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US-CHINA RELATIONS

TRUMP AND XI BREAK THE ICE AT MAR-A-LAGO

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The US-China relationship got off to an active, albeit fitful start after Donald Trump assumed the presidency on Jan. 20. Once Trump agreed to honor the US “one China” policy, Chinese officials engaged positively with their US counterparts, and planning began for the inaugural Trump-Xi meeting. China’s top diplomat, Yang Jiechi, visited Washington at the end of February, and Secretary of State Rex Tillerson traveled to Beijing in mid-March. The highlight of this period was the Trump-Xi summit, which took place at Mar-a-Lago on April 6-7. One of the major summit deliverables was the creation of a new high-level mechanism, the US-China Comprehensive Dialogue, which will be overseen by Trump and Xi. North Korea emerged as the pressing issue for the Trump administration as well as in the bilateral US-China relationship. Trump apparently made clear to Xi that if China is unwilling to cooperate, the US would seek to solve the North Korea threat unilaterally, including by pursuing penalties against Chinese banks and companies doing business with North Korea. After the summit, Trump called Xi twice to discuss North Korea and to urge him to put greater pressure on Pyongyang.

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The US-China relationship got off to an active, albeit fitful start after Donald Trump assumed the presidency on Jan. 20. Once Trump agreed to honor the US “one China” policy, Chinese officials engaged positively with their US counterparts, and planning began for the inaugural Trump-Xi meeting. China’s top diplomat, Yang Jiechi, visited Washington at the end of February, and Secretary of State Rex Tillerson traveled to Beijing in mid-March. The highlight of this period was the Trump-Xi summit, which took place at Mar-a-Lago on April 6-7. One of the major summit deliverables was the creation of a new high-level mechanism, the US-China Comprehensive Dialogue, which will be overseen by Trump and Xi. North Korea emerged as the pressing issue for the Trump administration as well as in the bilateral US-China relationship. Trump apparently made clear to Xi that if China is unwilling to cooperate, the US would seek to solve the North Korea threat unilaterally, including by pursuing penalties against Chinese banks and companies doing business with North Korea. After the summit, Trump called Xi twice to discuss North Korea and to urge him to put greater pressure on Pyongyang.

Transition to the Trump presidency

The first few weeks of 2017 marked the final weeks of President Barack Obama’s presidency and a time of transition for the United States. On Jan. 5, Chinese Foreign Minister Wang Yi and Secretary of State John Kerry spoke over the phone to discuss the positive achievements in the US-China relationship throughout the Obama administration. On the sidelines of the World Economic Forum Annual Meeting in Davos, Switzerland, President Xi Jinping met Vice President Joe Biden to discuss the importance of maintaining stable US-China relations. In his [opening address](#) at Davos, President Xi championed globalization and warned that “no one will emerge as a winner in a trade war,” positioning China as the fulcrum of global stability. His comments were also intended to caution Trump against following through on his campaign promises to impose 45 percent tariffs on imported Chinese goods and label China a currency manipulator.

On Jan. 20, Donald Trump was inaugurated as the 45th president of the United States. Making good on his campaign promise, Trump formally withdrew from the Trans-Pacific Partnership

(TPP) the Monday after his inauguration. Trump’s decision to abandon the trade agreement was a disappointment to many countries in Asia and was widely criticized as creating a vacuum in the region that China would fill. The Chinese silently applauded the US move, but at the same time they remained concerned about the potential for increased pressure from Washington to create greater reciprocity in the bilateral trade relationship.

It was in the security realm, however, that friction appeared first. In his first press conference, when asked a question about the South China Sea, White House Press Secretary Sean Spicer [stated](#) that “the US is going to make sure that we protect our interests there” and “defend international territories from being taken over by one country.” Spicer’s comments came after Trump’s secretary of state nominee, Rex Tillerson, said at his confirmation hearing that China should be denied access to the artificial islands it built in the Spratly Islands in the South China Sea. Rather than responding forcefully to the direct challenge to Chinese sovereignty, Beijing remained calm. A Chinese Foreign Ministry spokesperson simply stated “No matter what changes happen in other countries, what they say or what they want to do, China’s resolve to protect its sovereignty and maritime rights in the South China Sea will not change.”

In a signal of China’s hope to preserve positive and stable relations with the US, Lu Kang, a senior Chinese Foreign Ministry official, conducted an unusually lengthy interview in English with *NBC News* in which he [emphasized](#) the importance of the US-China relationship. Lu singled out Taiwan as the issue about which Beijing was most concerned. Referring to Taiwan, he said “This issue touches upon China’s core interests. By no means is this something that can be negotiated, or [used] as a bargaining chip.” This was a clear warning to Trump who only weeks earlier had said on *Fox News* that he would not be bound by a “one China” policy unless China agrees to cut a deal with the US that includes trade concessions.

