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US-CHINA RELATIONS

US AND CHINESE LEADERS JAW-JAW

BONNIE S. GLASER, GERMAN MARSHALL FUND OF THE US

Joe Biden and Xi Jinping held a lengthy virtual meeting to discuss the bilateral relationship and agree on the importance of managing their competition responsibly. Demonstrating that the US and China can cooperate, the two countries signed a bilateral agreement on a common climate change agenda at COP26. USTR Katherine Tai rolled out the administration's China trade policy. The US announced that it will not send an official delegation to the February 2022 Beijing Olympics. A few meetings were held between the US and Chinese militaries to discuss policy and operational matters. The US and its allies strongly condemned Hong Kong's legislative elections held under new rules imposed by China that allow only "patriots" to run for office. Taiwan remained the most serious source of US-China tensions with strong warnings by both sides against challenging the interests of the other. After almost three years, Huawei Chief Financial Officer Meng Wanzhou was allowed to return to Canada in a deal struck between Meng's lawyers and the US Department of Justice. Beijing released two Canadians who had been detained as retaliation for Meng's arrest, and put them on a plane for Canada.

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Biden–Xi Virtual Meeting

Following two engagements between senior US and Chinese officials in Anchorage and Tianjin that resulted in little more than exchanging talking points and failed to produce a pathway to managing growing an increasingly competitive bilateral relationship, the Biden administration concluded that it was necessary to hold a dialogue between the two countries' top leaders. A 90-minute phone call was held between Biden and Xi Jinping on Sept. 9, which US officials described as a test of whether direct, high-level engagement could end the impasse in US–China relations.

The US [readout](#) of the call said that “the two leaders discussed the responsibility of both nations to ensure competition does not veer into conflict” as well as where their interests converge, and where their interests, values, and perspectives diverge. President Biden proposed a face-to-face summit before the end of the year. Xi apparently did not reject the proposal, but said that the atmosphere in bilateral relations needed to improve before there could be progress in the relationship. In Chinese [accounts](#) of the call, Xi was quoted as saying that US policies had caused “serious difficulties” and emphasized the need to bring the bilateral relationship “back to the right track of stable development as soon as possible.”

A few subsequent positive developments helped pave the way for the leaders' meeting, which took place virtually two months later. One of those developments was the resolution of Huawei CFO Meng Wanzhou's case in late September and her return to China (see below). That Beijing was able to portray her homecoming as a victory for China likely helped create a more positive atmosphere for the Biden–Xi meeting. Another positive development was progress in some of the working groups that the two sides had created during Deputy Secretary of State Wendy Sherman's visit to Tianjin last July. Although it wasn't announced until after the November leaders' meeting, discussions between the US embassy in Beijing and China's foreign ministry led to a deal on returning journalists to each other's country. Another bilateral working group made progress toward what would be the eventual release of two US siblings who had been under an exit ban in China since 2018 and the deportation of seven Chinese citizens from the United States.

Senior US and Chinese officials met twice in third countries to prepare for the Biden–Xi *tete-a-tete*. National Security Adviser Jake Sullivan met Chinese Politburo member Yang Jiechi in Zurich, Switzerland on Oct. 6, and Secretary of State Tony Blinken met his counterpart Chinese State Councilor and Foreign Minister Wang Yi in Rome, Italy on Oct. 31. Both meetings were more congenial and constructive than those held earlier in the year.

The Biden–Xi virtual leaders' meeting took about three and half hours on Nov. 15 in the evening Washington, DC time, or the morning of Nov. 16 in Beijing. The discussion was generally positive in tone, as have been all the conversations between the two presidents; they spent many hours together before taking the reins of power in their respective countries. Biden opened the meeting with a reminder that the two men have “always communicated with one another very honestly and candidly.” Xi said he was “to see my old friend” and emphasized the need for better communication and cooperation.



Figure 1 President Biden and President Xi meet virtually on Nov. 15, 2021. Photo: Alex Wong/Getty Images via Foreign Policy

The talks covered the nature of the US–China relationship and the importance of managing competition responsibly, transnational challenges where their interests intersect, including health security and climate change; and regional challenges, including the DPRK, Afghanistan, and Iran. Importantly, the leaders also talked about ways to continue discussions on several pressing issues, and the need to maintain high-level dialogue.

In a [presentation](#) at the Brookings Institution the day after the leaders meeting, Jake Sullivan revealed that Biden and Xi had agreed to consider

holding discussions on “strategic stability,” which would likely include nuclear weapons, missile defense, and perhaps space and cyber. Sullivan said that such talks needed to be “guided by the leaders and led by senior empowered teams on both sides that cut across security, technology, and diplomacy.”

