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US-CHINA RELATIONS

CONTINUITY PREVAILS IN BIDEN'S FIRST 100 DAYS

BONNIE S. GLASER, GERMAN MARSHALL FUND OF THE US HANNAH PRICE, CSIS

In its final days, the Trump administration took more actions to impose costs on China for its objectionable policies and to tie the hands of the incoming Biden team. The first 100 days of President Biden's administration revealed substantial continuity in policy toward Beijing, with strategic competition remaining the dominant feature of the US-China relationship. Senior Chinese officials delivered speeches that pinned blame entirely on the US for the deterioration in bilateral ties. A round of combative, yet serious, talks took place between senior US and Chinese officials in Anchorage, Alaska. The US added new sanctions on Beijing for undermining Hong Kong's autonomy. In coordination with its allies, Washington imposed sanctions on Chinese individuals deemed responsible for carrying out genocide and crimes against humanity in Xinjiang. Steps were taken by the US to demonstrate "rocksolid" support for Taiwan in the face of stepped-up Chinese coercion. Cooperation on climate change was launched with John Kerry's visit to Shanghai to meet with his counterpart Xie Zhenhua, and Xi Jinping's participation in the US-led Leaders Summit on Climate.

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Early Signals of Intentions

As the contours of President Joe Biden's policy toward China emerged in the first 100 days of his administration, the continuities with the Trump administration were considerable. In his confirmation hearing, soon-to-be Secretary of State Antony Blinken stated that "There is no doubt that [China] poses the most significant challenge of any nation-state in the world to the United States." He maintained that Trump's tough approach to China was right, but the tactics were wrong. Five weeks after being sworn in, Blinken declared in his first major speech that the US relationship with China would "be competitive when it should be, collaborative when it can be, and adversarial when it must be. The common denominator is the need to engage China from a position of strength."

The Interim National Security Strategy Guidance released in early March confirmed that the Biden team would prioritize reinvigorating the United States and its democracy, strengthening alliances and partnerships around the world, reengaging in international institutions, and standing up to American ideals and values abroad. It set out an agenda that is aimed at enabling the US "to prevail in strategic competition with China or any other nation."

Beijing expected that the US-China relationship would continue to be fraught after the Trump administration's departure, but nevertheless hoped that bilateral ties could be stabilized, and cooperation increased. In speeches and press conferences, senior Chinese officials said that China stood ready to improve ties, but demanded that the US respect China's core interests, stop interfering in Beijing's internal affairs, and change a raft of allegedly misguided policies toward China.

Yang Jiechi, Chinese Communist Party (CCP) Politburo member and director of the Office of the Central Commission for Foreign Affairs, delivered these messages in a speech to the National Committee on US-China Relations on Feb. 1, just 10 days after Biden's inauguration. He decried the US judgment of China as a major strategic competitor and urged the Biden administration to abandon the "outdated mentality of zero-sum, major power rivalry."



Figure 1 Chinese politburo member Yang Jiechi speaking at the China-U.S. talks in Anchorage, Alaska, in the U.S. Photo: Liu Jie/Xinhua

Chinese Minister Foreign Wang Υi communicated similar points in a speech to the Lanting Forum in Beijing on Feb. 22. Arguing that the Trump administration was the "root cause" of the deterioration in US-China relations, he said it was necessary to "right the wrongs" and understand China "as it is." In between those two speeches, Blinken and Yang held their first phone call on Feb. 5. According to brief readouts, the tone was decidedly negative, and the content consisted of a pithy exchange of talking points.

President Biden and Chinese leader Xi Jinping held their first phone call on Feb. 10. Scheduled to take place just ahead of China's Lunar New Year holiday, the call was intended to convey US goodwill, but it wasn't lost on Beijing that Biden had previously spoken to more than a dozen other heads of state, including Russian President Vladimir Putin. The White House readout of the call highlighted the US president's emphasis on concerns about "Chinese coercive and unfair economic practices, crackdown in Hong Kong, human rights abuses in Xinjiang, and increasingly assertive actions in the region, including toward Taiwan."

The Chinese Foreign Ministry's <u>readout</u> suggested that Xi stressed the need to return to cooperation. Picking up on Biden's call for the US to seize possibilities, he expressed hope that "the possibilities will now point toward an improvement of China-US relations." Xi explicitly proposed that the two countries reestablish their various dialogue mechanisms.



Anchorage Talks

Biden's White House spokesman Jen Psaki told a briefing in February that the US would ensure it was in "lockstep" with its allies before engaging with Beijing. After the phone calls between Blinken and Yang, and between Biden and Xi, there were no concrete plans for a bilateral meeting. The idea of holding a round of talks arose as the US prepared for the first-ever leader-level Quad summit on March 12 and the visit by Secretary of State Blinken and Secretary of Defense Lloyd Austin to Japan and Korea for "2+2" meetings with their counterparts. US officials concluded that these successful engagements would position the US to hold a dialogue with China from a position of strength.

The meeting took place in Anchorage, Alaska, approximately halfway between Beijing and Washington, on March 18. Senior officials on both sides included Secretary of State Blinken and National Security Advisor Jake Sullivan as well as Yang Jiechi and Chinese Foreign Minister Wang Yi.



Figure 2 U.S. Secretary of State Antony Blinken and U.S. National Security Advisor Jake Sullivan meet with Chinese officials in Anchorage, Alaska. Photo: U.S. Department of State

With the cameras rolling, Blinken opened the first round with a brief but blunt statement that noted his intention to raise US concerns about Xinjiang, Hong Kong, Taiwan, cyberattacks on the United States, and economic coercion of US allies. These actions, Blinken stated, "threaten the rules-based order that maintains global stability." Yang provided a lengthy and fiery riposte that lasted about 16 minutes. He defended Chinese policies, but also criticized US policies, both at home and abroad. The entire exchange lasted over an hour, including the consecutive translation.

