

FEATURE



UNITED STATES INSTITUTE OF PEACE

Biden and Xi at APEC:

Averting Further Crisis in U.S.-China Relations

While the meeting yielded no major breakthroughs, it might succeed in preventing further deterioration in bilateral ties.

BY: Carla Freeman, Ph.D.; Rosie Levine; Ryan Sung; Lyndi Tsering

Thursday, November 16, 2023

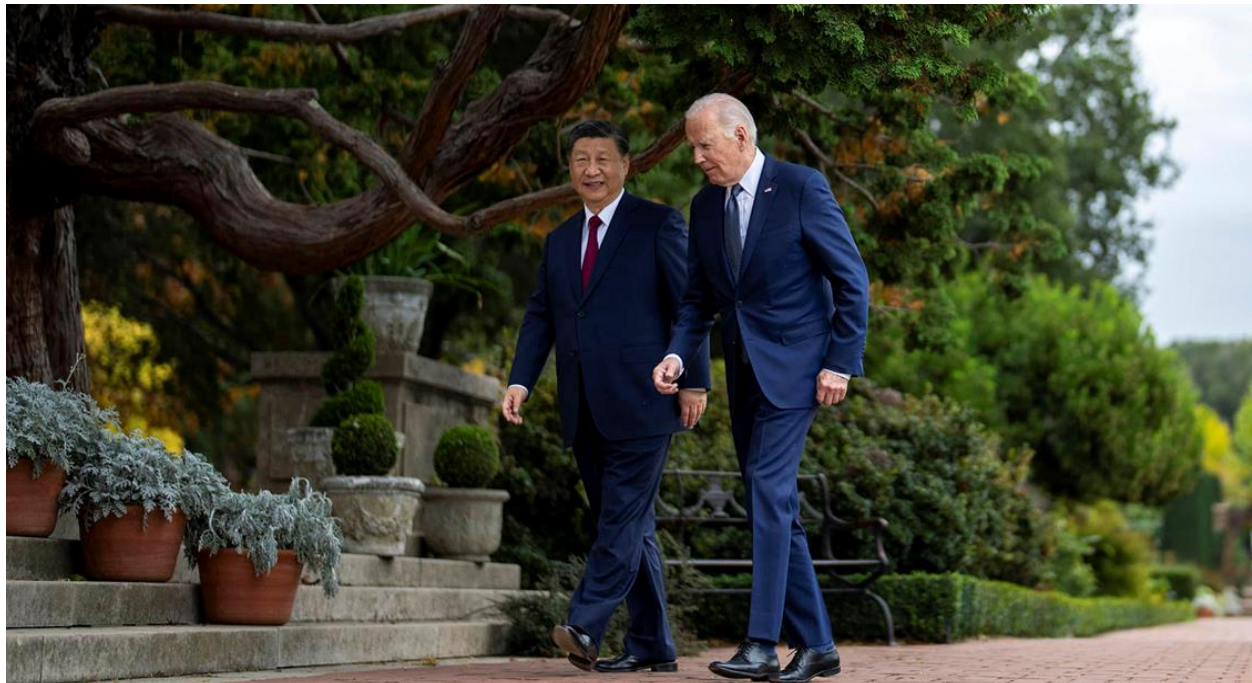
PUBLICATION TYPE: Analysis and Commentary

<https://www.usip.org/publications/2023/11/biden-and-xi-apec-averting-further-crisis-us-china-relations>

President Joe Biden and Chinese leader Xi Jinping spoke for several hours on the sidelines of the Asia-Pacific Economic Cooperation (APEC) Summit this week in San Francisco. After several years of deteriorating relations — and frozen communication — between Washington and

Beijing, Biden characterized the talks as the “[most constructive and productive](#)” since he came to office.

But the increasing strategic competition between the two powers leaves major issues still to be addressed, such as China’s aggression in the South China Sea and Taiwan Strait, BRICS



President Joe Biden and Chinese leader Xi Jinping walk through the garden at the Filoli estate in Woodside, California, during their meeting at the APEC Summit. November 15, 2023. (Doug Mills/The New York Times)

expansion, nuclear security, and the wars in Ukraine and the Middle East.