The most contentious issue in the Biden–Xi talks was unquestionably Taiwan. Xi Jinping gave lengthy [remarks](#) in which he claimed that some Americans are seeking to use Taiwan to contain China, while Taiwan is trying to get US support for its independence agenda, calling both moves “extremely dangerous.” Using a common Chinese phrase, Xi warned that those who play with fire will get burnt. In addition to delivering this tough message, Xi said that although reunification is China’s eventual goal, “We have patience and will strive for the prospect of peaceful reunification with utmost sincerity and efforts.”

The White House [readout](#) of the talks noted that, “On Taiwan, President Biden underscored that the United States remains committed to the “one China” policy, guided by the Taiwan Relations Act (TRA), the three Joint Communiques, and the Six Assurances, and that the United States strongly opposes unilateral efforts to change the status quo or undermine peace and stability across the Taiwan Strait.”

Biden Administration Rolls Out China Trade Policy

On Oct. 4, US Trade Representative Katherine Tai gave a speech at the Center for Strategic and International Studies that was billed as the launch of the long-awaited outcome of the Biden administration’s review of trade policy toward China. Tai announced that she planned to have “frank” conversations with Chinese officials about fulfilling their obligations under the “phase one” trade deal and addressing other problems between the two countries that are harming American workers. She expressed pessimism that the US and other like-minded countries would be able to persuade China to implement reforms that would create a level playing field for foreign companies.

During the Q&A, Tai commented that instead of “decoupling” from China, the two sides should consider “recoupling” their economies. It was unclear what that meant, however, or whether

“recoupling” is a goal of the Biden administration. In one concrete policy announcement, Tai said that tariffs imposed by the Trump administration would not be lifted for the time being, but that USTR would reinstate a process for US companies to seek an exclusion from paying tariffs if there is no domestic alternative to the goods they are seeking to import.

A few days later, Tai met virtually with China’s trade negotiator Vice Premier Liu He. The two-paragraph [readout](#) from USTR described their talks as “candid,” and said that they reviewed implementation of the “phase one” trade deal and agreed to consult on “certain outstanding issues. In addition, the readout noted that Tai stressed US concerns relating to “China’s state-led, non-market policies and practices that harm American workers, farmers, and businesses.” China’s brief [account](#) of the talks said that Liu conveyed Chinese concerns about US tariffs and sanctions, and set out Beijing’s position on various issues, including economic development pattern and industry policy.

At the end of October, Liu He held virtual talks with US Treasury Secretary Janet Yellen. They discussed macroeconomic and financial developments in both countries, and the US short [readout](#) said that Yellen “frankly raised issues of concern.” The Chinese side again complained about US tariffs and demanded fair treatment for Chinese companies.

Data from the Peterson Institute for International Economics US–China phase one tracker [showed](#) that from January 2020 through November 2021, China’s **total imports of covered products** from the United States were \$221.9 billion, compared with a phase one target of \$356.4 billion. Over the same period, US exports to China of covered products were \$199.2 billion, compared with a phase one target of \$330.9 billion. From January 2020 through November 2021, China’s purchases of all covered products reached 62% (Chinese imports) or 60% (US exports) of the phase one target.

Climate Cooperation Exceed Expectations

In a surprise, but welcome, development, the US and China issued a bilateral climate [agreement](#) on Nov. 10 as the 26th Conference of the Parties (COP26) convened in Glasgow, Scotland. The deal was a testament to the indefatigable efforts by US

special climate envoy John Kerry and his Chinese counterpart, Xie Zhenhua. Two months earlier, when Kerry visited Tianjin, it seemed unlikely that progress would be made. Chinese state media had reported that Foreign Minister Wang Yi told Kerry that “China-US climate cooperation cannot be separated from the wider environment of China-US relations.”



Figure 2 China's climate envoy, Xie Zhenhua, during the joint China-US statement at COP26. Photo: Jeff J. Mitchell/Getty Images via The New York Times

In the bilateral agreement, the world's two biggest greenhouse gas emitters said they would take “enhanced climate actions” to meet the key goal of the 2015 Paris climate accord—limiting global warming to “well below” 2 degrees Celsius beyond preindustrial levels, and if possible, no greater than 1.5 degrees Celsius. Beyond that pledge, however, the accord was scant on details. It contained no specific commitments or concrete deadlines, and reiterated positions that both countries had set out in when they met earlier in the spring. One promising element was China's agreement to develop a “comprehensive and ambitious National Action Plan on methane,” with the goal of controlling and reducing methane emissions in the 2020s.” Regarding coal, China agreed to “phase down” coal consumption during the 15th Five Year Plan. The greatest significance of the bilateral agreement lay in a possible signal that the US and China could deepen cooperation on climate change despite ongoing friction in their relationship.

