Lesson #1 Comparing US and Taiwan's Secondary School Systems

Class: 12th grade Contemporary World Problems

Case Issue: Which secondary school system is the most effective- the required, traditional liberal arts focus in most U.S. public schools or a multiple tracked system (academic and vocational schools) like Taiwan?

Instructional Model: Structured Academic Controversy/Document Based Question

Brief Description: During the Structured Academic Controversy Lesson, students will complete the multiple components of the learning strategy. First, they will work with their partner to locate the supporting details in the provided texts and record their responses on the Student Worksheets. Next, students will prepare and share presentations of their documents with a group that has the opposing viewpoint. The students will then incorporate these ideas into a class debate and a persuasive essay on the topic. My summary from visiting Da'an Vocational School and interview quotes from Taiwanese educators and students serve as the Taiwanese positions on this issue.

Related EALRs

Civics 1.2.3 Evaluates the effectiveness of state, tribal, and federal forms of governments by comparing them to governments of other nations.

Social Studies Skills 3.1 Understand and apply critical thinking and problem solving skills to make informed and reasoned decisions

Social Studies Skills 5.3.1 Evaluates one's own viewpoint and the viewpoints of others in the context of a discussion.

Higher Order Thinking Skills

Students will:

- 1. use supporting evidence to construct defensible positions
- 2. utilize factual information to develop reasoned arguments
- 3. take and defend a position both verbally and in writing
- 4. evaluate both their favored position and the opposing viewpoint

Learning Activities:

1. Hook: Opening Discussion

Before beginning the lesson, I will ask the students a series of questions to review background information and address any student misconceptions. Next, I will ask students to explain what persuasive sources are and why they try to accomplish.

- What are the requirements for graduating from a public high school in the United States?
- Do you feel like all of your classes are relevant to your future?
- Do you know of any other countries that have different secondary school models?

- 2. Document Analysis: Students will be divided into small groups of 2-3 students each. Half of the groups will receive the Harvard article defending the liberal arts education model that most public schools in the United States utilize. *The other groups will receive a document of statements from Taiwanese educators about the diverse systems- academic and vocational tracks.* Students will work in small groups to record the main ideas from one of the provided the text onto their Student Worksheets. As this process occurs, I will circulate the room to check for student learning. As students record their answers, I will ask them to refer back to specific passages in their text.
- 3. Developing their position: Students work in small groups to develop a brief (2-3 minute) presentation. They will be presenting the main ideas from their position to another small group that received a different text and perspective on the controversial issue.
- 4. Presenting their position: These small groups will take turns presenting their articles to the opposing groups. As the first small group presents their position, the other group will record their notes onto the Student Worksheet and then paraphrase the opposing group's ideas. Students will not challenge, argue, or question the opposing positions yet; this will come later. After this is completed, reverse roles and complete the same process.
- 5. Group Consensus: Each group will be asked to develop their position on the controversial issue. Students can now disagree with their assigned article or could begin to develop alternative models and negotiate compromises.
- 6. Class discussion: I will first call on each of the groups to report their consensus to the class. We will then have a discussion on the benefits and negatives associated with each educational system model.
- 7. Assessment: After the group discussion, students will write a short persuasive essay, using evidence gathered in the documents, to defend which secondary school model they prefer.

Assessment:

- 1. Prior Knowledge: This will be assessed during my hook for this lesson. Before beginning the guided practice, I will ask the students a series of questions to review background information and address any student misconceptions. Next, I will ask students to explain what persuasive sources are and why they try to accomplish.
- 2. Oral Questions: I will circulate the room to check for student learning related to the main ideas of the articles. I will make an effort to observe each small group working together to record the major supporting details from their articles on the Student Worksheet. In order to ensure they are analyzing the articles and not straying from the texts, I will ask students specifically where they found ideas in the articles. Next, I will then ask students follow-up questions. These will ask students to apply their background knowledge of the Electoral College to their new positions and supporting ideas.
- 3. Formative Checks: The aforementioned oral questions will serve as one form of formative assessment to make sure that students understand the lesson's directions.
- **4.** Summative Assessments: Students will begin finishing the Structured Academic Controversy Worksheet. They will record specific supporting details from the texts. These ideas will be applied to help students develop informed positions on the controversial issue. This will be essential for student performance in the culminating assessment- a persuasive essay.

