

**The Nightly Business Report
China's Premier – A Savvy Guy
December 18, 2003**

The premier of China, Wen Jiabao visited the US last week for the first time. I had the opportunity to meet him and was impressed by his intelligence, smooth personal style, and instinct for retail politics.

His public speeches were bland, stressing the interest of both countries to cooperate and not be divided by our differences. Taiwan was the one issue he was specific about: that China would not tolerate Taiwan's independence. President Bush, in turn, told Taiwan to back off and not rock the boat. This comment was precisely the prize Wen wanted to take home to his constituents.

However, the Premier glossed over the economic issues that concern us, and this was disappointing. China is now our second largest trading partner, but we run a trade deficit that could reach \$120 billion this year. US businesses want China to deliver on its WTO market opening commitments, enforce intellectual property protection, and float its currency.

US government officials made these points to the premier in private, but this is not enough. Government and business people must keep pushing forcefully for China to make these changes. The Chinese have shown that they will make changes, but in their own way – incrementally, not boldly. All the more reason to keep the economic and business concerns front and center.

I'm Barbara Hackman Franklin