The UN global climate summit in Glasgow produced an agreement among nearly 200 nations to fortify the fight against the climate crisis, although several of China's positions were disappointing. A group of over 100 countries that account for nearly half of global methane emissions agreed to cut 30% of methane gas

emissions by 2030 from 2022 levels, but China along with Russia and India, which together comprise 35% of global methane emissions, did not join the coalition. In addition, due to resistance from China and India, the language was changed in the final hours to reflect an agreement to “phase down” rather than “phase out” coal use, which prevented the UK hosts from achieving their goal of setting a target for eliminating coal power.

Beijing did sign up to two important political statements: the Glasgow Leaders' Declaration on Forests, aimed at reversing forest loss and land degradation by 2030, and the Breakthrough Agenda, intended to reduce the cost of renewable energy by 2030 and encourage its use worldwide.

Xi Jinping, who hasn't traveled outside China since the onset of the pandemic, didn't attend COP 26. President Biden rebuked Xi's decision to stay home and not join the more than 120 world leaders to redouble efforts to address one of the greatest threats to humanity. “We showed up,” Biden told a press conference. “They didn't show up,” he said, referring to Xi and Russia's leader Vladimir Putin, suggesting that their absence casts doubt on whether they “have any leadership mantle.”

Meng Wanzhou and the Two Michaels are Released

Almost three years after she was detained and subsequently arrested for fraud and conspiracy to commit fraud to circumvent US sanctions against Iran, Huawei Chief Financial Officer Meng Wanzhou was released and allowed to return to China. On Sept. 24, the US Department of Justice announced it had reached a deal with Meng to resolve the case through a deferred prosecution agreement. The deal entailed Meng's agreement to a statement of facts that included an admission that she had made untrue statements to HSBC to enable transactions in the United States, some of which were connected to Huawei's work in Iran and were in violation of US sanctions. She did not have to pay a fine or plead guilty to the charges.

Shortly after Meng's plane left Ottawa, two Canadians who had without doubt been detained as retaliation for Meng's arrest, were released from jail and put on a plane for Canada. Beijing never admitted any connection between Meng's case and the detention of the Canadians. When

the Michaels were released, Chinese state media reported that the Canadians had “confessed their guilt for crimes” and were allowed to leave China on medical grounds.

Meng returned to a hero’s welcome in China that included a red carpet and crowds of Chinese waving flags in a nationalist frenzy. The event was broadcast live by state media for six consecutive hours. Meng’s homecoming was portrayed as a diplomatic victory for Beijing and evidence that a more powerful China under Xi’s leadership can defend the nation’s interests. Chinese state media emphasized that Meng pleaded not guilty and refrained from reporting her admission of misleading HSBC about Huawei’s relationship with an Iranian subsidiary.

US Announces Diplomatic Boycott of 2022 Beijing Olympics

Since there had been rumors for months that the Biden administration was considering a boycott of the February 2022 Winter Olympics in Beijing, it came as no surprise when the White House announced on Dec. 6 that the US would not send an official delegation to the games. The White House said that it was sending a “clear message” that because of the human rights abuses in China, there cannot be business as usual. Since US athletes have been training hard for years, the Biden administration concluded it would not be fair to fully boycott the Olympics.

The decision marked yet another action by Washington to step up pressure on China over its treatment of Uyghurs and other ethnic minorities in Xinjiang. In mid-October, speaking at the dedication ceremony of the Dodd Center for Human Rights, Biden said he had put human rights “back at the center” and condemned the “oppression and use of forced labor of the Uyghurs in Xinjiang.”



Figure 3 Activists rally in front of the Chinese Consulate in Los Angeles, calling for a boycott of the 2022 Beijing Winter Olympics due to concerns over China’s human rights record. Photo: Frederic J. Brown/AFP

After the US announcement, the other members of the “Five Eyes” alliance—the UK, Canada, New Zealand, and Australia—declared they too would not send government dignitaries to the Beijing Olympics. Lithuania, which was being punished by Beijing for allowing Taiwan to open an office in Vilnius with the Chinese name “Taiwan Representative Office,” also declared a diplomatic boycott. Japan subsequently said it would not send government officials, though it would allow three Olympic officials to attend.

China dismissed the diplomatic boycotts as a “farce” and said it hadn’t extended invitations to the countries that had decided to boycott the games. Beijing’s professed indifference was belied by its threats to take “resolute countermeasures,” however. Chinese Foreign Ministry spokesperson Zhao Lijian [warned](#) that the US attempt to disrupt the Beijing Winter Olympics would “only expose its sinister intention and further erode its moral authority and credibility,” adding that “The US should understand the grave consequences of its move.”