Name: Date: Contemporary World Issues
Source Worksheet
Case Issue: Which secondary school system is the most effective- the traditional liberal arts utilized by most public schools in the United States or a multiple, tracked system like Taiwan?
Directions: As you read the provided sources, record the supporting evidence which are used to support the authors' arguments.
Article #1 -"The Value of a Liberal Arts Education"
 Authors' main argument: Record specific examples of their support evidence: 1.
2.
3.
4.
5.
Article #2 –Mr. Wieburg's Report and Statements from Taiwanese educators and students • Authors' main argument:
 Record specific examples of their supporting evidence: 1.
2.
3.
4.

Case issue #2: Which country's education system best evaluates student learning- Taiwan's focus on standardized tests or the United States' more holistic approach?				
1.	Identify how standardized tests are different at every level of the school system in Taiwan, both at the end of middle school and high school (university admissions tests).			
2.	Evaluate the benefits and negative aspects of Taiwan's focus on standardized testing.			
2	If you were precident of your own country, which country's education system would you adopt in			
3.	If you were president of your own country, which country's education system would you adopt in terms of the high school system (USA- liberal arts, Taiwan- two tracks options) and standardized testing. Justify your answers.			

First Set of Documents: Although these articles are intended to defend the liberal arts model within Harvard University, the same arguments can be extended to the traditional public high school model within the United States.

http://www.admissions.college.harvard.edu/about/learning/liberal_arts.html

The Value of a Liberal Arts Education

A Harvard education is a liberal education — that is, an education conducted in a spirit of free inquiry undertaken without concern for topical relevance or vocational utility. This kind of learning is not only one of the enrichments of existence; it is one of the achievements of civilization. It heightens students' awareness of the human and natural worlds they inhabit. It makes them more reflective about their beliefs and choices, more self-conscious and critical of their presuppositions and motivations, more creative in their problem-solving, more perceptive of the world around them, and more able to inform themselves about the issues that arise in their lives, personally, professionally, and socially. College is an opportunity to learn and reflect in an environment free from most of the constraints on time and energy that operate in the rest of life.

A liberal education is also a preparation for the rest of life. The subjects that undergraduates study and, as importantly, the skills and habits of mind they acquire in the process, shape the lives they will lead after they leave the academy. Some of our students will go on to become academics; many will become physicians, lawyers, and businesspeople. All of them will be citizens, whether of the United States or another country, and as such will be helping to make decisions that may affect the lives of others. All of them will engage with forces of change — cultural, religious, political, demographic, technological, planetary. All of them will have to assess empirical claims, interpret cultural expressions, and confront ethical dilemmas in their personal and professional lives. A liberal education gives students the tools to face these challenges in an informed and thoughtful way.

~ The Task Force on General Education

In the following short essay Professor of English James Engell offers his reflection on the value of a liberal arts education:

Before students may even have decided to apply to college, it still seems important to state that significant employment opportunities as well as opportunities for excellent further education in the professional schools are open to graduates of Harvard College no matter what concentration or course of study they elect. The record on that is clear.

Even in colleges of the liberal arts and sciences such as Harvard, an emphasis on majors believed to land a good job, or to favor being admitted to law, business, or medical schools, is usually justified by an appeal to "utility," to a supposedly clear-sighted appraisal of what the "real" world demands of college graduates. This has become a dominant myth of much American higher education, and some of its strongest advocates are parents. If it is assumed that these "occupational" courses and majors are superior

preparation for adult life, and if no one steps forward to challenge that assumption, then they will seem more attractive.

On examination, the benefits of particular majors to long-term job performance or security are hard to discover. Few entry-level jobs in any field necessitate four years of specialized undergraduate study. The same holds true for professional graduate programs: it may seem that medical schools demand biology majors or that law schools want applicants with bachelor's degrees in economics, political science, or pre-law. But the professional schools themselves, especially the good ones, tell a very different story. They want flexible, adaptable minds, minds exposed to a broad range of knowledge and trained in rigorous critical thinking. They want students who can think analytically, look at life as a whole, read with interpretive skill, and write decent, well-constructed sentences.

As James Freedman, Harvard College alumnus, former Dean of the University of Pennsylvania Law School, and former president of Dartmouth, notes, "Within law schools, no less than within undergraduate colleges, the insistent student demand is for specialized, narrow, practical preparation, not breadth of inquiry and general knowledge. Yet the world for which lawyers are being prepared will require, more than ever before, both more specialization and more breadth of knowledge."

