

Chinese President's Visit Aims to Improve U.S.-China Relations

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Chinese President Hu Jintao visited the White House this week in an attempt to set a better tone for relations between China and the United States, the two largest economies in the world and arguably the superpower rivalry of the 21st century.

The visit featured an outward show of cooperation and mutual respect between the two countries, with President Obama and President Hu emphasizing that despite some fundamental disagreements, they are finding common ground.

The Obamas hosted a lavish state dinner at the White House, which was attended by many prominent Chinese-American actors, politicians, athletes and artists, such as movie action hero Jackie Chan and fashion designer Vera Wang.

But the stakes are high, and relations between the two economic superpowers have been marred by disagreements over trade policy and human rights.

“For the last year, the relationship has been on a downward spiral,” analyst Minxin Pei of Claremont McKenna College told the NewsHour. “And this meeting has put a stop to that.”

China’s currency value is a hot topic

For years, American economists have complained about the Chinese policy of keeping the value of its currency, the yuan, artificially low. Other currencies such as the dollar or the euro are traded on the open market, and their value is decided by how people judge the relative strength of the related economy.

But in the tightly controlled Chinese economy, the government can set the value of the yuan, and it does on a daily basis. Keeping the value of the yuan low makes Chinese products much cheaper and more attractive to buyers.

This has resulted in a loss of jobs in America, as other countries (and even American businesses) decide to buy cheaper Chinese goods.

The currency issue is especially delicate because the United States is by far the leading importer of Chinese goods. In turn, China takes the money the United States pays for its goods and invests it in the U.S. Treasury market, basically

loaning the U.S. government money and making both countries' economies heavily reliant on one another.

China is a big buyer of cars, steel, aerospace equipment, pharmaceuticals and crops from the Midwest, which has been hit especially hard by the recession. U.S. manufacturers are hoping President Hu will return to China looking to expand its trade relationship with the United States and boost economic growth.

Hu addresses human rights issues

Reports of human rights abuses in China are also a major point of contention. China is ruled by the Communist Party, whose leaders have been accused of violating Chinese peoples' rights to speech, religion and freedom of information.

For example, certain websites are blocked in China, the government often controls where people may live and work, and people who speak out against the Communist Party, [are frequently jailed](#) and their families punished.

Hu briefly remarked on China's human rights issues during his visit to Washington, acknowledging that his country has some improvements to make.

"China still faces many challenges in economic and social development," Hu said. "And a lot still needs to be done in China, in terms of human rights. We will continue our efforts to improve the lives of the Chinese people, and will continue our efforts to promote democracy and the rule of law in our country."

Side trips to Congress and Chicago

Hu also visited lawmakers and business leaders on Capitol Hill, where he fielded questions about trade policy, human rights and China's position on increasingly hostile North Korea. China and North Korea, also a communist country, have a close relationship, and the United States has been urging China to put more pressure on North Korea to stop its nuclear program.

On China's military issues, Hu stated that China is "not a military threat to any country" and will never seek to expand outside its borders. However, he firmly defended China's claims to Tibet and Taiwan, which have struggled for decades to be free of China.

Hu also visited Chicago to meet with leaders of key businesses and visit a school where students learn Mandarin Chinese alongside English.

- Compiled by Veronica DeVore for NewsHour Extra