Behind the scenes, Chinese Ambassador to the United States Cui Tiankai was working hard to promote the bilateral relationship by establishing good relations with President Trump’s family. The first evidence of Cui’s success was the attendance by Trump’s

daughter Ivanka, accompanied by her 5-year-old daughter Arabella, at the Chinese embassy's annual Lunar New Year celebration on Feb. 1. Their appearance went viral on Chinese social media and the *Global Times*, a popular nationalist tabloid, [lauded](#) Ivanka as the "most influential first daughter." The Chinese embassy's invitation to Ivanka was especially notable since President Trump had failed to issue the traditional Lunar New Year greetings to the Chinese people at the beginning of the holiday.

A week after the embassy reception, President Trump belatedly wished the Chinese people a Happy Year of the Rooster in a letter to President Xi – his first communication with the Chinese president since assuming office. According to a White House [press statement](#), Trump included in the letter his desire to "develop a constructive relationship that benefits both the United States and China."

The next move was a phone call between State Councilor Yang Jiechi and Trump's first National Security Advisor Michael Flynn. The two men had met in New York in December, prior to Trump's inauguration. Yang [expressed](#) Beijing's hopes to work with President Trump to "safeguard the political foundation for bilateral relations ... and manage and control disputes and sensitive issues." The call was the first official contact between sitting, high-level officials on both sides and signaled that communication between the top leaders was imminent.

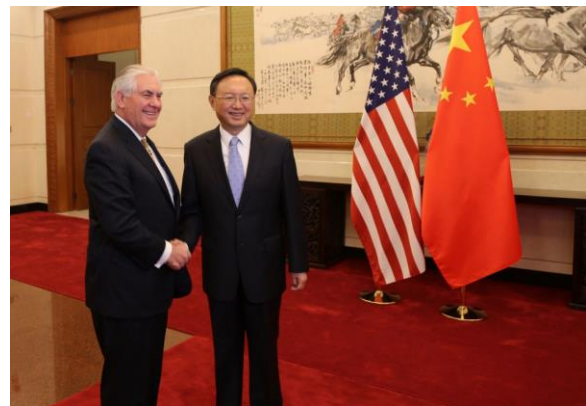
The following evening, Donald Trump and Xi Jinping spoke by phone. During the call, President Trump agreed to honor the US "one China" policy, reversing his campaign position that he wasn't obligated to adhere to preexisting bilateral understandings regarding Taiwan. According to a [White House readout](#) of the call, Trump agreed to abide by the "one China" policy "at the request of President Xi." [The New York Times](#) later reported that Trump personally insisted that the words "at the request of President Xi" be included in the White House statement, as he wanted to make it known he had made a concession to the Xi, perhaps to signal that China's president owed him a favor.

President Trump's Dec. 2, 2016 phone call with Taiwan's President Tsai Ing-wen, and his subsequent statement that the policy could be used as a bargaining chip with China, had caused alarm in Beijing. Trump's renewed

commitment to the "one China" policy eliminated a major source of bilateral tension and enabled the two countries to begin to engage on the broad range of economic and security issues that required attention.

Run-up to the summit

In mid-February, Secretary of State Tillerson and Foreign Minister Wang Yi met on the sidelines of the G20 Foreign Ministers Meeting in Bonn, Germany. The *China Daily* [described](#) the meeting – the first between high-level ministers from the US and China since Trump assumed office – as "upbeat." Tillerson highlighted to Wang the increasing threat from North Korea, which had conducted its first ballistic missile of the year a week prior, and, according to the State Department readout, "urged China to use all available tools to moderate North Korea's destabilizing behavior." Chinese coverage of the meeting devoted little attention to North Korea, choosing instead to emphasize Tillerson's reiteration of the Trump administration's commitment to the "one China" policy. A few days later, Tillerson [stressed](#) "the need to address the threat that North Korea poses to the region" in a phone call with State Councilor Yang Jiechi.



Tillerson and Yang (U.S. Department of State)

Secretary Tillerson and Councilor Yang spoke in person a week later during Yang's visit to DC, but only after China's top diplomat visited the White House where he met recently appointed National Security Adviser H.R. McMaster, Trump's son-in-law and senior adviser Jared Kushner, White House chief strategist Steve Bannon, and President Trump. The meeting between Yang and Trump lasted only 5-7 minutes, according to officials. China's Foreign Ministry cited Yang as telling Trump that

Beijing was willing to enhance exchanges with the US, expand coordination and cooperation, and respect each other's core interests and major concerns. Yang's visit marked the beginning of preparations for President Xi's early April visit to the US.