A former dean at Harvard Business School, Linda S. Doyle, who is also former president and CEO of Harvard Business School publishing, states, "Certain kinds of knowledge get outdated so fast now, particularly application-focused training for a job. . . . I certainly see that in business education. In the long run, that might get people to understand the value of a general, liberal-arts education."

Medical schools do not prefer particular majors, not even biology, as long as basic premed courses are taken successfully. The Association of American Law Schools recommends courses that stress reading, writing, speaking, critical and logical thinking. Law schools report that by the yardsticks of law review and grades, their top students come from math, classics, and literature, with political science, economics, "pre-law," and "legal studies" ranking lower.

In today's fast evolving world, leaders across the spectrum of vocations and professions need a broad imaginative and critical capacity, not a prematurely narrow point of view. In terms of the actual world, a solid liberal arts and sciences education will generally prove the most practical preparation for many demanding, high-level careers, or for the several careers that an increasing number of adults will eventually pursue. No particular concentration or area of study is inherently a better ticket to security, leadership, or personal satisfaction than another. Students should be encouraged to follow their passions and interests, not what they guess (or what others tell them) will lead to a supposedly more marketable set of skills.

Of course, higher education has a utilitarian function. In that regard, as Robert Bellah states, it possesses "its own legitimacy." Yet, it is crucial to combine and integrate that function with other aims and ends, with what Bellah calls "education for the development of character, citizenship, and culture."

A healthy system of higher education offers many rewards: scientific discoveries, eventual and even unforeseen applications, thoughtful political leadership, intelligent public discourse, cultural vitality, and an educated workforce. Higher learning serves several goals in coordination, goals that are mutually reinforcing. The aims are at once personal and social, private and public, economic, ethical, and intellectual. Harvard College exists to serve all these goals and offers a broad array of concentrations and courses for the purpose of educating the whole individual. Why? Because that

kind of education, and not one aimed at certain occupational targets, is, in the long run, the best preparation for advanced achievement.

~ James Engell, Gurney Professor of English and Professor of Comparative Literature

2nd Set of Documents- Observations and Interviews from Taipei

Mr. Wieburg's Observations from visiting Da'an Vocational School in Taipei, Taiwan

Taiwan has a completely different high school option for students who do not want to attend or are not well suited for the traditional, American system that emphasizes liberal arts education- vocational high schools. Countries from throughout Asia view Taiwan's vocational schools as models they want to duplicate and officials from China, Singapore, Malaysia, and Thailand have observed and studied this particular school.

In Taiwan, all middle school students take a series of extremely important standardized tests at the end of the school year. These scores determine which high school you can be admitted into, including both traditional and vocational schools. Students from Taiwan's vocational high schools either enter the workforce following graduation but most from this particular, prestigious school further their education in vocational-focused universities within Taiwan.

Students in the vocational high schools are placed into a specialty subject when they are first admitted; it's similar to college students in the United States picking their majors only this pathway is determined by their subject area test scores instead of making their own choice. All classes are designed to be as hands-on as possible. Students' classes are nearly evenly divided between their technical specialty and the traditional liberal arts subjects (reading, writing, math). This particular school is one of the top vocational schools in the country and offers over 40 vocational subjects (including computer programming, computer hardware, automotive repair, robotics, heating and air conditioning systems, and marketing) while other vocational schools may only offer a couple of subjects. Once students have been assigned their specialty, their classes are pre-determined in their specialty field and they do not have electives.

Developing important skills and student competitions are two of characteristics that stand out most about this school. Students have a ton of technical equipment to practice with and each gets their own designated work area. For example, students in the engineering program can use the school's 3-D printer. Students studying mechanical repairs have access to HVAC systems and new looking car. Inter-school competitions are held within every subject and each top student advances to the city and then potentially the national competition. I had a chance to witness five of the school's students preparing for an international competition which occurs every two years; this an extremely prestigious opportunity and the students have been preparing during normal school hours throughout the summer.

According to the teacher and administrator I interviewed, one of the disadvantages of this system has been the trend that some vocational schools continue to be dumping grounds for middle school students who had low scores on their standardized tests. Graduates from these vocational high schools have also been struggling with high unemployment during the past decade. The school administrators claim this is because graduates have such high expectations and do not want to take entry-level positions so they hold out for better opportunities (note that the two Taiwanese young adults I interviewed said this is not the case and that there simply aren't enough jobs in Taiwan for the young).