On Dec. 23, President Biden signed into law the Uyghur Forced Labor Prevention Act, which bans all imports from China’s Xinjiang region and imposes sanctions on foreign individuals responsible for force labor in the region. In a [press statement](#), Secretary of State Blinken called on the government of the PRC “to immediately end genocide and crimes against humanity against the predominantly Muslim Uyghurs and members of other ethnic and religious minority groups in Xinjiang.”

US-China Military Ties Begin to Pick Up

As the US and China continued to tussle over the protocol issue of whether US Secretary of Defense Lloyd Austin must meet with Chinese Defense Minister Wei Fenghe before he can meet with Vice Chairman of the Central Military Commission (CMC) Gen. Xu Qiliang, senior-level military engagements remained on hold. Lower-level meetings were convened, albeit virtually due to the coronavirus. In late September, Michael Chase, deputy assistant secretary of defense for China, met virtually with Maj. Gen. Huang Xueping, deputy director of the PLA's Office for International Military Cooperation (OIMC) for the 16th US-PRC Defense Policy Coordination Talks.

The Pentagon's [readout](#) of the talks described the meeting as "an important component of the Biden-Harris Administration's ongoing effort to responsibly manage the competition between the US and the PRC by maintaining open lines of communication with the PRC." Chinese Defense Ministry spokesperson Wu Qian said the sides "exchanged in-depth views on relations between the two countries and the two militaries and issues of common concern."

In early November, the DoD released its annual [report](#) on China's military, titled "Military and Security Developments Involving the People's Republic of China 2021." The report covered a broad range of topics, including China's national strategy, military-civil fusion strategy, defense policy and military strategy, PLA defense reforms and capabilities, US-China defense exchanges, and three special topics: PRC-India border standoff, the PRC's evaluation of the 13th Five Year Plan, and the PRC's effective control concept and PLA escalation management views. Under the 2014 US-China Memorandum of Understanding on Notification of Major Military Activities Confidence Building Measure Mechanism, the report constituted a "major military activity" and therefore provided a basis for holding talks between US and Chinese defense officials. Working-level talks to discuss the report were held virtually at the end of November. Joining the discussion on the PRC side were representatives from the CMC's Office for International Military Cooperation (OIMC) and on the US side were representatives from the Office of the Secretary of Defense and the Joint Staff.

In mid-December the US and China held the annual three-day Military Maritime Consultative Agreement working group and flag officer session with representatives from the US Indo-Pacific Command, Pacific Fleet, and Pacific Air Forces on the US side, and People's Liberation Army naval and air force officers on the Chinese side. A year earlier, the PLA had refused to participate in the annual MMCA meeting, which is intended to review unsafe military incidents between US and Chinese forces and discuss operational approaches to improve maritime and aviation safety. The PLA claimed that the US side had tried to control the meeting agenda, and accused the US of behavior that was "unprofessional, unfriendly and unconstructive."

Further Erosion of Hong Kong's Autonomy Sparks Grave Concern

Many observers inside and outside Hong Kong were relieved when China decided in early October to indefinitely delay its plan to impose its anti-sanctions law on Hong Kong. Widespread concern about the law had been expressed by the financial and legal communities in Hong Kong as well as in mainland China. Hong Kong Chief Executive Carrie Lam told the media that the central government did not set a timetable for imposing the law. The anti-sanctions legislation passed on the mainland in June, providing the Chinese government the right to seize assets from entities that implement US sanctions. The prospect of the application of the law to Hong Kong sparked fears that foreign investment could be directed away from the city and toward Singapore.

On Sunday, Dec. 19, Legislative Council elections were held in Hong Kong under new rules imposed by Beijing that allowed only "patriots" to run for office. The turnout was a record low 30.2%, with many people refusing to cast their vote in a rebuke of the PRC's tightening control over Hong Kong and its measures to erode the city's democracy. Unsurprisingly, pro-Beijing candidates won handily.

The US rallied its allies to sign joint statements criticizing Hong Kong's LegCo elections. Statements were issued by the foreign ministers from the Five Eyes countries, and by the foreign ministers from the Group of Seven (G7) and the High Representative of the European Union. Both statements expressed grave concern about the

erosion of the democratic elements of Hong Kong's electoral system, increasing Chinese curbs on Hong Kong's autonomy, and China's new rules that disqualify elected legislators. Both statements urged China to act in accordance with its international obligations to respect fundamental rights and freedoms in Hong Kong.