After the media departed, the two delegations apparently got down to business and worked through the list of issues on the agenda. Their discussions continued the following day. In a brief meeting with the press after the talks concluded, Blinken <u>said</u> that the US side achieved its goals of conveying shared US and allied concerns with the Chinese side about Chinese behavior and laying out "very clearly" US policies, priorities, and worldview.

Although there were many areas of disagreement, the US and Chinese delegations agreed that their countries' interests intersect on Iran, North Korea, Afghanistan, and climate change. In the Chinese side's briefing to the media, Yang <u>described</u> what he termed the "China-US high-level strategic dialogue" as candid, constructive, and helpful. He called for both countries to handle the bilateral relationship in the spirit of nonconflict, nonconfrontation, mutual respect, and win-win cooperation, so as to move forward the bilateral relationship on a sound and stable track.

Technology and Trade Tensions Persist

The Trump administration, in its waning days, took several actions aimed at increasing pressure on Beijing on the technology front to promote the decoupling of the US and Chinese economies and curb the flow of technology to the Chinese military. A spat with the New York Stock Exchange (NYSE) was sparked on Jan. 4 when the Exchange reversed a plan to delist three Chinese state-run telecom companies due to their failure to comply with a late-2020 Trump administration executive order that barred US investors from holding stakes in companies with alleged ties to the People's Liberation Army. An intervention by Secretary of Treasury Steve Mnuchin proved successful when the following day, the NYSE <u>reversed</u> its decision and said it would proceed to delist three Chinese telecom companies.

On Jan. 5, President Trump signed an Executive Order banning transactions with eight software apps, including Alipay, one of China's largest virtual payment platforms. The Order charged that the pace and pervasiveness of the spread in the United States of certain connected mobile and desktop applications and other software developed or controlled by persons in the People's Republic of China ... continue to threaten the national security, foreign policy, and economy of the United States.



Just over a week later, the Department of Commerce added Skyrizon to its Military End-User list and China National Offshore Oil Corporation to its Entity List, stating that both "threaten US national security." That same day, the Department of Defense added several firms to its list of "Communist Chinese military companies" operating in the United States.

The Biden administration signaled early that it would need time to review the numerous actions taken against China by the Trump administration, especially the steps taken to combat Chinese technology threats. On Jan. 26, the Treasury_Department delayed a Trump administration decision to ban Americans from investing in companies with suspected ties to the Chinese military, which was set to go into effect on Jan. 28, 2021. The decision was postponed to May 27.

Nevertheless, the Biden administration said it was resolved to compete with China for the leading position in the technologies of the 21st century. In the <u>Interim National Security Strategic Guidance</u>, the Biden White House pledged to sustain America's innovation edge and criticized China's trade practices:

When the Chinese government's behavior directly threatens our interests and values, we will answer Beijing's challenge. We will confront unfair and illegal trade practices, cyber theft, and coercive economic practices that hurt American workers, undercut our advanced and emerging technologies.

Washington maintained the Trump administration's commitment to exposing Chinese corporate influence in the United States when the Federal Communications Commission <u>identified</u> five Chinese companies as a threat to national security on March 12. Days later, the Commerce Department served subpoenas to multiple Chinese companies that provide information and communications technology and services in the US. In addition, the Securities and Exchange Commission issued its final interim amendments to the Holding Foreign Companies Accountable Act (signed into law under the Trump administration), which mandates that companies disclose their associations with the CCP.

The Biden administration also constrained China's technological advances by <u>adding</u> seven Chinese supercomputing companies to the Department of Commerce's blacklist on the

grounds that the firms were "involved with building supercomputers used by China's military actors, its destabilizing military modernization efforts, and/or weapons of mass destruction programs."

In his April 28 address to a Joint Session of Congress, Biden sounded a clarion call for the US to do what is necessary to compete successfully with China: "We're in a competition with China and other countries to win the 21st century," the president stated. "China and other countries are closing in fast. We have to develop and dominate the products and technologies of the future, the advanced batteries, biotechnology, computer chips."

On the trade front, Biden officials opted to keep tariffs in place for the time being as well as the "Phase One" trade deal in which China agreed to make large purchases of US products, including soybeans, oil and gas, and other goods. During hearing, confirmation US Representative nominee Katherine Tai stated: "I know firsthand how critically important it is that we have a strategic and coherent plan for holding China accountable to its promises." According to the Peterson Institute for International Economics, Chinese purchases in 2020 fell more than 40% short of the target for that year. Although Tai expressed a willingness to negotiate with China, USTR was mum regarding plans for trade talks.

On various occasions, Beijing expressed its desire for a mutually beneficial trade and economic relationship with the US, even as it trumpeted its "dual circulation policy" that in essence seeks to increase the world's dependence on the Chinese market while reducing Chinese dependence on foreign markets. Addressing the National Committee on US-China Relations, Chinese Politburo Member Yang Jiechi insisted that "China will always welcome US business investment in China," and called on both sides "to provide a fair, open and non-discriminatory environment for each other's companies."

In his Lanting Forum speech, Chinese Foreign Minister Wang Yi called for the US to "remove unreasonable tariffs on Chinese goods, lift its unilateral sanctions on Chinese companies ... and abandon irrational suppression of China's technological progress, so as to create necessary conditions for China-US cooperation."



Speaking to US business leaders on April 13, Chinese Premier Li Keqiang reiterated China's desire to remain economically tied to the US. "Decoupling does no good to either side and will hurt the world," he asserted. Li entreated the business tycoons to help "promote cooperation by making a bigger pie of common interests and safeguard the safety and stability of the industrial and supply chains."