Mr. Wieburg's Observations from Dazhi High School (similar to traditional US schools)

Like all public high schools in Taiwan, students must pay tuition. This school costs NT\$ 10,000 (\$338 in US dollars) per semester while private schools can be 5-10 times as expensive. (The tuition at the public, vocational school was the same price) Students attend school from 7:30-5:00 but most remain at school until between 6:00-7:30. Students attend 8 classes everyday and have a one-hour lunch break (which often includes a power nap). Taiwanese students are required to participate in a club activity for one hour per week. These incoming seniors were complaining about being stressed out during their summer school university prep exam classes.

Traditionally in Taiwan, these series of standardized tests begin in January of their senior year (if they score well enough, they qualify to take more exams in June) were the only thing that determined admission to universities; grades were not considered at all. Recently a second, more holistic admission process has been introduced- the standardized tests account for only 15% of their application while a combination of their grades, club activities, and an interview make up the other 85%. Most students still prefer the traditional method of 100% standardized tests; one boy explained to me "the tests are more fair because everyone is judged on the same questions."

The teachers I had a chance to talk to were shocked and horrified that the US education system is being heavily criticized because they have been adopting so many of our policies and view us as the best model in the world. For example, I was surprised to see project-based learning (the school's teachers claimed American students are more creative because we emphasize this more) and discussion of current events emphasized so much; they have been transitioning away from the stereotypical, rote memorization that Asian countries are commonly portrayed in the US media.

The major criticism they had of the US education system was its lack of sense of student community. In Taiwan, students are assigned a "homeroom" class according to their career interests and middle school standardized test scores. They rotate with the same group of students to different classes throughout the day; they just switch teachers. The Taiwanese teachers mentioned multiple times that they thought that school violence, bullying, and school shootings occurred everywhere because of this lack of homeroom system.

Interview with our Tour Guide who grew up in Taipei (she's now a substitute teacher near Seattle)

"Although I feel like I got a decent education growing up in Taiwan, I prefer the US education system. My middle school exam scores weren't high enough so my only choice was to attend a vocational school that focused on preparing secretaries. At the time, I was okay with it because I didn't have to take university entry exams during my senior year. And I graduated with a professional license so I could work right away after graduation. But I never worked as a secretary and moved to the United States.

I think the United States has the best education system. Taiwan focuses too much on standardized tests. Those exams can't evaluate your skills, interests, or work habits. They're not a true reflection on what you really learned."

Facebook conversation with a Taiwanese university student I met in Taipei.

Mr. W: Why are you majoring in industrial design if you don't like it?

Ruby: Haha. I thought I would be a scientific researcher until I was distributed to Industrial Design. The result (standardized test scores) surprised me, my family, and my classmates. It occurs quiet frequently in Taiwan because the college entrance system. And after we have the college entrance test, we will be distributed to different college and different department.

Mr. W: Why didn't you pick a science major since it's your favorite subject?

Ruby: Because those science related departments require higher score.

Mr. W: Were you surprised by your test scores?

Ruby: Yes, I perform worse than I used to.

Mr. W: So, what is your plan if you want to become a research scientist eventually?

Ruby: I think I will finish my Industrial Design degree in college and maybe switch to another department in master degree.

Mr. W: Is that normal to be forced to major in something you don't want to?

Ruby: It's quiet common here. Many famous people study two or three almost irrelevant ones.

Mr. W: Do you like Taiwan's test system then?

Ruby: No, it is definitely not fair, but I have no idea how to change it.

Lesson # 2 DBQ- Is China a threat to the United States?

Class: 10th grade World History

Instructional Model: Document Based Question (evaluating primary and secondary sources)

Brief Description: Toward the end of a unit covering the development of 20th and 21st century Greater China, students will analyze primary sources to develop a position on the controversial issue. Students will analyze sources both from Western media as well as Chinese perspectives. Next, students will use this evidence to develop a persuasive essay on the focus question. <u>Interview quotes I collected from Chinese educators, host families, tour guides, and everyday people I encountered are included towards the end of the following series of documents to demonstrate Chinese perspectives on this issue.</u>

Related EALRs

Social Studies Skills 5.4.1 Evaluates multiple reasons or factors to develop a position paper or presentation.

History 4.3.1 Analyzes and interprets historical materials from a variety of perspectives in world history (1450—present).