USIP's Ryan Sung, Lyndi Tsering, Rosie Levine and Carla Freeman discuss the diplomatic lead-up to this pivotal meeting, what Biden and Xi's conversation did (and didn't) address, and what it means for the trajectory of U.S.-China ties going forward.

Diplomacy between the United States and China had previously been stalled. What paved the way for the two leaders to meet now?

Sung: Since the last Biden-Xi meeting in November 2022, the Biden administration has sent several senior officials to China in efforts to reopen lines of communication and stabilize ties.

Secretary of State Blinken postponed a visit to China scheduled for February 2023 following the downing of a [Chinese spy balloon](#) over the continental United States. However, Blinken ultimately made the trip in [June](#), pushing for cooperation with China by expanding tourism between both countries, combating the proliferation of fentanyl precursor materials, and enhancing educational exchanges.

This was followed by U.S. Commerce Secretary Gina Raimondo's [trip in August](#), which sought to promote bilateral cooperation at a time when risks of [exorbitant fines and raids](#) on American businesses have led Raimondo to describe China as increasingly "[uninvestable](#)." While the Biden administration showed no signs of backing down on [export controls](#) on advanced technology, Secretary Raimondo's tour of China achieved agreements to hold biannual dialogues on commercial issues at the vice-ministerial level and on export controls at the working level.

Despite these visits, Beijing has declined requests for more than a dozen other senior-level engagements, such as one for a meeting between U.S. Defense Secretary Lloyd Austin and Chinese Defense Minister Li Shangfu at a [security forum](#) in Singapore in May 2023.

Meanwhile, other bilateral assurances between senior officials paved the road for the Biden-Xi meeting at APEC. Chinese Foreign Minister Wang Yi's October visit to Washington was widely viewed as a chance to lay the groundwork for the upcoming Biden-Xi meeting this week.

At a meeting between U.S. Treasury Secretary Yellen and Chinese Vice Premier He Lifeng, the two countries agreed they would not seek a "[decoupling](#)" of their economies and pledged to improve business climates for American and Chinese companies.

However, [several major points of tension](#) for the United States remained before the meeting, including human rights abuses in Xinjiang and Tibet, tensions along the Taiwan Strait, and wrongful detentions of American citizens.

What did the Biden-Xi meeting deliver, and did it meet expectations?

Levine: Expectations were set very low going into Wednesday's meeting. Both the United States and China indicated that the main goal was to prevent the relationship from deteriorating further.

That said, in the lead-up to the summit, a number of topics were floated to the press, which suggested a robust agenda. These included increased [cooperation](#) on fentanyl precursor chemicals, [resumed](#) military-to-military dialogues, [discussion](#) about the use of artificial intelligence in military applications, expanded goals for climate cooperation, and joint language around global issues like Russia's war in Ukraine and the unfolding crisis in Gaza.

According to the White House's official read-out, it appears that most topics were raised in the course of the four-hour discussion, but areas of joint effort remain limited.

The most significant deliverable is the resumption of high-level military-to-military communication between the two countries. Long-

standing bilateral military engagements that have been suspended since August of 2022 have been reinstated, including the U.S.-China Defense Policy Coordination Talks, agenda-setting meetings at the DASD level, and the U.S.-China Military Maritime Consultative Agreement meetings.

Both sides also committed to resuming telephone conversations between theater commanders. This marks a significant step forward, especially considering the growing concerns about close-call incidents in the [South China Sea](#) and [Taiwan Strait](#) amid a lack of sufficient military-to-military channels in place to resolve a crisis if one were to arise.

However, there are larger questions regarding the efficacy of these commitments: Li Shangfu, Defense Secretary Austin's Chinese counterpart, was ousted a few months ago. The vacancy of his post indicates larger challenges within the Chinese military that could limit substantive exchange.

Despite the step forward on military-to-military communication, there was seemingly little progress made on the largest security issue between the two countries: Taiwan. Although the topic was raised, the two leaders appeared to talk past each other. Biden reaffirmed the U.S. commitment to the "[One China Policy](#)" and called for [restraint](#) from the PRC.

Meanwhile, Xi emphasized that the United States should "[stop arming Taiwan](#)" and support China's vision for peaceful reunification, which Xi called "inevitable." This exchange points to the unchanged underlying dynamic, where each side sees the other as responsible for escalating the Taiwan situation, thus, each side is merely reacting to external aggression.