Figure 3 Chinese Premiere Li Keqiang speaking at a virtual dialogue with U.S. business leaders. Photo: Xinhua/Pang Xinalei

Biden Sustains Pressure as Beijing Tightens Control Over Hong Kong

As Beijing continued to implement policies that stripped Hongkongers of their democratic rights and more tightly integrated Hong Kong into China's authoritarian system, the United States responded with sharp condemnations and sanctions. In early January, as the Trump administration counted down its final weeks in office, then-Secretary of State Mike Pompeo denounced the arrest of over 50 politicians and prodemocracy advocates by local authorities in Hong Kong.

A few days later, the US designated six PRC and Hong Kong officials deemed responsible for undermining Hong Kong's freedoms and democratic processes pursuant to President Trump's Executive Order on Hong Kong Normalization. Announcing the new sanctions, Pompeo called on the PRC and Hong Kong authorities to immediately release individuals targeted under the National Security Law for exercising rights and freedoms guaranteed under the Basic Law and the Sino-British Joint Declaration.

In a parting shot at the Trump administration, China declared that it was imposing reciprocal sanctions on outgoing senior US executive branch officials, members of Congress, and non-governmental organizations, as well as their immediate family members. China's Foreign Ministry spokesman <u>decried</u> US interference in Hong Kong's affairs, warning Washington to "not proceed farther down this erroneous and dangerous path."

Beijing knew, however, that the Biden administration was unlikely to change course in its policy toward Hong Kong. After the arrest of the prodemocracy advocates in early January, Antony Blinken, Biden's pick for secretary of state, tweeted that "The Biden-Harris administration will stand with the people of Hong Kong and against Beijing's crackdown on democracy."

In his lengthy phone call with Xi in February, Biden <u>raised</u> concerns about China's crackdown in Hong Kong, and pledged to stand up for human rights and fundamental freedom. He followed that up with action on March 11 in response to the decision by China's National People's Congress (NPC) to change Hong Kong's electoral system in ways that would further limit political participation and democratic representation. The NPC decision accompanied by a statement by Premier Li Kegiang that its aim was to uphold the principle of "patriots governing Hong Kong." Blinken issued a statement condemning Beijing's "continuing assault on democratic institutions in Hong Kong." The next day, the foreign ministers of the G7 <u>released</u> a joint statement expressing "grave concerns" about China's erosion of Hong Kong's electoral system and the mass arrests of pro-democracy activists and politicians.

To demonstrate the willingness of the Biden administration to impose costs on China for its behavior, on March 16 the US added new sanctions against two dozen Chinese officials it claimed had reduced Hong Kong's high degree of autonomy. Under the Trump administration, the 24 individuals had been banned from visiting the US and had their assets within US jurisdiction frozen. The new measures subjected foreign financial institutions to US sanctions if they knowingly conducted business with the designated officials.

The timing of the new sanctions—only days before senior US and Chinese officials were due to meet in Alaska—was undoubtedly intended to underscore the Biden administration's resolve to continue the Trump administration's tough stance on China.



The following month the US demonstrated again that it would sustain pressure on Beijing by calling out its policies and actions to snuff out democracy in Hong Kong. On April 16, Blinken condemned the sentencing of seven prodemocracy leaders "for doing nothing more than exercising protected rights and fundamental freedoms."

Biden Administration Signals "Rock Solid" Support for Taiwan

The final act of the Trump administration in its policy toward Taiwan was rolled out on Jan. 9: longstanding restrictions on official interactions between the United States and Taiwan—known as the "contact guidance" -- were eliminated. The decision was announced by Mike Pompeo, who claimed that the self-imposed restrictions had been put in place "in an attempt to appease the Communist regime in Beijing."

In what would have been a potentially consequential policy decision, Pompeo also announced that US Ambassador to the United Nations Kelly Craft would travel to Taipei, but only a few days later, the visit was abruptly canceled, without explanation. Unable to fly to Taiwan to deliver her message of support, Craft made a statement in the UN General Assembly Hall, calling for the world to oppose China's efforts to isolate Taiwan and exclude it from the international community.

The Biden team lost no time in showing its support for Taiwan. Senior Biden administration officials arranged for a formal invitation to be issued to Bi-khim Hsiao, Taiwan's de-facto ambassador to Washington, to attend Joe Biden's inauguration. On Jan. 23 and 24, Beijing displayed its ire by flying nuclear-capable bombers and fighter jets into Taiwan's air defense identification zone.

The US State Department voiced concern about Chinese intimidation in a statement, which specifically urged Beijing to halt its pressure against Taiwan and engage in meaningful dialogue with the island's democratically elected representatives. The statement reiterated US commitment to the Three Communiqués, the Taiwan Relations Act (TRA), and the Six Assurances. "Our commitment to Taiwan is rock-solid," the statement asserted, using a phrase that is likely to become part of the Biden administration's mantra for its Taiwan policy.

At the meeting between senior US and Chinese officials in Anchorage, the Chinese side <u>called</u> for the US to stop official exchanges and military contacts with as well as arms sales to Taiwan, and cease helping Taipei expand its participation in international organizations. They also urged the US to abide by the "one-China principle," to not send "wrong signals" to those supporting Taiwan independence, and to not cross China's bottom line.

After those discussions, some US officials signaled growing worry that China might use force against Taiwan. One senior US official told the *Financial Times* that China appeared to be "more impatient and more prepared to test the limits and flirt with the idea of unification." The official suggested that Xi Jinping might take more risks to make progress toward unification to bolster his legitimacy and solidify his legacy.