Civics 1.3.1 Analyzes the relationships and tensions between national interests and international issues in the world in the past or present.

Higher Order Thinking Skills

Students will:

- 1. use supporting evidence to construct defensible positions
- 2. utilize factual information to develop reasoned arguments

<u>Preparation:</u> I will first add to the document library to include Chinese perspectives gained from personal interviews I'll conduct during the experience or resources I may discover from the Chinese educators I'm looking forward to meeting. After I have included these documents, I will cut out some of the documents from a Western perspective to make the number of documents more manageable for students. While it's impossible to determine the exact make-up and number of documents I will use during the lesson before collecting sources in China, I hope to both shorten and limit the documents to around a dozen sources.

Learning Activities:

- 1. Hook: Opening Discussion
 Before beginning the lesson, I will ask the students a series of questions to activate prior knowledge and trigger viewpoints they have already learned or heard about China
 - What is China's relationship with the United States?

- How can a country become a threat to another country?
- What are some of the recent changes China has/is undergoing?
- 2. Step 1: Reading the Documents and Pre-Bucketing: As students read each of the provided documents, they will complete a "document analysis sheet" (copies of this will be provided during the interview). As they complete an entry for each document, students will be asked to "bucket" the information; this is a term for coming up with a category or cluster for this information which will help them answer the focus question. This pre-bucketing will help students begin to develop an organizational system for their upcoming essay and help them focus on certain categories.
- 3. Step 2: Re-Bucketing: After students have finished reading each of the documents, they will develop more specific categories for their buckets. They will now place documents within their proper category.
- 4. Step 3: Thesis Statement development: Students will complete a "Chicken Foot" organizational device. This short activity will ask students to include their three main ideas, which will be the focus each of their body paragraphs, into their thesis statement. These main ideas should match their bucket categories and will help students maintain organization in their essay.
- 5. Review the expectations of the provided rubric with the students. (*Copies of this will also be provided during the interview*).
- 6. Step 4: Students will write a five paragraph, persuasive essay incorporating concrete details from the provided documents to answer the focus question.

(Document Library starts on the next page)

Document # 1

By ZHONG SHAN

A sound and stable China-U.S. economic and trade relationship is more important than ever.

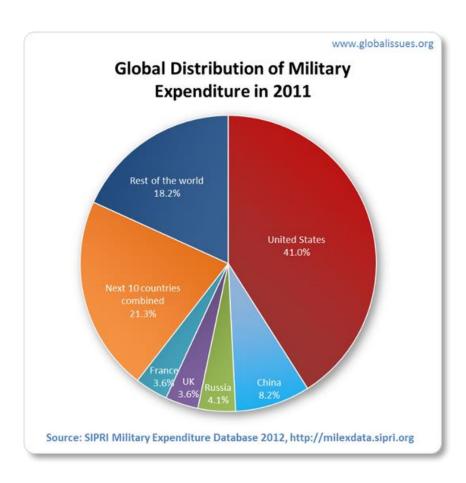
China-U.S. trade and economic cooperation has generated huge and real benefits for the United States, while China has been gaining a lot from it as well. In 2009 China jumped to become the third biggest market for U.S. exports. American companies have cumulatively invested over \$62.2 billion in 58,000 projects in China and reaped bumper harvests. Their profits in China amounted to nearly \$8 billion in 2008 alone.

Since the outbreak of the international financial crisis, China has been supporting the efforts of the American people to tackle the crisis. On the one hand, China has increased imports from the U.S. While overall U.S. exports dropped 17.9% in 2009, exports to China hardly decreased. Many U.S. manufacturing firms have found comfort in the Chinese market as a shelter against the global financial storm.

On the other hand, good value-for-money, labor-intensive goods imported from China have helped keep the cost of living down for Americans even when they become increasingly cash-strapped. Without consumer goods from China, the U.S. price index would go up an extra two percentage points every year.

http://www.china-embassy.org/eng/xw/t675646.htm

Document # 2



Document #3

US hackers attacked military websites, says China's defence ministry

Beijing has been accused by several governments and foreign companies of carrying out cyber espionage

Hackers from the US have repeatedly launched attacks on two Chinese military websites, including that of the Defence Ministry, officials say.

The sites were subject to about 144,000 hacking attacks each month last year, two thirds of which came from the US, according to China's defence ministry.

The issue of cyber hacking has strained relations between the two countries.