On Feb. 28, one day after his meeting with Councilor Yang, President Trump delivered his first speech to a joint session of Congress. The speech was focused on domestic matters and Trump said little about China, although he noted that the US had "lost 60,000 factories since China joined the World Trade Organization in 2001." A *Xinhua* commentary, [dismissed](#) what it called "finger-pointing about job losses" as "blame thy neighbor rhetoric."

At the March 8 [press conference](#) following the Fifth Session of the Twelfth National People's Congress, Foreign Minister Wang Yi characterized the US-China relationship as "transitioning steadily and developing in a positive direction." Wang emphasized that the two countries needed to rise above two things: the differing social systems of the two countries and "zero-sum mentality." His remarks revealed Beijing's persistent determination to stabilize US-China relations in the run-up to the 19th Party Congress of the Chinese Communist Party that will be held in the fall.

On March 18, 2017, Secretary Tillerson stopped in Beijing for consultations after visiting Tokyo and Seoul. In remarks to the media before his meeting with Wang Yi, Tillerson [described](#) the US-China relationship as "built on non-confrontation, no conflict, mutual respect, and always searching for win-win solutions." Tillerson's rhetoric virtually matched Xi Jinping's 2014 definition of "a new model of great power relations," and was therefore welcomed by Beijing, although it was criticized by many in Washington as a major concession and even a blunder. Tillerson met briefly with President Xi Jinping the following day. Chinese official media [reported](#) that Xi told Tillerson that "cooperation is the correct choice" and emphasized the "proper handling of sensitive issues."

Despite the appearance of more amicable ties between the US and China after several high-level engagements, President Trump set a harsh tone for his first meeting with President Xi just a week before the summit. In a series of [tweets](#), Trump attempted to put pressure on China's

president, saying "The meeting next week with China will be a very difficult one in that we can no longer have massive trade deficits ... and job losses. American companies must be prepared to look at other alternatives." China's Vice Foreign Minister Zheng Zeguang [responded](#) to the tweets by stating China's commitment to work with the US and strive for "greater balance in China-US trade."

The Mar-a-Lago Summit

On April 6-7, President Trump and President Xi held their first face-to-face meeting at Mar-a-Lago, Trump's estate in Florida that has been dubbed the "Winter White House." Highlights of the occasion included tea with their wives, a performance of a Chinese song by Trump's granddaughter Arabella, two lengthy one-on-one meetings between Trump and Xi with only translators present, a walk by the two around the grounds of the lavish estate, simultaneous breakout sessions on economics/trade and diplomacy/security, an opening informal dinner and a closing working lunch.

The meeting yielded important achievements even though no concrete agreements were signed. First, Xi and Trump appear to have established a good working relationship. At the close of the summit, Trump [told the media](#) that "The relationship developed by President Xi and myself I think is outstanding." Xi Jinping offered a somewhat more tentative, though positive, assessment. "We have engaged in deeper understanding and have built trust," he [stated](#), adding that the two leaders had established "a preliminary working relationship and friendship." A personal relationship between the two leaders will be essential to deal with both anticipated and unexpected problems that arise in the months and years to come. It will be important for Xi and Trump to continue to nurture this relationship through regular phone calls and letters, and frequent in-person meetings.

Second, a new high-level dialogue framework was established that will be overseen by Presidents Trump and Xi. The restructured US-China Comprehensive Dialogue will replace the Strategic and Economic Dialogue. It will include four components 1) diplomacy and security; 2) economics and trade; 3) law enforcement and cybersecurity; and 4) social and people-to-people exchanges. The first two of these dialogue mechanisms were convened on the

sidelines of the Mar-a-Lago summit and both sides agreed to launch the other two dialogue mechanisms as soon as possible. According to Xi Jinping, a new dialogue mechanism will be established between the two countries' joint staffs of the armed forces. This will likely supplement existing military dialogues, including the Defense Consultative Talks and numerous other dialogue platforms.

Third, a trade war between the number one and number two economies of the world was averted. The two sides adopted a 100-day plan with benchmarks along the way. According to US Secretary of Commerce Wilbur Ross, the [objective](#) is to increase US exports to China and to reduce the bilateral trade deficit. News reports published after the summit say that China is willing to end a ban on US beef imports that has been in place since 2003, buy more grains and other agricultural products, and offer the US better market access for financial sector investments. According to *Xinhua*, Trump and Xi [pledged to](#) "advance negotiations on the bilateral investment treaty (BIT) and explore the pragmatic cooperation in infrastructure construction and energy." A BIT is unlikely to be signed soon, however. Instead, both sides are seeking to reach a number of smaller trade deals within the 100-day period.

Fourth, Presidents Xi and Trump reaffirmed their commitment to a denuclearized Korean Peninsula and to fully implementing UN Security Council resolutions. The Trump administration is expecting near-term actions by Beijing to shut down Chinese banks and front companies that are illegally conducting business with North Korea as well as strict adherence to UN-set limits on imports of North Korean coal. Secretary of the Treasury Mnuchin said that the Trump administration has had conversations with Chinese counterparts about working with the US on levying sanctions against North Korea. If China doesn't step up, Washington will almost certainly pursue secondary sanctions on Chinese entities and individuals.

