

U.S. DEPARTMENT OF THE TREASURY

Press Center



Remarks of Secretary Lew at the Opening Session of the 2013 U.S.-China Strategic and Economic Dialogue

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As prepared for delivery

WASHINGTON - It is a pleasure for me to join Vice President Biden and Secretary Kerry in welcoming Vice Premier Wang, State Councilor Yang, and the entire Chinese delegation to Washington for this fifth meeting of the Strategic and Economic Dialogue. I am pleased that Secretary Kerry could make it back and I know everyone joins me in wishing Teresa a speedy recovery. It also is nice to be back among so many friends in the familiar halls of the State Department. I also offer my condolences to the families and friends of the two Chinese students killed in Saturday's tragic plane crash in San Francisco – the American people have them in our thoughts and prayers.

We meet at a time when the citizens in both of our countries are looking to their policy makers to advance policies that lead to greater prosperity, equity, and opportunity. Major economies like ours are consistently challenged to reform and adapt, and to strengthen institutions. We know this from our own experience recovering from the financial crisis. And you know this from your own on-going transition to the next stage of your economic development.

Five years ago, after the worst crisis in a generation, the United States promised the world that we would address the vulnerabilities in our own economy. And we did – we recapitalized and repaired our banks, overhauled our system of financial regulation, and jumpstarted a recovery in private demand. As a result of these bold policy actions, our economy has grown for 40 straight months and we are poised for continued strong and broad-based growth. Our businesses have created more than 7.2 million jobs and our housing market is recovering. But we also have more work ahead of us: our top priority is to grow our economy and create good, middle-class jobs.

In China, your economy is undergoing a systemic transition where significant and fundamental shifts in policy will be required to sustain growth in the future. We welcome the market-oriented reform commitments you have made. These reforms recognize the imperative of shifting to domestic consumption, greater private sector innovation, an economy that is more open to competition with more flexible prices – including the exchange rate and interest rates, and a more efficient financial system.

Now, while we each must guide our economic futures by expanding the middle class of our nations, what we each do domestically matters enormously for the other. Yes, our economies are inter-connected. But what matters is ensuring that our economies are growing in a way that is balanced, beneficial, and mutually compatible. As the world's two largest economies, too much is at stake for us to let our differences come in the way of progress.

For the United States, this means an economic relationship where our firms and workers operate on a level playing field and where the rights of those who participate in the global economy – including innovators and the holders of intellectual property – are preserved and protected from government-sponsored cyber intrusion.

It means working together to address our common challenges such as climate change, energy and food security, and conduct in cyberspace. Cooperation on these fronts is absolutely critical to our own futures and to the world's as well.

As our two Presidents have made clear, we are cooperating to address the challenges that we face, identifying common interests wherever we can and directly addressing our differences. The Strategic and Economic Dialogue is critical to generating practical cooperation on issues across our relationship and a place where we can make real progress.

This dialogue brings together the key decision-makers from both countries to address the critical issues that we both face. It has led to important, tangible results for both sides, and I am confident that we will continue to make concrete progress.

During our discussions, I will encourage China to follow through decisively on the important commitments it has made to transition to a more balanced and sustainable pattern of growth. This transition will be critical to China's success, and it will be consequential to the world economy.

Moving forward, I think there is much we can achieve together. And therefore I encourage us to work diligently, cooperatively, and sincerely as we address the challenges that we face.

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