"The Defence Ministry and China Military Online websites have faced a serious threat from hacking attacks since they were established," defence ministry spokesman Geng Yansheng is quoted by Reuters news agency as saying at a monthly press conference.

He added that the number of attacks on these sites had steadily increased over the years.

An analysis of the IP addresses involved showed that officials had ascertained that attacks from the US accounted for 62.9 percent of the attacks made on these two website in 2012, according to Mr Geng.

He also said that reported US plans to expand its cyber warfare capabilities were unlikely to foster international collaboration.

http://www.bbc.co.uk/news/world-asia-china-21615448

28 February 2013 Last updated at 07:04 ET

Document #4

China military unit 'behind prolific hacking

A secretive branch of China's military is probably one of the world's "most prolific cyber espionage groups", a US cyber security firm has said.

Mandiant said Unit 61398 was believed to have "systematically stolen hundreds of terabytes of data" from at least 141 organisations around the world.

The White House said it has taken its concerns about cyber-theft to the highest levels of China's government.

The firm said it had traced the hacking activities of APT1 to the site of 12-storey building in the Pudong area of Shanghai. It said that Unit 61398 of the People's Liberation Army "is also located in precisely the same area" and that the actors had similar "missions, capabilities and resources".

Among the findings about APT1 in the report were that it:

- is staffed by hundreds, possibly thousands, of proficient English speakers with advanced computer security and networking skills
- has hacked into 141 companies across 20 industries, 87% based in English-speaking countries, and is able to steal from dozens of networks simultaneously
- has stolen hundreds of terabytes of information including blueprints, business plans, pricing documents, user credentials, emails and contact lists
- stayed inside hacked networks for an average of 356 days, with the longest lasting 1,764 days
- targeted industries identified by China as strategically important under its Five Year Plan for economic growth

http://www.bbc.co.uk/news/world-asia-china-21502088

19 February 2013 Last updated at 14:57 ET

Document # 5

Top Ten Countries with which the U.S. Trades

For the month of January 2013

The values given are for Imports and Exports added together.

These Countries represent 67.01% of U.S. Imports, and 59.65% of U.S. Exports in goods.

		Year To Date
	Total in	Total in
	Billions	Billions
Country Name	of U.S. \$	of U.S. \$
Canada	51.01	51.01
China	46.56	46.56
Mexico	39.50	39.50
Japan	16.36	16.36
Germany	11.83	11.83
Korea, South	8.38	8.38
United Kingdom	7.86	7.86
France	5.62	5.62
Saudi Arabia	5.27	5.27
Brazil	5.22	5.22

http://www.census.gov/foreign-trade/top/dst/current/balance.html

Document # 6

China calls in North Korean ambassador over nuclear test, demands an end to provocations

BEIJING — China's foreign minister called North Korea's ambassador in for a dressing-down and demanded his country cease making further threats, in a show of Beijing's displeasure over its ally's latest nuclear test.

Yang Jiechi delivered a "stern representation" to Ji Jae Ryong on Tuesday and expressed China's "strong dissatisfaction and firm opposition" to the test, the ministry said in a statement posted to its website.

"Yang Jiechi demanded that the Democratic People's Republic of Korea side cease talk that further escalates the situation and swiftly return to the correct channel of dialogue and negotiation," the statement said. It did not say if Ji made any response. Calls to the North Korean Embassy rang unanswered Tuesday.

Yang reiterated China's desire for peace and stability on a nuclear-free Korean Peninsula and said issues should be resolved within the framework of long-stalled denuclearization talks involving North Korea, China, the U.S., South Korea, Japan and Russia.

 $\frac{http://www.washingtonpost.com/world/asia_pacific/china-calls-in-north-korean-ambassador-over-nuclear-test-demands-an-end-to-provocations/2013/02/12/9e8cc75a-7590-11e2-9889-60bfcbb02149_story.html$

Document #7

China anger at US remarks on East China Sea islands

China's foreign ministry has strongly criticised the US for backing Japan's control of a disputed group of islands in the East China Sea.

Ministry spokesman Hong Lei said the view, expressed by Secretary of State Hillary Clinton, "neglects the facts".

Mrs Clinton had warned that the US opposed any action that would undermine Japanese administration of the islands.

The row over the islands, called Diaoyu in China and Senkaku in Japan, has left ties between Tokyo and Beijing tense.