Reflecting greater concern about the potential for Chinese use of force against Taiwan, Blinken issued a warning in an interview on "Meet the Press" on April 9. Asked if the US is prepared to defend Taiwan militarily, Blinken reaffirmed US commitments under the TRA to make sure that Taiwan has the ability to defend itself and to sustain peace and security in the Western Pacific. He then <u>cautioned</u> that "it would be a serious mistake for anyone to try to change the existing status quo by force."



Figure 4 Taiwan Air Force personnel standing guard. Photo: Ritchie B Tongo/EPA-EFE/Shutterstock

The same day, the State Department issued new contact guidance for US government interactions with counterparts from Taiwan. While the details were kept classified, the official <u>statement</u> maintained that the new guidelines liberalize contacts, but remain consistent with the US "one-China Policy." Explaining the intent of the change in policy, US officials said that rather than hamper contacts between US officials and officials from Taiwan,



the Biden administration hopes to encourage more engagement.

In another action to demonstrate its support for Taiwan and strengthen deterrence, Biden dispatched former Senator Chris Dodd and former deputy secretaries of State Richard Armitage and James Steinberg to Taiwan in mid-April to mark the 42nd anniversary of the TRA. According to one official, the "unofficial delegation" was intended as a "personal signal of the president's commitment to Taiwan's democracy. China viewed the visit as inconsistent with the US "one-China" policy. Its foreign ministry spokesman warned the US "to avoid further grave damage to China-US relations and peace and stability across the Taiwan Strait."

A few days later, Biden hosted Japanese Prime Minister Suga Yoshihide at the White House. In their <u>Joint Statement</u>, the two leaders "underscore[d] the importance of peace and stability across the Taiwan Strait and encourage[d] the peaceful resolution of cross—Strait issues. It marked the first inclusion of Taiwan in a joint US-Japan Leaders Statement since 1969.

Between Jan. 1 and April 30, the US Navy conducted four transits through the Taiwan Strait. USN destroyers sailed through the Strait on Feb. 4, Feb. 24, May 10, and April 7. Statements issued by the US Navy asserted that the sailings were part of the US commitment to a free and open Indo-Pacific.

Friction Over Xinjiang Intensifies

One of the final actions of the Trump administration against China was taken on Jan. 13 when the US announced a ban on the import of cotton and tomatoes from China's Xinjiang province. The ban claimed such products were made with forced labor and further stated, "[US Customs and Border Protection] will not tolerate the Chinese government's exploitation of modern slavery to import goods into the United States." This action was not insignificant: the US imported an estimated \$9 billion in cotton and \$10 billion in tomatoes from China in 2020.

To pressure the next administration to maintain the Xinjiang boycott, Secretary of State Pompeo <u>stated</u> on Fox News on his last day in office that China had "committed genocide and crimes against the predominantly Muslim Uyghurs." It marked the first time that the Trump administration had accused China of genocide in Xinjiang.

Upon taking office, Biden administration officials quickly echoed that position, which was unsurprising since the team had <u>labeled</u> Chinese atrocities in Xinjiang as genocide during the presidential campaign. On his first full day at the State Department, Blinken <u>stated</u>: "My judgment remains that genocide was committed against the Uighurs and that hasn't changed." That assessment was later adopted officially in the State Department's annual Country Reports on Human Rights, <u>released</u> on March 31.

On March 22, the US imposed <u>sanctions</u> on two Chinese government officials for their connection with human rights abuses in Xinjiang. Demonstrating that the US wasn't alone in opposing Beijing's policies, the action was coordinated with the United Kingdom, the European Union, and Canada, which <u>announced</u> their own sanctions on China that same day.

Washington's actions in coordination with other leading Western countries prompted Beijing to launch a major counterattack. On Feb. 22, Wang Yi<u>called</u> for the US to "stop undermining China's sovereignty and security on internal affairs concerning ... Xinjiang." In response to the sanctions, China called for boycotts of Western brands (including Nike, H&M, Adidas, and Burberry) that prohibited the use of cotton created in Xinjiang, and imposed sanctions of its own on US and Canadian officials, as well as British and EU politicians and organizations.



Figure 5 Cotton workers in China's Xinjiang region. Photo: AFP-Getty Images file via NBC News

China's Foreign Ministry spokesperson insisted that relevant parties "stop political manipulation on Xinjiang-related issues, stop interfering in China's internal affairs in any form and refrain from going further down the



wrong path. Otherwise, they will get their fingers burnt." In a speech to the Council on Foreign Affairs on April 23, Wang Yi, <u>stated</u> that "genocide and forced labor are big lies fabricated for political motives on matters related to China's Xinjiang."

The US remained cautious, however, when talking publicly about whether the Biden administration would seek to use the 2022 Beijing Olympics as a lever to compel China to alter its policies in Xinjiang. Asked by a reporter whether the US was considering a boycott, Secretary of State Blinken said that President Biden is "listening to the concerns" of many countries and will decide what to do at the appropriate time.

Testing Cooperation: Iran and Climate Change

With the inauguration of President Biden, the potential for cooperation between the US and China resurfaced, though both sides recognize that there are only a few areas where their interests converge sufficiently to work together. The first sign of possible cooperation came in early February, when Chinese Vice Foreign Minister Ma Zhaoxu held a phone conversation with US Special Envoy for Iran Robert Malley on the Iranian nuclear issue.

The next day, Chinese Foreign Minister Wang Yi visited Tehran and signed a 25-year trade and security cooperation agreement. On the eve of Wang's departure for Iran, a Chinese Foreign Ministry spokesman <u>called</u> for the US to "take substantive measures to lift its unilateral sanctions on Iran" and for Iran "to resume reciprocal compliance with its nuclear commitments."