On Dec. 20, the US Department of State released the Hong Kong Autonomy Act Report, as required by Congress. The [report](#) expressed concerns about Beijing's "continued efforts to undermine the democratic institutions in Hong Kong and erode Hong Kong's autonomy in its judiciary, civil service, press, and academic institutions, among other areas that are key to a stable and prosperous Hong Kong." The State Department spokesman [asserted](#) that the US would continue to speak out for the rights and freedoms of people in Hong Kong, and would persist in holding the PRC accountable when it fails to meet its obligations.

Taiwan Remains the Biggest Thorn in Bilateral Ties

During the first four days of October, which began with the PRC's National Day, 149 Chinese military aircraft, including three dozen fighter jets and a dozen bombers, flew into Taiwan's Air Defense Identification Zone—the largest incursion ever. The State Department spokesman voiced concern and said that the "destabilizing" military activity risks miscalculations and undermines regional peace and stability." A few days later, at a press availability, Secretary Blinken repeated those concerns and urged Beijing to halt its pressure and coercion directed at Taiwan. He reiterated that the US commitment to Taiwan is "rock solid," and contributes to the maintenance of peace and stability across the Taiwan Strait and within the region. Speaking at the virtual East Asia Summit later that month, President Biden also maintained that US support for Taiwan is "rock-solid" and called China's actions toward Taiwan a threat to peace and stability.

As Beijing celebrated the 50th anniversary of the vote on UN Resolution 2758 which marked the PRC's occupation of the "China seat" in the United Nations, Secretary Blinken issued a lengthy statement praising Taiwan for its robust participation in several UN specialist agencies. Arguing that Taiwan's exclusion undermines the important work of the UN and its related bodies,

he called for all UN member states to support Taiwan's meaningful participation throughout the UN system and in the international community.

At a public event hosted by the German Marshall Fund, Deputy Secretary of State for East Asian and Pacific Affairs Rick Waters criticized China for "misus[ing] UN Resolution 2758 to prevent Taiwan's meaningful participation," noting that Taiwan has been blocked not only from participating in the World Health Organization, but also from the International Civil Aviation Organization and the International Criminal Police Organization.

In an interview with *The New York Times* the day after the Biden-Xi virtual meeting in which Taiwan had figured prominently, Blinken responded to a question about US policy toward Taiwan with a strong warning against the use of force to disrupt the status quo in the Taiwan Strait and reaffirmed the US commitment to "make sure that Taiwan has the ability to defend itself."

Taiwan's Digital Minister Audrey Tang and Taiwan's Representative in the United States Bihxim Hsiao participated in President Biden's Summit for Democracy held on Dec. 9-10. China wasn't invited, and being a country with an authoritarian government, it was, in fact among the unstated targets of the event, which was designed to strengthen democracies and counter threats from authoritarian systems. The Chinese embassy in Washington, DC, condemned Taiwan's invitation as "bolstering and emboldening" its pro-independence forces. "China firmly opposes the invitation by the US to the Taiwan authorities to the so-called 'Summit for Democracy' ... [because] Taiwan has no other status in international law than being part of China," an embassy spokesman said.



Figure 4 President Biden and Secretary Blinken at the Summit for Democracy, held on Dec. 9-10, 2021. Photo: US Department of State

In his virtual meeting with Xi Jinping, President Biden clearly reaffirmed the US “one China” policy and stated that the US does not support Taiwan independence. On other occasions, however, Biden muddied the policy waters by making confusing statements about the United States’ Taiwan policy. In October, Biden told reporters that he and Xi had agreed to “abide by the Taiwan agreement.” Since there is no such thing as a joint US-China agreement on Taiwan, Biden left everyone guessing as to what he meant. Attempting to correct the record, the White House press secretary reiterated that US policy is guided by the TRA. Later that month, Biden mistakenly told a town hall that the US has a commitment to come to Taiwan’s defense if it is attacked by China.

In the most problematic misstatement of US policy on Taiwan to date, which was made only hours after the leaders’ meeting in mid-November, Biden told reporters that Taiwan “makes its own decisions” and that the island is “independent.” Biden explained later in the day that he did not intend to encourage Taiwan independence, but instead was urging Taipei to do what the “Taiwan Act requires.” “Let them make up their mind,” the president stated. Beijing remained silent in response to Biden’s gaffes.