Fifth, the two presidents agreed to work together to pressure North Korea with the goal of compelling Pyongyang to return to its commitment to give up its nuclear weapons and resume negotiations. According to Secretary Tillerson, the US and China discussed "a full range of options," and Xi indicated that "he wanted to be supportive in terms of causing the regime in Pyongyang to change its view" about

the need for nuclear weapons. (See more on North Korea below.)

Sixth, Xi Jinping invited President Trump to visit China later this year and Trump accepted his invitation in principle. Secretary Tillerson said that Trump told Xi that he "would look at the dates" and the US would work with China to determine when the visit will take place. If Trump travels to Asia later this year, it is likely to be to Vietnam to attend APEC and to the Philippines to attend the East Asia Summit. If a side visit to China cannot be worked into that trip, it is likely that Trump's visit to China will be postponed until 2018. The two leaders are likely to next meet next in early July on the margins of the Group of Twenty (G20) Summit in Hamburg.

Notable for its absence was any mention by Xi or Trump of a new formulation for the US-China relationship. Meeting with the media in Mar-a-Lago before the summit began, Secretary Tillerson did not repeat the remarks he had made in Beijing describing the bilateral relationship as having been "guided by an understanding of non-conflict, non-confrontation, mutual respect, and win-win cooperation" for more than 40 years. Instead, he called for maintaining a "constructive, cooperative, and results-oriented trajectory." President Xi stressed that he is willing to promote US-China relations from a new starting point.

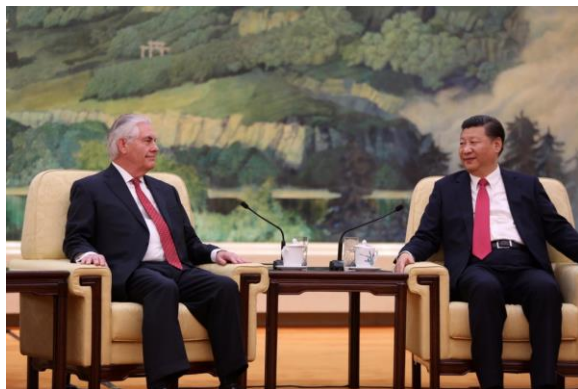
The US attack on Syria while the summit was taking place was likely an unwelcome surprise to Xi Jinping, but it did not sour the friendly atmosphere. Several days later, Trump related to the media that he had informed China's president of the unfolding attack as they ate chocolate cake. In Trump's characterization, Xi understood the need to take such action when children are being killed. China's Foreign Ministry spokesperson did not reveal any such sympathy, however, only [emphasizing](#) Beijing's opposition to the use of force and calling for resolving the Syrian issue through political means.

North Korea tops the bilateral agenda

Over the first four months of 2017, North Korea emerged as the top foreign policy priority for the Trump administration as well as in the US-China relationship. When President Obama met with President-elect Trump following the

election, he had underscored that progress in North Korea's missile and nuclear programs posed a growing and intolerable threat to the United States. Trump was sobered by Obama's dire assessment and requested intelligence briefings on North Korea which he took to heart. He evidently concluded that China's role in addressing the North Korea threat was indispensable and that Beijing wasn't doing enough. On Jan. 2, Trump [tweeted](#) that "China has been taking massive amounts of money and wealth from the US in totally one-sided trade, but won't help with North Korea. Nice!"

North Korea was high on the Trump administration's agenda when State Councilor Yang Jiechi visited Washington at the end of February to begin preparations for President Xi's visit. One week later, at the close of the National People's Congress in Beijing, Foreign Minister Wang Yi [told reporters](#) that the US and North Korea "are like two accelerating trains coming towards each other" and asked whether they were "really ready for a head-on collision?" Wang said it was necessary to "flash the red light and apply the brakes on both trains." He proposed a deal in which North Korea would suspend its nuclear and missile activities in exchange for a suspension of joint US-South Korea military exercises, but the Trump administration showed no interest.



Tillerson and Xi (U.S. Department of State)

In mid-March, as Secretary of State Tillerson headed to Beijing after visiting Tokyo and Seoul, President Trump once again called out China for not doing enough to rein in North Korea. "North Korea is behaving very badly," Trump [tweeted](#). "They have been 'playing' the United States for years. China has done little to help!" Tillerson [characterized](#) his talks with Wang about North Korea as "very extensive" and said that the two countries would try to persuade Pyongyang to

"make a course correction," adding that the matter had to be approached with "a sense of urgency." Beijing urged the US to return to the negotiating table, but Tillerson said that the Trump administration did "not believe that conditions are right to engage in any talks at this time." Hours before Tillerson met President Xi, North Korea conducted another missile test.