In April, US officials participated in virtual talks with counterparts from France, Germany, the United Kingdom, the European Union, Russia, Iran, and China to attempt to make progress toward a return to the 2015 nuclear deal with Iran. While blaming the setbacks on the US for withdrawing from the deal during the Trump administration, Beijing also said that it welcomed Washington's return to the talks.

Cooperation also appeared promising on climate change. One week after Biden's inauguration, US Climate Envoy John Kerry said that working with China on climate change should be compartmentalized from areas of bilateral competition. "Climate is a critical stand-alone issue that we have to deal on," Kerry said,

insisting that there would be no tradeoffs made with other issues such as intellectual property theft or the South China Sea.

In March, Kerry attended a virtual climate conference chaired by China's Special Envoy for Climate Affairs Xie Zhenhua. The US decision to join the annual meeting of the Ministerial on Climate Action marked the Biden administration's re-engagement on climate matters and marked the first engagement between Kerry and Xie.

Ahead of President Biden's Leaders' Summit on Climate in the third week of April, Kerry visited Shanghai for two days to discuss climate-related issues with Xie Zhenhua. Following their discussions, the two special envoys released a joint statement which affirmed the two countries' commitment to working together and with other countries to strengthen implementation of the Paris Agreement. They also committed their countries to take other actions to address the climate crisis.

Xi Jinping, Joe Biden, and 38 leaders from other countries delivered speeches to the Leaders' Summit on April 22. Biden pledged that the US would cut greenhouse gas emissions in half from 2005 levels by 2030. Xi avoided making concrete targets but said that China would "strictly control" coal-fired power plants in its current five-year plan and "phase down" such plants over the following five years.

Xie Zhenhua said that the US and China may <u>establish</u> a joint working group on climate change in the near future and revealed that both countries had agreed to unveil their plans to achieve carbon neutrality before the COP26 Glasgow summit in November.

What's to Come?

The first 100 days of the Biden administration reaffirmed the centrality of strategic competition in the US-China relationship, but overall US strategy toward China is not yet fully formed. A number of policy reviews are still being conducted by the Biden team, including on technology, trade, and defense. Nominees for key positions responsible for policy toward have not vet been confirmed. Nominations have not yet been made for the post of ambassador to China and the important job of the head of the Commerce Department's Bureau of Industry and Security, which oversees exports of critical US technology to China. A



review of risks to critical supply chains and a DoD task force on China are both set to conclude early June.

China's calendar of important events will be full for the next two years. In July, China will commemorate the 100th anniversary of the founding of the Chinese Communist Party. In February 2022, Beijing is scheduled to host the XXIV Olympic Winter Games. Later in the fall, China will hold the 20th Party Congress that will mark the end of Xi Jinping's second term in power and the unprecedented start of his third term.

Both countries are digging in for a prolonged contest, but it remains to be seen how the relationship will play out over the next four years. Will the US and China be able to effectively cooperate on climate change, Iran, North Korea, or other issues? Will bilateral dialogues be launched to address differences on trade, and to manage security competition? Will Xi and Biden hold a summit later this year or early next year? The coming months are likely to provide answers to these important questions.



CHRONOLOGY OF US-CHINA RELATIONS

JANUARY - APRIL 2021

Jan. 5, 2021: New York Stock Exchange <u>reverses</u> plans to delist three Chinese state-run telecoms groups to comply with a Trump administration executive order that bars US investors from holding stakes in companies with alleged ties to the Chinese military.

Jan. 5, 2021: US Treasury Secretary Steven Mnuchin <u>calls</u> NYSE president Stacey Cunningham to say that he disagreed with the exchange's decision to reverse course on the Chinese Telecom delisting.

Jan. 5, 2021: US President Donald Trump <u>signs</u> an executive order banning transactions with eight Chinese software applications, including Ant Group's Alipay.

Jan. 6, 2021: NYSE reverses decision and again <u>announces</u> plan to delist the Chinese state-run telecoms.

Jan. 6, 2021: US Secretary of State Mike Pompeo issues statement condemning China's arrest of more than 50 prodemocracy politicians and activists. The statement includes an announcement that US Ambassador to the United Nations Kelly Craft will visit Taiwan.

Jan. 9, 2021: China's Ministry of Commerce issues new rules requiring companies to report if they have been "prohibited or restricted by foreign legislation and other measures from engaging in normal economic, trade and related activities," in an effort to fight back against commercial bans from the US.

Jan. 9, 2021: Secretary Pompeo <u>announces</u> removal of restrictions on official interactions between the US and Taiwan.

Jan. 13, 2021: US abruptly <u>cancels</u> Ambassador Craft's upcoming trip to Taiwan.

Jan. 13, 2021: US <u>announces</u> a ban on the import of cotton and tomatoes from China's Xinjiang province, alleging some products are made with "slave labor."

Jan. 13, 2021: US Special Coordinator for Tibetan Issues <u>participates</u> in a virtual meeting with the Dalai Lama.

Jan. 14, 2021: US Commerce Department <u>adds</u> China National Offshore Oil Corporation (CNOOC) to the Entity List and Skyrizon to the Military End-User List, stating that both "threaten US national security."

Jan. 14, 2021: US Department of Defense <u>releases</u> names of additional companies added to the list of "Communist Chinese military companies" operating in the US.

Jan. 14, 2021: Secretary Pompeo <u>delivers</u> a press statement entitled "Protecting and Preserving a Free and Open South China Sea."

Jan. 15, 2021: Pompeo <u>delivers</u> press statement urging the WHO to conduct a thorough investigation of the origin of COVID-19.

Jan. 15, 2021: Pompeo <u>announces</u> that the US is sanctioning six PRC and Hong Kong officials after pro-democracy arrests in Hong Kong.