On Dec. 8, the Senate Foreign Relations Committee [held](#) a hearing on “The Future of US Policy on Taiwan,” with witnesses Assistant Secretary of State for East Asian and Pacific Affairs Daniel Kritenbrink and Assistant Secretary of Defense for Indo-Pacific Security Affairs Ely Ratner. Both officials delivered statements that strongly supported close US ties with Taiwan and argued that the preservation of Taiwan’s security is linked to the maintenance of peace and stability in the broader Indo-Pacific region. Ratner went even further, telling the Senators that Taiwan is “critical to the defense of vital US interests” due to its location “at a critical node within the first island chain, anchoring a network of US allies and partners.” Some observers interpreted that language as meaning that the US would not accept the unification of Taiwan with China under any circumstances, even if agreed upon peacefully by both sides. It was unclear, however, if that interpretation was correct, or if the Biden administration was intending to signal a shift in policy.

US navy warships sailed through the Taiwan Strait in September, October, and November, exercising freedom of navigation. The October transit was unusual: joining the *Arleigh Burke*-class guided-missile destroyer *USS Dewey* was the Royal Canadian Navy (RCN) *Halifax*-class frigate, *HMCS Winnipeg*.

Sanctions and Restrictions

The Biden administration imposed new sanctions and extended some existing sanctions in the last four months of 2021.

On Oct. 20, rules were issued by the Department of Commerce pertaining to export controls on cyber security items related to national security and antiterrorism. The new rules are intended to control exports of items to destinations where they “could be used for surveillance, espionage or other actions that disrupt, deny or degrade the network or devices on it.”

On Nov. 9, President Biden extended for one year a ban on US investments in Chinese companies that have alleged ties with the Chinese military. The ban was imposed by Executive Order 13959 on Nov. 12, 2020 by President Trump.

On Nov. 11, Biden signed the Secure Equipment Act, which is intended to prevent equipment from Huawei, ZTE, and other untrustworthy entities from being inserted into US communications networks.

On Nov. 24, the Department of Commerce added a dozen Chinese companies involved in quantum computing and other advanced technologies to its entities list, saying they pose a risk of gaining access to critical US technologies for the People’s Liberation Army.

On Dec. 10, the Department of the Treasury imposed investment restrictions on the Chinese company SenseTime and sanctioned two Chinese individuals over alleged oppression of Uyghur Muslims in Xinjiang. It also imposed human rights-related sanctions on dozens of people and entities to China, Myanmar, North Korea, and Bangladesh. On the same day, the State Department designated four current and former senior PRC officials in Xinjiang for their involvement in arbitrary detention of Uyghurs.

On Dec. 15, the Treasury imposed sanctions on four Chinese chemical companies and one individual over their alleged involvement in illicit drug trade.

On Dec. 16, citing their role in the Chinese government's alleged oppression of ethnic Uyghurs, the Department of Commerce added China's Academy of Military Medical Sciences and its 11 research institutes to its export blacklist. On the same day, the Treasury added eight Chinese companies—including DJI, the world's largest commercial drone manufacturer—to an investment blacklist for actively supporting the "surveillance and tracking" of Uyghurs and other ethnic minorities in China.

Prospects for US-China Relations in 2022

Competition between the United States and China will remain the dominant feature in their bilateral relationship in the coming year. That competition is increasingly multidimensional, extending across military, economic, technological, and ideological domains. The struggle to find a new equilibrium in the relationship will continue in 2022. The Biden administration's priority—managing the relationship by putting in place guardrails—is unlikely to make significant headway. Periodic meetings between Biden and Xi will serve as a pressure release valve that will help prevent tensions from spiraling out of control. Taiwan will continue to be the most dangerous flashpoint; Chinese pressure on Taiwan will increase, but the risk of military conflict will remain low.

The Biden administration's foreign policy will remain focused on strengthening alliances and building coalitions of like-minded countries to protect their shared interests and push back against objectionable Chinese policies. As US-China competition further intensifies and becomes more deeply entrenched, it will be increasingly challenging for other countries to avoid taking sides.

Beijing's top priorities in 2022 are to hold a successful Winter Olympics in February and a smooth 20th CCP Party Congress in the Fall.

Controlling the spread of COVID-19 is imperative, and Chinese quarantine requirements will mean that for all intents and purposes the country will remain closed. Maintaining a favorable international environment for those events is essential, but that doesn't mean China will be conciliatory, especially if it perceives its "core" sovereignty interests are being threatened.

CHRONOLOGY OF US-CHINA RELATIONS

SEPTEMBER—DECEMBER 2021

Sept. 1-3, 2021: Special Presidential Envoy for Climate John Kerry [meets](#) in Tianjin with PRC Special Envoy for Climate Change Xie Zhenhua and has virtual talks with Vice Premier Han Zheng, director of the Office of the Foreign Affairs Commission Yang Jiechi and State Councilor and Foreign Minister Wang Yi.