Sensing the likelihood of greater pressure from the Trump administration, the Chinese undertook a few actions to convince the US that when it comes to North Korea, China wants to be part of the solution, rather than part of the problem. On Feb. 18, China's Commerce Ministry [announced](#) a ban on coal imports from North Korea through the end of 2017. This step was taken in compliance with Chinese obligations to cap North Korean coal imports under UN Security Council Resolution 2321. A suspension of Air China flights to Pyongyang was announced in March and went into effect the following month, although it was later announced that the suspension was only due to sagging sales and that flights would resume on May 5. There were also reports that Chinese travel agencies canceled four- and five-day tours of North Korea and were only offering daylong cruises along the Yalu River.

Despite these steps, the US signaled a willingness to impose secondary sanctions against China on March 21 when it [sanctioned](#) 30 entities and individuals for violations of the Iran, North Korea, and Syria Nonproliferation Act. Among those sanctioned were six Chinese entities and three individuals. The action seemed to be a warning that many more such designations could follow unless the Chinese government substantially increased pressure on Pyongyang to stop its nuclear and missile tests and return to the negotiating table based on its 2005 commitment to denuclearization.

As Xi Jinping arrived in Palm Beach, Florida for his first summit with Trump, Secretary Tillerson [urged China](#) to "be part of a new strategy to end North Korea's reckless behavior and ensure security, stability, and economic prosperity in Northeast Asia."

In their over seven hours of discussions in Mar-a-Lago, Trump and Xi devoted a great deal of time to North Korea. Trump posed a series of questions to Xi to better understand his thinking about Kim Jong Un and North Korea's future. Xi tried to inform Trump about China's long and

complicated history with the Korean Peninsula, apparently in an effort to educate the US president about the difficulties of influencing Kim Jung Un's decision making. The history lesson had an impact on Trump who later told the [Wall Street Journal](#), "After listening for 10 minutes, I realized it's not so easy ... I felt pretty strongly that they had tremendous power" over North Korea ... "But it's not what you would think."

In his readout to the press, Secretary Tillerson said the two sides "noted the urgency of the threat of North Korea's weapons program, reaffirmed their commitment to a denuclearized Korean Peninsula, and committed to fully implement UN Security Council resolutions." He added that there was agreement to increase cooperation and to work with the international community to convince North Korea to abandon its illicit weapons programs. Wang Yi's [readout](#) echoed Tillerson's remarks, but included Chinese insistence on resolving Korean Peninsula issues through dialogue and consultation and Chinese opposition to US deployment of the THAAD missile defense system in South Korea. Wang noted that the two sides "agreed to maintain communication and coordination on the Peninsula issue."

Trump apparently made clear to Xi that if China is unwilling to cooperate, the US would seek to solve the North Korea threat unilaterally, including by pursuing penalties against Chinese banks and companies doing business with North Korea. On April 11, Trump [tweeted](#) "North Korea is looking for trouble. If China decides to help, that would be great. If not, we will solve the problem without them!" In [another tweet](#), Trump maintained that he would be willing to give China a better trade deal if they helped to address the North Korea problem. The following week, after the US Treasury Department issued a report that did not designate China as a currency manipulator, Trump [tweeted](#) "Why would I call China a currency manipulator when they are working with us on the North Korean problem? We will see what happens." The seven twitter comments Trump has made since the beginning of the year (see Table 1) reflect his thinking on the importance of China's role in dealing with the North Korea threat.

Table 1: Trump Tweets on North Korea

<p>@realDonaldTrump: "China has been taking out massive amounts of money & wealth from the U.S. in totally one-sided trade, but won't help with North Korea. Nice!"</p> <p>3:47 PM - 2 Jan 2017</p>
<p>@realDonaldTrump: "North Korea is behaving very badly. They have been "playing" the United States for years. China has done little to help!"</p> <p>6:07 AM - 17 Mar 2017</p>
<p>@realDonaldTrump: "I explained to the President of China that a trade deal with the U.S. will be far better for them if they solve the North Korean problem!"</p> <p>4:59 AM - 11 Apr 2017</p>
<p>@realDonaldTrump: "North Korea is looking for trouble. If China decides to help, that would be great. If not, we will solve the problem without them! U.S.A."</p> <p>5:03 AM - 11 Apr 2017</p>
<p>@realDonaldTrump: "Why would I call China a currency manipulator when they are working with us on the North Korean problem? We will see what happens!"</p> <p>5:18 AM - 16 Apr 2017</p>
<p>@realDonaldTrump: "China is very much the economic lifeline to North Korea so, while nothing is easy, if they want to solve the North Korean problem, they will."</p> <p>6:04 AM - 21 Apr 2017</p>
<p>@realDonaldTrump: "North Korea disrespected the wishes of China & its highly respected President when it launched, though unsuccessfully, a missile today. Bad!"</p> <p>4:26 PM - 28 Apr 2017</p>