Jan. 18, 2021: China <u>announces</u> the imposition of reciprocal sanctions on US individuals in retaliation for the US imposition of sanctions against six PRC and Hong Kong officials, as well as <u>sanctioning</u> US officials who have "performed badly on the Taiwan question."

Jan. 19, 2021: Pompeo <u>determines</u> that China has "committed genocide and crimes against the predominantly Muslim Uyghurs."

Jan. 20, 2021: Chinese Ministry of Foreign Affairs <u>announces</u> sanctions against Trump administration officials including Secretary Pompeo and National Security Advisor Robert O'Brien.

Jan. 23, 2021: US State Department <u>urges</u> Beijing to cease military, diplomatic, and economic pressure against Taiwan in a press release.



Jan. 26, 2021: US Treasury Department delays implementation of a Trump administration ban on Americans investing in companies with suspected ties to the Chinese military from Jan. 28 to May 27, which had been imposed by Donald Trump after he lost the presidential election.

Jan. 27, 2021: US Special Climate Envoy John Kerry <u>says</u> at a press conference that the US must deal with China on climate change as a "critical standalone issue," adding that the Biden administration will not trade concessions on human rights and trade for climate cooperation.

Jan. 28, 2021: US-China Economic and Security Review Commission <u>holds</u> a hearing titled "US-China Relations at the Chinese Communist Party's Centennial."

Jan. 29, 2021: Jake Sullivan, national security advisor to President Biden, <u>comments</u> on the US-China relationship, while participating in the US Institute of Peace's *Passing the Baton* event.

Feb. 1, 2021: Yang Jiechi, Politburo member and director of the Office of the Central Committee for Foreign Affairs, gives a speech on US-China relations and prospects for the future at the invitation of the National Committee on US-China Relations.

Feb. 4, 2021: US 7th Fleet Destroyer the USS *John S. McCain* transits the Taiwan Strait.

Feb. 5, 2021: USS *John S. McCain* conducts Freedom of Navigation Operation in the South China Sea.

Feb. 5, 2021: US Secretary of State Anthony Blinkin <u>speaks</u> by phone with China's Director of the Office of the Central Commission of Foreign Affairs Yang Jiechi.

Feb. 9, 2021: USS *Theodore Roosevelt* and Nimitz Carrier Strike Groups <u>conduct</u> dual carrier operations in the South China Sea.

Feb. 10, 2021: President Biden <u>announces</u> formation of a Department of Defense China Task Force to provide a baseline assessment of department policies, programs, and processes in regard to the challenge that China poses.

Feb. 10, 2021: President Biden <u>speaks</u> by phone with President Xi Jinping of China.

Feb. 10, 2021: US Special Envoy for Iran Robert Malley and China Vice Foreign Minister Ma Zhaoxu <u>hold</u> phone conversation, at the former's request, to exchange views on the Iranian nuclear issue.

Feb. 17, 2021: USS *Russell*, a destroyer of the US 7th Fleet, <u>conducts</u> a freedom of navigation operation in the South China Sea.

Feb. 18, 2021: US-China Economic and Security Review Commission <u>holds</u> hearing on deterring PRC aggression toward Taiwan.

Feb. 19, 2021: Biden <u>asserts</u> that the US and Europe, along with allies in the Indo-Pacific region, must prepare for "long-term strategic competition with China," while participating in the 2021 Virtual Munich Security Conference.

Feb. 22, 2021: China State Councilor and Minister of Foreign Affairs Wang Yi <u>calls</u> for the US to lift trade restrictions, stop "smearing" the Chinese Communist Party and China's political system, stop supporting "separatist forces" in Taiwan, and stop interfering in China's internal affairs in Tibet, Xinjiang, and Hong Kong.

Feb. 22, 2021: US delegation to the World Trade Organization (WTO) <u>reiterates</u> its position that the US's new origin marking requirement for Hong Kong is not subject to adjudication by the WTO as it is a matter of national security for the US.

Feb. 24, 2021: USS *Curtis Wilbur*, an Arleigh Burke-class guided missile destroyer, <u>transits</u> the Taiwan Strait as part of the US's "commitment to a free and open Indo-Pacific."

March 1, 2021: Office of the United States Trade Representative <u>issues</u> its "2021 Trade Policy Agenda and 2020 Annual Report," in which it makes the "widespread human rights abuses of the Chinese Government's forced labor program" Xinjiang a top priority.

March 3, 2021: Biden <u>releases</u> Interim National Security Strategic Guidance that emphasizes the growing US-China rivalry and the strategic challenges posed by an increasingly assertive China.



March 7, 2021: Wang Yi <u>warns</u> the US to not cross red lines on the one-China Principle.

March 10, 2021: USS *John Finn*, an Arleigh Burke-class guided missile destroyer, <u>transits</u> the Taiwan Strait as part of the US's "commitment to a free and open Indo-Pacific."

March 11, 2021: Secretary Blinken <u>issues</u> a press statement condemning China's assault on Hong Kong's democratic institutions and basic law.

March 12, 2021: US Federal Communications Commission's Public Safety and Homeland Security Bureau <u>designates</u> five Chinese companies as posing a threat to national security.

March 12, 2021: Secretary Blinken joins G7 foreign ministers and the High Representative of the European Union in a joint statement condemning changes made to Hong Kong's electoral laws by China's National People's Congress.

March 14, 2021: US and Japan issue a 2+2 statement which says that "China's behavior, where inconsistent with the existing international order, presents political, economic, military, and technological challenges to the US-Japan Alliance and to the international community."

March 16, 2021: Treasury Department <u>sanctions</u> 24 Chinese and Hong Kong officials over Beijing's changes to Hong Kong's electoral system that took place on March 11.