These efforts appear to have put a "floor" on the downturn in relations, something both leaders have called for. They also institutionalize military-to-military exchanges, hopefully removing the possibility of tit-for-tat cancellations in the future.

Tsering: The two leaders discussed several areas of critical ongoing security concern, including what Biden [characterized](#) as Russia's "brutal war of aggression" against Ukraine and the "conflict in Gaza"

Speculation that Biden and Xi would agree to restrict degrees of AI use in nuclear technology did not come to fruition, but Biden did announce that the two leaders agreed to continue dialogue on the issue. By raising the significance of AI's functions as both an opportunity and threat, Biden and Xi laid the foundation to collaboratively set global governance standards for AI defense application across borders.

Biden and Xi also welcomed the establishment of a [counternarcotics working group](#) to prevent illegal drug manufacturers from obtaining Chinese-made precursor chemicals to produce fentanyl and other substances for U.S. buyers.

The exact terms of this agreement remain to be seen — including the degree to which the Chinese government will monitor the buyers of precursor chemicals from Chinese sellers, and whether the United States agreed to make concessions in exchange for cooperation on this issue.

President Biden [reiterated](#) "that the United States and China are in competition," and that the United States would continue to stand up for "its interests, its values, and its allies and partners." Xi [emphasized](#) the two very different potential paths that U.S.-China relations could take and how this relationship might impact the world's trajectory.

Additionally, Xi discussed five pillars that China believes should be cemented to guide bilateral relations, including mutually beneficial cooperation — echoing the Chinese Communist Party's broader vision for "[inclusive](#)" global governance where leaders of both democratic and autocratic regime types coexist while focusing on shared interests like law enforcement, economic development and technological progress.

This meeting demonstrated the culmination of months of efforts from both sides to normalize dialogue and create best practices within the bilateral relationship.

While neither leader initiated groundbreaking commitments or made statements that diverged far from the status quo, this four-hour conversation served as part of a shift toward a possible new normal in bilateral relations, one with productive dialogue and widened avenues for collaboration on critical areas of U.S. interest at home and on the international stage.

What does this mean for U.S.-China relations?

Freeman: The meeting between the two leaders marks a significant step forward in the bilateral relationship, given its fraught state. The restoration of bilateral cooperation in several areas, including counternarcotics and military-to-military communications signals a mutual effort to mitigate the risk of bilateral crises.

Moreover, indications that both Biden and Xi will encourage educational and other exchanges between the United States and China, and seek to work together on transnational and global issues, reflect efforts on both sides to inject positive momentum into the relationship.

However, it remains to be seen if Washington and Beijing can forge an affirmative bilateral agenda for more durable stability into the relationship, given the many areas of disagreement between the two sides. Not least among these is Taiwan's status, which will remain a dangerous potential flashpoint.

While the official meeting readouts from Washington and Beijing included language about the importance of stable bilateral relations for

international peace and prosperity, neither indicated firm commitments to cooperation — on any issue — either bilaterally or in multilateral forums.

The dueling readouts also highlighted the longstanding gap between Beijing and Washington over how best to stabilize the relationship. The United States will not agree to the foundational “pillars” that China sees as key to sustaining U.S.-China relations — instead, the U.S. focus is on developing functioning mechanisms for managing bilateral competition and risks of military escalation.

Additionally, while Beijing rejects competition as a viable framework for bilateral relations and appears to see no middle ground between a cooperative or adversarial relationship, the United States sees competition as a pragmatic scaffold on which to construct resilient relations.

If Washington and Beijing wish to fortify the relationship so that it won't be derailed by another crisis, much work remains to be done.

There is clear interest among APEC members, including U.S. allies and partners, to see the United States and China stabilize ties.

U.S.-China economic decoupling and intensifying military competition have had uneven economic and security impacts on countries across the Indo-Pacific and beyond, while strained U.S.-China relations have impeded progress on international efforts to address critical global and transnational issues, including those in the economic and security spheres.

Most countries in the region hope that the United States and China not only find a floor for their relationship, but will act with restraint and responsibility on the world stage going forward.