In her comments on Friday following a meeting with Japanese Foreign Minister Fumio Kishida, Mrs Clinton said the US did not take an official view on the sovereignty of the islands

http://www.bbc.co.uk/news/world-asia-china-21124004

21 January 2013 Last updated at 08:07 ET

Document #8

Is China's Ownership Of U.S. Debt A National Security Threat?

Is <u>China</u>'s ownership of nearly \$1 trillion in U.S. Treasury debt a threat to our national security? No, it is *not* a threat.

Such is the assessment of the U.S. China <u>Business</u> Council (USBC), a lobby for U.S. multinationals doing business in China. Oh, you jest, you might say. What do you expect a pro-China lobby to say?

Consider this, the U.S. has around \$16 trillion in outstanding debt and most of it is held by us, and the bulge bracket banks here at home: Goldman Sachs, JP Morgan, Citibank, <u>Bank of America</u>. Around 7.5 percent is held by China, the biggest foreign holder of U.S. debt.

One of the reasons why China has so much Treasury holdings is because of trade. Companies put money in short term Treasury notes and bills to settle trade payments. China's government could also call all of its own holdings and demand full payment of the money it lent us in principal plus interest, but under what circumstance would they do such a thing?

It would be a national security risk if China held a position where they could dictate U.S. policy on fiscal and monetary matters. They cannot.

If the economy was crashing and China got terrified and wanted their money back, unless the U.S. defaulted, it would hand it over and there would be nothing China would get in return. Moreover, when the U.S. economy was collapsing in 2008 all the way to the 666 low on March 6 in the S&P 500, China never retreated from Treasurys, or demand Congress get its finances in order or else it would choose to buy euros, or gold instead.

http://www.forbes.com/sites/kenrapoza/2013/01/23/is-chinas-ownership-of-u-s-debt-a-national-security-threat/

Document #9

China deemed biggest threat to U.S., Russia second, DNI chief says

By Eli Lake The Washington Times

Thursday, March 10, 2011

China's nuclear arsenal poses the most serious "mortal threat" to the United States among nation states, Director of National Intelligence James Clapper told the Senate on Thursday.

In candid testimony before the Senate Armed Services Committee, Mr. Clapper said he considered China the most significant threat among nation states, with Russia posing the second-greatest threat. He later clarified the comments by saying he did not assess that China or Russia had the intention to launch an attack on the United States.

Asked by Sen. Joe Manchin III, West Virginia Democrat, what country he viewed as the greatest adversary of the United States, Mr. Clapper said: "Probably China, if the question is pick one nation state."

He added, "We have a treaty, the New START treaty, with the Russians. I guess I would rank them a little lower because we don't have such a treaty with the Chinese."

China, according to successive Pentagon reports to Congress, is building up its strategic nuclear forces and has spurned offers from the administration to begin talks on nuclear arms, missile defenses, space and cyberweapons, as well as an international agreement to limit the production of fissile material.

http://www.washingtontimes.com/news/2011/mar/10/china-deemed-biggest-threat-to-us/?page=all

Document # 10

58,500 tonnes of diplomacy

Sep 29th 2012 | from the print edition



On September 25th China unveiled its first aircraft-carrier to the world. The Liaoning is a refurbished Ukrainian carrier, expected to be joined by two made-in-China versions in the next decade. Military analysts question how much of a threat it could pose to America's 11 carrier groups, saying that Chinese forces are not yet able to land aircraft on it. But as a symbol of strength ahead of China's leadership transition—and during maritime spats with neighbouring countries—it is hard to beat

http://www.economist.com/node/21563783

Document # 11

China's economy could overtake America's within a decade

Sep 24th 2011 | from the print edition

IN 2010 CHINA shot past Japan to become the world's second-largest economy (based on current market prices). But when might it supplant America at number one? The answer depends on how the exchange rates are calculated. The IMF's forecasts and the long-run tables of GDP compiled by the late Angus Maddison, an economic historian, are based on purchasing-power parity (PPP), which makes allowances for the lower prices of non-traded services in poorer countries. On that basis, the size of China's economy is already close to America's and is likely to overtake it by 2016.

China is further behind when its economy is measured in current dollars (and much further in terms of GDP per person). America's GDP in 2010 was \$14.5 trillion at current market prices; China's was \$5.9 trillion. How quickly the gap is closed depends on three things: the relative speed of real GDP growth in China and America respectively; the inflation gap between the two economies; and the rate at which the yuan rises or falls against the dollar.