Sept. 1, 2021: Pentagon spokesman dismisses Beijing's [claims](#) that foreign vessels entering the South China Sea must register with Chinese maritime authorities, describing the move as a "serious threat" to freedom of navigation.

Sept. 8, 2021: *USS Benfold* (DDG 65) of the 7th Fleet [conducts](#) freedom of navigation operation within 12 nautical miles of Mischief Reef in the Spratly Islands.

Sept. 8, 2021: US-China Economic and Security Review Commission [holds](#) a hearing titled "US-China Relations in 2021: Emerging Risks."

Sept. 9, 2021: Littoral combat ship *USS Tulsa* (LCS 16) [joins](#) Carl Vinson Carrier Strike Group during presence operations in the South China Sea.

Sept. 9, 2021: President Biden holds phone [call](#) with President Xi to discuss the bilateral relationship.

Sept. 13, 2021: Stanford professors [urge](#) the Department of Justice to end program looking for Chinese spies in academia.

Sept. 13, 2021: China's new ambassador to the United States Qin Gang [calls](#) for stable and constructive commercial ties between the world's two biggest economies during a virtual meeting with the US-China Business Council.

Sept. 15, 2021: Yang Jiechi, director of the Office of the Foreign Affairs Commission, [meets](#) virtually with representatives of the US Democratic and Republican parties who attend the 12th China-US Political Party Leaders Dialogue in Beijing.

Sept. 17, 2021: US imposes [sanctions](#) on several Hong Kong-based Chinese entities over Iran.

Sept. 17, 2021: *Arleigh Burke*-class guided missile destroyer *USS Barry* (DDG 52) [conducts](#) a routine Taiwan Strait transit.

Sept. 21, 2021: President Biden [speaks](#) to the 76th session of the United Nations General Assembly. Xi Jinping [delivers](#) speech to UNGA on the same day.

Sept. 24, 2021: Huawei's Chief Finance Officer Meng Wanzhou is released and returns to China after reaching a [deal](#) with the US Department of Justice in which she admits to some wrongdoing in exchange for prosecutors deferring and later dropping wire and bank fraud charges. China [frees](#) Canadian citizens Michael Kovrig and Michael Spavor.

Sept. 24, 2021: Chinese Ministry of Foreign Affairs [releases](#) a fact sheet on US interference in Hong Kong affairs and support for anti-China, destabilizing forces.

Sept. 25, 2021: China [allows](#) two American siblings – Victor Liu and Cynthia Liu – who were barred from leaving the country for more than three years to return to the US.

Sept. 27, 2021: Due to concerns about China's nuclear weapons buildup, the US Nuclear Regulatory Commission [suspends](#) shipment of radioactive materials and a hydrogen isotope used in reactors to China's largest state-owned nuclear company, China General Nuclear Power Group.

Sept. 28-29, 2021: Dr. Michael Chase, deputy assistant secretary of Defense for China, [conducts](#) virtual meeting of the 16th US-PRC Defense Policy Coordination Talks with Maj. Gen. Huang Xueping, deputy director of China's People's Liberation Army Office for International Military Cooperation.

Oct. 3, 2021: State Department spokesman Ned Price expresses [concerns](#) over China's provocative military activity near Taiwan after China flies record number of planes in Taiwan's air defense identification zone on the PRC's national day.

Oct. 4, 2021: US Trade Representative Katherine Tai delivers [speech](#) on US trade policy toward China.

Oct. 5, 2021: President Biden [says](#) that he has spoken to President Xi about Taiwan and they agreed to abide by the Taiwan agreement.

Oct. 6, 2021: US Secretary of State Antony Blinken [says](#) China's recent military activity around Taiwan is "provocative" and warns that it risks miscalculation.

Oct. 6, 2021: National Security Advisor Jake Sullivan [meets](#) Chinese Communist Party Politburo Member and Director of the Office of the Foreign Affairs Commission Yang Jiechi in Zurich.

Oct. 7, 2021: CIA Director William J. Burns [announces](#) formation of a China Mission Center to address global challenges posed by China that cut across all of the Agency's mission areas.

Oct. 7, 2021: Harvard University [moves](#) its Chinese language program from Beijing to Taipei due to a perceived lack of friendliness from the host institution, Beijing Language and Culture University.

Oct. 8, 2021: Chinese Foreign Ministry spokesperson Zhao Lijian [asks](#) the US to "clarify in specific details what happened" in a collision involving a US Navy nuclear submarine in the South China Sea, expressing concerns about a nuclear incident.

Oct. 8, 2021: USTR Tai [holds](#) virtual meeting with China's Vice Premier Liu He to discuss the US-China trade relationship.