In mid-April, the US [announced](#) the deployment of the aircraft carrier *USS Carl Vinson* strike group to the Korean Peninsula, prompting speculation that a US attack was imminent. Washington's intention may have been to motivate China to put greater pressure on Beijing by deliberately raising the risk of conflict. The Chinese responded by calling for calm and restraint by all sides. Wang Yi [warned](#) that tensions had to be prevented from reaching an "irreversible and unmanageable stage." "History has again and again proved that force cannot solve problems." He called on all parties "to refrain from provoking and threatening each other," adding that any party that stages war or sows confusion

on the Peninsula “will have to assume historical responsibility and pay a corresponding price.”

President Trump placed two phone calls to Xi Jinping after the summit to emphasize the urgency of the North Korea issue. The first call was on April 12, which a 28-word White House [readout](#) described as “very productive.” A much lengthier Chinese account of the call stated that on the Korean issue, Xi told Trump that China “adheres to the goal of denuclearization of the peninsula and insists on preserving peace and stability.” Xi added that China advocates “to resolve the issue through peaceful means, and is willing to maintain communication and coordination with the US on the Korean Peninsula issue.”

On April 21, Trump continued to publicly urge Xi Jinping to pressure North Korea. “China is very much the economic lifeline to North Korea,” Trump [tweeted](#). “So, while nothing is easy, if they want to solve the North Korean problem, they will.” Three days later Trump placed another phone call to President Xi. According to a report on Chinese television, Xi said that he opposed any North Korean nuclear and missile tests, but also warned Trump against unilateral actions against North Korea. “China adamantly opposes any actions in contravention of the United Nations Security Council resolutions,” Xi said, and called for all sides to “avoid doing things that exacerbate tensions on the Peninsula.”

By the end of April, it appeared that US patience regarding North Korea was wearing thin. At a special meeting of the United Nations Security Council convened by the US, Secretary Tillerson urged member states to more strictly enforce UN sanctions and encouraged the rest of the world to take measures aimed at increasing North Korea’s isolation. If the response is insufficient, Tillerson warned that the US Treasury would impose secondary sanctions to stop any foreign banks from conducting business within the US-dollar financed international banking system.

Looking ahead

Whether US-China relations continue to develop in a positive direction or deteriorate in the coming months may rest on Beijing’s actions toward North Korea. President Trump has evidently made this issue the litmus test of the bilateral relationship. Although the US and China share the common objective of

denuclearization of the Korean Peninsula, it remains to be seen whether they can agree on the right mix of pressure and incentives to get Pyongyang back to the negotiating table.

The South China Sea may re-emerge as an area of friction when the US resumes freedom of navigation operations in those waters, likely in the coming months. US security and military policy toward the Asia-Pacific will be discussed at the Shangri-La Dialogue in early June where Secretary of Defense James Mattis is expected to deliver his first major speech on Asia.

The high-level Diplomacy and Security Dialogue will be convened in June and the dialogue on trade and economic issues is expected to be held shortly thereafter. US officials say that these dialogues will be chaired on the Chinese side by Politburo-level officials, which will maximize the opportunity to address bilateral problems.

Much attention will likely be paid to the bilateral economic and trade relationship in the run up to the 100-day deadline which falls on July 16. Beijing will likely do its utmost to avoid US punitive trade actions in advance of the Chinese Communist Party’s 19th Party Congress in the fall. The Trump administration is looking for concrete ways to reduce the US bilateral trade deficit with China and even the playing field for US investors and exporters. Hopefully, the 100-day plan will pave the road for a more reciprocal US-China economic relationship for not just the next few years, but for the coming decades.

As noted above, President Trump and President Xi will likely meet next on the margins of the G20 summit in Hamburg, Germany on July 7-8.

CHRONOLOGY OF US-CHINA RELATIONS

JANUARY – APRIL 2017

Jan. 2, 2017: Donald Trump tweets “China has been taking out massive amounts of money & wealth from the U.S. in totally one-sided trade, but won't help with North Korea. Nice!”

Jan. 5, 2017: Foreign Minister Wang Yi and Secretary of State John Kerry review the positive achievements in US-China relationship during the Obama administration by phone.

Jan. 12, 2017: US launches a WTO complaint over Chinese aluminum subsidies.

Jan. 17, 2017: President Xi Jinping meets Vice President Joe Biden in Davos, Switzerland and calls for joint efforts in building long-term, stable US-China relations.