The Economist has crunched the numbers and found that, based on reasonable assumptions about these three variables, China could overtake America in the next decade. Its economy has grown by an average of more than 10% a year over the past ten years. As the country gets richer and its working-age population starts to shrink, that growth rate is likely to tail off to perhaps 8% soon. For the American economy the calculation assumed an average annual growth rate of 2.5%.

http://www.economist.com/node/21528987

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Joseph S. Nye Jr. CHINA'S RISE DOESN'T MEAN WAR...

In contrast, Germany had already surpassed Britain in industrial power by 1900, and the kaiser was pursuing an adventurous, globally oriented foreign and military policy that was bound to bring about a clash. But China today has focused its policies primarily on its region and its own economic development. China's "market-Leninist" economic model is attractive in authoritarian countries, but this so-called Beijing Consensus has the opposite effect in most democracies.

And even if China's GDP passes U.S. GDP around 2027 (as Goldman Sachs now projects), the two economies would be equivalent in size, not equal in composition. China would still face massive rural poverty and enormous inequality, and it will begin to encounter demographic problems from the delayed effects of its one-child policy. Moreover, as countries develop, there is a natural tendency for growth rates to slow. By my calculations, if China's annual growth goes down to 6 percent and the U.S. economy grows at 2 percent per year after 2030, China will not equal the United States in per capita income until decades later. So China is a long way from posing the kind of challenge to America that the kaiser's Germany posed to Britain in 1900.

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Interview with Tom Zhou- tour guide in Beijing

The United States has nothing to worry about. China is not as strong as our government advertises. They falsify and exhaggerate statistics and we're not growing as quickly as Western media portrarys. Most Chinese people like America. It's our number one tourist destination and many Chinese want to move there. I want to visit the USA to see if it's similar to the Hollywood movies.

Japan and India are threats to China, not the United States. We have fought small border wars with India and they still violate our territory. We're still angry about Japan from all of the crimes they committed against the Chinese during World War II. Those feelings are still here and will not go away.

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Interview Liu Xin- Managing Director of Chinabase Asia-Pacific Trading Company in Beijing (he exports lumber from Longview, WA; owns houses in Tacoma and Bainbridge Island; and his daughter attends Annie Wright Middle School in Tacoma)

The United States has nothing to worry about. Both of our countries have so many mutual interests. Instead of focusing on our differences, we should focus on our mutual interests. The conflicts between our countries are not significant. Both of our government leaders just need to do a better job of communicating with each other. Then the tensions will be reduced and we can grow stronger together.

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Interview with Stephen Zheng- university student in Xi'an

The United States is our partner, not a threat to China. We have a partnership. Our countries are both strong and while we will disagree at times, our problems will get resolved eventually. To us Chinese students, the United States is the land of opportunity and life is better and more fair there. I love the Chicago Bulls, Michael Jordan is my favorite. And American Idol is my favorite tv show.

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Interview with Bolun Liu- executive for Shanghai Airlines, his son attends Embry Riddle Aeronautical University in Daytona, Florida

The United States and China are two great civilizations. The Cold War was a long time ago and both China and the United States will become stronger partners in the future. I don't understand why we would fear each other. There is plenty of opportunities for both countries to grow stronger.

We need more young people to travel to each other's countries. The more exchanges we have like this, the better we will understand each other instead of having pointless fears. Both countries will benefit from these exchanges. As Confuscist wrote, travelling is the best way to understand different people and places. Now that you have experienced some of China, you (Mr Wieburg) have a moral responsibility to share what you have learned. Challenge the inaccurate stereotypes about China to reduce fear on both sides.

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Interview with a Chinese student during flight back from South Korea, he's currently studying at Seattle Central Community College and hopes to study psychology at UW

Context note: He oversaw me reading a news magazine article about the hundreds of people who die from the death penalty every year in China.

That makes me so angry! The news in both countries exaggerate so much, that just isn't true! The news channels in the United States only focus on the negative parts of China and report things that just are false. No one worries about the death penalty in China. That is a problem way in the past, not anymore. We are such a different country now. Americans think that China is still the same that it was before the 1980's. We have changed so much.

We have the same problem in China. Our news only focuses on the negative things about the United States- the violence, bullying other countries, Americans are uneducated and think they are superior. I really like it here in the USA. People are so friendly, much more friendly than people in China. I really want to see what the rest of the country is like.