

Still, Wen stated China never pursues a surplus in bilateral trade and there is a lack of mutual trust between the U.S. and China. "We want to import more from the United States [but] the U.S. still imposes restrictions on high-tech exports to China," he said.

Wen was equally concerned that the relationship between the United States and China might become fodder for both political parties in the upcoming U.S. election.

"In the recent presidential campaign, both the Democrats and the Republicans said they would reject 'made in China' products so as to boost employment at home," Wen told China Daily News.

"Even the U.S. athletes wearing 'made in China' clothes at the London Olympics became a headline," Wen said. "We feel confused about this. Yet China has exercised restraint. We never ask our consumers not to wear Nike shoes or not to buy iPads and iPhones. I hope this is only a brief episode in the campaign season."

Foreign minister expresses optimism

Meanwhile, on a visit to Singapore a few days after Lee's speech at the Central Party School, China Vice Foreign Minister Fu Ying granted interviews to Singapore's most popular English language daily, the Straits Times, and its largest Chinese language publication, Lianhe Zaobao.

While striking a similar positive tone on the effect of Lee's visit to her country, Fu remained cautiously optimistic about U.S.-China relations.

"I am not surprised that the U.S., a country with strategic vision, is paying more attention to Asia. Countries in the region welcome more U.S. input to contribute more to regional peace and prosperity," Fu said.

With the relationship between China and the United States being key to the Asia-Pacific Region, Fu thinks Americans should not be concerned about China's growth.



“On current trends, China’s GDP will continue to grow at a fairly fast rate. However, given China’s population, its per capita GDP remains low and meeting the needs of 1.3 billion people remains the primary policy objective for China for the foreseeable future. You find little interest among most Chinese people in either dominating the world, of course not to be dominated either,” she said.

Fu recognized the stated United States policy regarding China.

“The U.S. has repeatedly said that its policy is not to contain China but to work with China. It is our hope that a relationship of trust and cooperation with the U.S. can be nurtured in this region,” she said.

“This is why many Asia-Pacific countries hope that the U.S. continues to contribute to regional peace and stability,” he said.

Lee also noted that a harmonious economic relationship between the United States and China would benefit not only Singapore, but all of Asia.

“We hope China-U.S. relations flourish because we are friends of both countries. We do not wish to see their relations deteriorate, or be forced to choose one or the other. Singapore’s influence is modest, but we will do what we can to foster good relations through our statements and actions.”