Jan. 18, 2017: Chinese Vice Premier Wang Yang and US Treasury Secretary Jacob Lew exchange views by phone on issues related to economic relations.

Jan. 24, 2017: Foreign Ministry spokesperson Lu Kang conducts an interview with *NBC News* on US-China relations.

Jan. 25, 2017: China's Ministry of Commerce questions the US decision to levy duties on Chinese truck and bus tires.

Jan. 26, 2017: US-China Economic and Security Review Commission holds a hearing on Chinese Investments in the United States: “Impacts and Issues for Policymakers.”

Feb. 1, 2017: Ivanka Trump and her 5-year-old daughter Arabella attend the Lunar New Year reception at the Chinese Embassy in Washington DC.

Feb. 3, 2017: Chinese State Councilor Yang Jiechi talks to National Security Adviser Michael Flynn by phone, emphasizing that China hopes to manage and control disputes with the US.

Feb. 7, 2017: At a regular press conference, Foreign Ministry spokesperson Lu Kang urges the US to take a responsible attitude and stop making false statements on the sovereignty issue of Diaoyu Island.

Feb. 8, 2017: US Navy *P-3C Orion* surveillance aircraft and a Chinese military surveillance aircraft come within 1,000 feet of each other near Scarborough Shoal in the South China Sea. Pentagon later rules the encounter unintentional.

Feb. 8, 2017: President Donald Trump sends a letter to Chinese President Xi Jinping wishing the Chinese people a happy Lantern Festival and saying that he looks forward to working together to develop a constructive relationship that benefits both countries.

Feb. 9, 2017: President Trump tells President Xi in a phone call that he will honor the “one China” policy.

Feb. 10, 2017: President Trump tweets “The failing @nytimes does major FAKE NEWS China story saying “Mr. Xi has not spoken to Mr. Trump since Nov.14.” We spoke at length yesterday!”

Feb 17, 2017: Secretary of State Rex Tillerson and Foreign Minister Wang Yi meet on the sidelines of the Group of 20 ministers meeting in Bonn, Germany.

Feb 17, 2017: Vice Premier Wang Yang and Treasury Secretary Steven Mnuchin exchange views via telephone on issues including economic cooperation.

Feb. 17, 2017: Treasury Secretary Steven Mnuchin phones Liu He, head of the office of the Central Leading Group on Financial and Economic Affairs; Zhou Xiaochuan, governor of the People's Bank of China, and Finance Minister Xiao Jie.

Feb. 21, 2017: Secretary of State Rex Tillerson and State Councilor Yang Jiechi speak by phone to affirm the importance of a constructive bilateral relationship.

Feb. 23, 2017: US-China Economic and Security Review Commission holds a hearing on China's advanced weapons.

Feb. 24, 2017: In an interview with *Reuters*, President Trump calls Chinese “grand champions” of currency manipulation.

Feb. 27, 2017: State Councilor Yang Jiechi meets Trump briefly after talks with new US National Security Adviser H.R. McMaster, Trump's son-in-law and senior adviser Jared Kushner, and White House chief strategist Steve Bannon.

Feb. 27, 2017: At a regular White House press conference, Press Secretary Sean Spicer says that when Trump concedes a point, he “always gets something” in return, responding to a question on President Trump's reaffirmation of the longstanding one China policy.

Feb. 28, 2017: At an address to a joint session of Congress, President Trump states that the US has “lost 60,000 factories since China joined the World Trade Organization in 2001.”

March 1, 2017: Foreign Ministry spokesperson Geng Shuang denies President Trump's claim that the US has closed more than 60,000 factories since China joined the WTO, emphasizing that China-US economic and trade cooperation is mutually beneficial.

March 2, 2017: US Navy Commander Gary Ross, Pentagon spokesperson for Asia Pacific affairs, tells *Voice of America* (VOA) that there had been one direct engagement between the US and China militaries since the beginning of the year.

March 3, 2017: Special Representative Wu Dawei phones US Special Representative for North Korea Policy Joseph Yun, expressing China's position and concerns on the US-ROK joint military drills and the deployment of THAAD by the US in the ROK.

March 3, 2017: US State Department releases the Country Reports on Human Rights Practices for 2016, which accuses China of various human rights abuses.

March 7, 2017: US Commerce Department fines Chinese telecommunications company ZTE Corp. \$1.2 billion for breaking US sanctions by selling equipment to North Korea and Iran.

March 9, 2017: US State Department spokesman Mark Toner rejects China's proposal for the simultaneous suspension of North Korea's nuclear weapons and missile development program and US-South Korea joint military exercises.

March 15, 2017: US Senators Marco Rubio (R-FL) and Ben Cardin (D-MD) introduce the South China Sea and East China Sea Sanctions Act, which would sanction Chinese individuals and entities that participate in illegitimate Chinese activities in those seas.