March 17, 2021: State Department <u>issues</u> an updated report on the Hong Kong Autonomy Act to take the changes into account that were made to Hong Kong's electoral system on March 11.

March 17, 2021: US Commerce Department serves subpoenas on multiple Chinese companies that provide information and communications technology and services (ICTS) in the US.

March 17, 2021: Asked by a reporter while in Tokyo if the US is considering boycotting the 2022 Beijing Olympics, Secretary Blinken <u>says</u> President Biden is "listening to the concerns" of many countries and will decide what to do at the appropriate time.

March 17, 2021: Senate Foreign Relations Committee holds a <u>hearing</u> on "Advancing Effective US Policy for Strategic Competition with China in the Twenty-First Century."

March 18-19, 2021: Chinese Politburo member Yang Jiechi and Chinese Foreign Minister Wang Yi hold meetings with Secretary Blinken and US National Security Adviser Jake Sullivan in Anchorage, Alaska.

March 22, 2021: Treasury Department, Office of Foreign Assets Control <u>adds</u> two Chinese nationals to their Specially Designated Nationals List in a set of Myanmar-related sanctions.

March 22, 2021: Treasury Department, Office of Foreign Assets Control <u>sanctions</u> two current Chinese government officials for their connection with human rights abuses in Xinjiang.

March 22, 2021: State Department <u>issues</u> a joint statement with Canada and the United Kingdom opposing China's human rights abuses in Xinjiang.

March 23, 2021: US Climate Envoy John Kerry attends the Ministerial on Climate Action, and meets with China's Special Envoy for Climate Affairs Xie Zhenhua.

March 24, 2021: US Securities and Exchange Commission issues interim final amendments to implement the Holding Foreign Companies Accountable Act which, in part, explicitly mandates that companies disclose their association with the Chinese Communist Party.

March 24, 2021: Blinken gives a speech at the NATO Headquarters in Brussels, Belgium, titled "Reaffirming and Reimagining America's Alliances," which, in part, focuses on China.

March 25, 2021: Biden makes extensive <u>remarks</u> on China during his first formal news conference.

March 26, 2021: China <u>calls</u> for boycotts of Western brands that prohibited the use of cotton created in Xinjiang.



March 27, 2021: China announces sanctions on US and Canadian individuals and entities in retaliation for imposing sanctions on Chinese persons and entities in Xinjiang. The Americans sanctioned include the Chair of the United States Commission on International Religious Freedom (USCIRF) Gayle Manchin, and USCIRF Vice Chair Tony Perkins.

March 27, 2021: In a formal press statement, Secretary Blinken <u>condemns</u> PRC sanctions on US officials as "baseless."

March 29, 2021: US Ambassador to Palau, John Hennessey-Niland, <u>visits</u> Taiwan as part of a delegation from Palau.

March 30, 2021: Department of State <u>releases</u> the 2020 Report on Human Rights, which makes official the Biden administration's charge that China is committing genocide against Uyghurs in Xinjiang.

March 31, 2021: US Department of State <u>issues</u> the 2021 Hong Kong Policy Act Report, which certifies that Hong Kong does not warrant treatment under US law in the same manner as US laws were applied to Hong Kong before July 1, 1997.

April 4, 2021: USS *Theodore Roosevelt* Carrier Strike Group <u>enters</u> the South China Sea to "conduct routine operations."

April 7, 2021: US 7th Fleet Destroyer, the USS *John S. McCain*, transits the Taiwan Strait.

April 8, 2021: US Department of Commerce <u>applies</u> export controls on seven Chinese entities for aiding PLA weapons development.

April 9, 2021: US Press Secretary Jen Psaki <u>states</u> that Chinese actions around Taiwan are "potentially destabilizing."

April 9, 2021: US issues <u>new</u> contact guidance for US government interactions with Taiwan counterparts, though the details remain classified.

April 11, 2021: Speaking on "Meet the Press," Secretary Blinken <u>reaffirms</u> the Taiwan Relations Act and states "it would be a serious mistake for anyone to try to change the existing status quo by force."

April 13, 2021: Former Senator Chris Dodd and former Deputy Secretaries of State Richard Armitage and James Steinberg <u>travel</u> to Taiwan at the request of President Biden.

April 13, 2021: US Office of the Director of National Intelligence issues the "2021 Annual Threat Assessment of the US Intelligence Community" wherein it notes that "China increasingly is a near-peer competitor, challenging the United States in multiple arenas—especially economically, militarily, and technologically—and is pushing to change global norms."

April 13, 2021: Chinese Premier Li Keqiang holds virtual dialogue with board chairmen and CEOs from the US-China Business Council and over 20 US multinational companies.

April 14, 2021: Climate Envoy Kerry meets China's Special Envoy for Climate Affairs Xie Zhenhua in Shanghai to discuss the potential for US-China climate cooperation.

April 15, 2021: US-China Economic and Security Review Commission <u>holds</u> a hearing on "An Assessment of the CCP's Economic Ambitions, Plans, and Metrics of Success."

April 16, 2021: US and Japan <u>issue</u> a Joint Leaders' Statement, in which they outline joint objections to China's actions in the East China Sea, South China Sea, Taiwan, Hong Kong, and Xinjiang.

April 16, 2021: Blinken <u>condemns</u> the sentencing of seven prodemocracy leaders in Hong Kong.

April 17, 2021: Kerry and China Special Envoy for Climate Change Xie Zhenhua <u>issue</u> a joint statement addressing the Climate Crisis.

April 21, 2021: US Senate Foreign Relations Committee <u>passes</u> the *Strategic Competition Act.*

April 22, 2021: Xi Jinping <u>delivers</u> remarks at the US-led Leaders Summit on Climate.