March 16, 2017: US-China Economic and Security Review Commission holds a hearing on China's Pursuit of Next Frontier Tech: “Computing, Robotics, and Biotechnology.”

March 17, 2017: In a press conference in South Korea with ROK Foreign Minister Yun Byung-se, Secretary of State Tillerson calls China's economic retaliation against South Korea for deploying THAAD “inappropriate and troubling.”

March 17, 2017: President Trump tweets, “North Korea is behaving very badly. They have been ‘playing’ the United States for years. China has done little to help!”

March 17-19, 2017: US Special Representative for North Korea Policy Joseph Yun meets Special Representative Wu Dawei in Beijing.

March 18-20, 2017: Secretary of State Tillerson visits Beijing for consultations and meets President Xi Jinping, State Councilor Yang Jiechi, and Foreign Minister Wang Yi.

March 21, 2017: US imposes sanctions on 30 foreign entities and individuals in 10 countries pursuant to the Iran, North Korea, and Syria Nonproliferation Act (INKSNA), including entities and individuals from China.

March 22, 2017: Chinese military issues a warning to a US Air Force B-1 bomber flying in the East China Sea.

March 23, 2017: Regarding China's warning to a US Air Force B-1 bomber on March 22, Foreign Ministry spokesperson Hua Chunying asks the US to "respect the right of other countries to establish ADIZs."

March 23, 2017: House of Representatives introduces a bipartisan resolution strongly condemning China's retaliation against South Korea over the deployment of THAAD, pointing out that China's retaliatory measures might violate WTO rules.

March 30, 2017: President Trump tweets "The meeting next week with China will be a very difficult one in that we can no longer have massive trade deficits ... and job losses. American companies must be prepared to look at other alternatives."

March 31, 2017: US Trade Representative issues annual report on trade barriers that cites China on a range of trade issues, including industrial overcapacity, forced technology transfers, and long-standing bans on US beef and electronic payment services.

March 31, 2017: US Department of the Treasury's Office of Foreign Assets Control (OFAC) designates North Korean nationals working as agents of the regime in China engaged in activities in violation of UN Security Council resolutions.

April 2, 2017: State Councilor Yang Jiechi talks by phone with Secretary of State Rex Tillerson to discuss the upcoming Xi-Trump Mar-a-Lago summit.

April 6-7, 2017: President Trump hosts President Xi Jinping at Mar-a-Lago, Florida.

April 8, 2017: President Trump tweets "It was a great honor to have President Xi Jinping and Madame Peng Liyuan of China as our guests in the United States. Tremendous ... goodwill and friendship was formed, but only time will tell on trade."

April 11, 2017: President Trump tweets "I explained to the President of China that a trade deal with the U.S. will be far better for them if they solve the North Korean problem!"

April 11, 2017: President Trump tweets "North Korea is looking for trouble. If China decides to help, that would be great. If not, we will solve the problem without them! U.S.A."

April 12, 2017: President Xi talks by phone with President Trump to address issues regarding North Korea.

April 13, 2017: US-China Economic and Security Review Commission holds a hearing on Hotspots along China's Maritime Periphery.

April 14, 2017: US Treasury releases its biannual currency report. China remains on a watch list for currency manipulation along with five other countries.

April 15, 2017: State Councilor Yang Jiechi and Secretary Tillerson discuss the situation on the Korean Peninsula during a phone call.

April 16, 2017: President Trump tweets "Why would I call China a currency manipulator when they are working with us on the North Korean problem? We will see what happens!"

April 21, 2017: President Trump tweets "China is very much the economic lifeline to North Korea so, while nothing is easy, if they want to solve the North Korean problem, they will."

April 23, 2017: In his interview with the *Associated Press*, President Trump mentions that he has a "great chemistry together" with the president of China, and that China has not been a currency manipulator "from the time I took office."

April 24, 2017: President Xi talks by telephone with President Trump to address issues regarding North Korea.

April 27, 2017: US-China Economic and Security Review Commission holds a hearing on China's Information Controls, Global Media Influence, and Cyber Warfare Strategy.

April 28, 2017: President Trump tweets "North Korea disrespected the wishes of China & its highly respected President when it launched, though unsuccessfully, a missile today. Bad!"

April 28, 2017: Foreign Minister Wang Yi meets Secretary of State Tillerson in New York on the sidelines of a Security Council ministerial meeting on the Korean Peninsula's nuclear issue.

April 28, 2017: China deports Sandy Phan-Gillis, a US citizen who was convicted and sentenced on an espionage charge after she was held in custody for more than two years.

April 30, 2017: In an interview on *CBS News*, President Trump mentions that email hacking during election “could’ve been China” or other groups. He also maintains that he was “the one who got China to stop manipulating their currency.”

Chronology by CSIS research intern Rose Seungha Hong