April 22, 2021: US Federal Communications Commission <u>institutes</u> new sponsorship identification requirements for foreign government-provided programming, and specifically lists the Chinese government as being involved in media disinformation.



April 28, 2021: In a speech to a joint session of Congress, Biden <u>states</u> that the US is in competition with China "to win the 21st century."

April 30, 2021: US State Department <u>calls</u> for Taiwan to be allowed to participate in the upcoming World Health Assembly.

Chronology by CSIS Research Interns Benjamin Parker and Tyler Hayward



and economics of both South and North Korea for, amongst others, the *Economist Intelligence Unit, Oxford Analytica*, and *BBC World Service*. Between 1991 and 1997 he lectured on sociology at the universities of Hull, Dar es Salaam (Tanzania), and Leeds. A prolific writer on and frequent visitor to the Korean Peninsula, he has lectured on Korean and kindred topics to varied audiences in 20 countries on every continent. He studied Classics at Eton, Philosophy, Politics, and Economics at Balliol College Oxford, and Sociology at Hull.

Bonnie Glaser is director of the Asia Program at the German Marshall Fund of the United States. She was previously senior adviser for Asia and the director of the China Power Project at the Center for Strategic and International Studies. Ms. Glaser is concomitantly a nonresident fellow with the Lowy Institute in Sydney. Australia, and a senior associate with the Pacific Forum. For more than three decades, Ms. Glaser has worked at the intersection of Asia-Pacific geopolitics and U.S. policy. From 2008 to mid-2015, she was a senior adviser with the CSIS Freeman Chair in China Studies, and from 2003 to 2008, she was a senior associate in the CSIS International Security Program. Prior to joining CSIS, she served as a consultant for various U.S. government offices, including the Departments of Defense and State. Ms. Glaser has published widely in academic and policy journals, including the Washington Quarterly, China Quarterly, Asian Survey, International Security, Contemporary Southeast Asia, American Foreign Policy Interests, Far Eastern Economic Review, and Korean Iournal of Defense Analysis, as well as in leading newspapers such as the New York Times and International Herald Tribune and in various edited volumes on Asian security. She is also a regular contributor to the Pacific Forum web journal Comparative Connections. She is currently a board member of the U.S. Committee of the Council for Security Cooperation in the Asia Pacific and a member of both the Council on Foreign Relations and the International Institute for Strategic Studies. She served as a member of the Defense Department's Defense Policy Board China Panel in 1997. Ms. Glaser received her B.A. in political science from Boston University and her M.A. with concentrations in international economics and Chinese studies from the Johns Hopkins School of Advanced International Studies.

Brad Glosserman is deputy director of and visiting professor at the Tama University Center for Rule Making Strategies and senior advisor for Pacific Forum, where, among other things, he co-edits Comparative Connections. For 15 years, he was the executive director of Pacific Forum. He is the author of *Peak Japan: The End* of Grand Ambitions (Georgetown University Press, 2019), and co-author, with Scott Snyder, of The Japan-Identity Clash (Columbia University Press, 2015). He has authored dozens of monographs on topics related to US foreign policy and Asian security. His opinion articles and commentary have appeared in media around the world. Prior to joining Pacific Forum, he was, for 10 years, a member of *The Japan Times* editorial board, and continues to serve as a contributing editor for the newspaper. Glosserman has a J.D. from George Washington University, an M.A. from Johns Hopkins University's School of Advanced International Studies (SAIS) and a B.A. from Reed College.

Chin-Hao Huang is assistant professor of political science at Yale-NUS College. Prior to this, he served as researcher at the Stockholm International Peace Research Institute (SIPRI) in Sweden, and at the Center for Strategic and International Studies (CSIS) in Washington, DC. He specializes in international politics, especially with regard to China and the Asia-Pacific region. Huang is the recipient of the American Political Science Association (APSA) Foreign Policy Section Best Paper Award (2014) for his research on China's compliance behavior in multilateral security institutions. His publications have appeared in The China Quarterly, The China Journal, International Peacekeeping, and in edited volumes through Oxford University Press and Routledge, among others. He has testified and presented on China's foreign affairs before the US-China Economic and Security Review Commission, and has also served as a consultant for US and European foundations, governments, and companies on their strategies and policies in Asia. He received his Ph.D. in political science from the University of Southern California and B.S. with honors from Georgetown University.

David J. Keegan is adjunct lecturer in the Chinese Studies Program at Johns Hopkins School of Advanced International Studies, where he teaches a seminar on Taiwan and its relations with the United States and mainland China. He has also taught area studies courses on China, Northeast Asia, and the Pacific at the State Department Foreign Service Institute. holds a Ph.D. in Chinese History from the University of California, Berkeley. Dr. Keegan served as a Foreign Service Officer in the U.S. State Department for thirty years, specializing in China, Taiwan, and the Asia Pacific region. Among his assignments, he served as Deputy Director of the American Institute in Taiwan and Deputy Chief of Mission and Chargé at the U.S. Embassy in New Zealand. Dr. Keegan also served as: Director of the Office of Taiwan Policy in the Bureau of East Asian and Pacific Affairs.

Kei Koga is assistant professor at the Public Policy and Global Affairs Programme, School of Social Sciences, Nanyang Technological University (NTU) and affiliated with S. Rajaratnam School of International Studies (RSIS). He has published on topics that include East Asian security, US and Japanese foreign policies, the US-Japan alliance, and ASEAN. His recent publications include Reinventing Regional Security Institutions in Asia and Africa" (Routledge 2017), and his articles appear in International Studies Review (by International Studies Association), Chinese Journal of International Politics, Australian Journal of International Affairs, Journal of

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