Oct. 8, 2021: Chinese Consulate General in Los Angeles [warns](#) Chinese students of security risks at US borders after a number were "interrogated repeatedly" at the city's airport.

Oct. 9, 2021: Special Representative of the Chinese Government on Korean Peninsula Affairs Liu Xiaoming [holds](#) telephone [conversation](#) with US Special Representative for the DPRK Sung Kim.

Oct.11, 2021: China's Vice Foreign Minister Le Yucheng [says](#) in an [interview](#) that the US and China recently established a joint working group to discuss specific issues in bilateral relations and have made progress.

Oct. 14-15, 2021: *Arleigh Burke*-class guided missile destroyer *USS Dewey* (DDG 105) [conducts](#) Taiwan Strait transit in cooperation with Royal Canadian Navy (RCN) *Halifax*-class frigate, *HMCS Winnipeg*.

Oct. 15, 2021: Biden [condemns](#) the "oppression and use of forced labor of the Uyghurs in Xinjiang" in a speech at the dedication ceremony for the University of Connecticut's new Dodd Center for Human Rights.

Oct. 20, 2021: Biden's nominee for ambassador to China Nicholas Burns takes a tough line toward Beijing at a [confirmation](#) hearing before the Senate Foreign Relations Committee, citing Beijing's "genocide in Xinjiang," "bullying of Taiwan" and the need to better support Taiwan.

Oct. 20, 2021: Commerce Department announces new [rules](#) intended to curb the sale of offensive cybersecurity products to countries with "authoritarian" practices including China.

Oct. 20, 2021: US provides [details](#) about its temporary "safe haven" program that will allow Hongkongers to work in the country.

Oct. 21, 2021: Speaking at a CNN town hall event, Biden [answers](#) the question if the US "would come to Taiwan's defense if China attacked" with "Yes, we have a commitment to do that."

Oct. 21, 2021: White House press secretary Jen Psaki walks back Biden's statement that the US is committed to defending Taiwan should it come under Chinese attack, [saying](#) US policy "has not changed."

Oct. 22, 2021: National Counterintelligence and Security Center [lists](#) challenges and threats from China for US technology companies in five sectors—artificial intelligence, bio-economy, autonomous systems, quantum information science and technology, and semiconductors.

Oct. 26, 2021: Treasury Secretary Janet Yellen holds a virtual [meeting](#) with China's Vice Premier Liu He; they discuss macroeconomic and financial developments in US and China.

Oct. 26, 2021: Secretary of State Blinken [urges](#) United Nations member states to support Taiwan's "robust, meaningful participation throughout the UN system."

Oct. 26, 2021: US Federal Communications Commission (FCC) [revokes](#) China Telecom America's telecom services authority in the US, citing national security concerns.

Oct. 27, 2021: Speaking at a virtual East Asia Summit, President Biden [calls](#) China's actions toward Taiwan a threat to peace and stability and reiterates that US support for Taiwan is "rock-solid." He reaffirms US support for human rights in Xinjiang and Tibet, and for the rights of the people of Hong Kong.

Oct. 29, 2021: Office of the Director of National Intelligence (ODNI) [releases](#) a declassified Intelligence Community assessment on COVID-19 origins, saying that a natural origin and a lab leak are both plausible hypotheses for how SARS-COV-2 first infected humans.

Oct. 31, 2021: Secretary Blinken and Chinese Foreign Minister Wang Yi [meet](#) in Rome, on the margins of the G20, where Blinken reaffirms US' one-China stand on Taiwan and both sides reaffirm the need to keep communication lines open.

Oct. 31, 2021: EU and US [announce](#) a new metals alliance that President Biden said would "restrict access to our markets for dirty steel, from countries like China."

Nov. 2, 2021: President Biden [says](#) President Xi makes a "big mistake" and damages Beijing's international standing by not showing up to the COP26 climate summit.

Nov. 2, 2021: In [remarks](#) in Washington to US steel industry executives, USTR Tai says that she supports updating US trade laws to combat circumvention of anti-dumping and anti-subsidy duties, including tools aimed at subsidized Chinese investment in steel production elsewhere in southeast Asia.

Nov. 3, 2021: Department of Defense [announces](#) release of its annual report on "Military and Security Developments Involving the People's Republic of China," highlighting growing concern about Beijing's rush to build more nuclear weapons and other cutting-edge military technologies.

Nov. 3, 2021: US Special Envoy for Iran Robert Malley [holds](#) phone conversation with Chinese Vice Foreign Minister Ma Zhaoxu to discuss the Iranian nuclear issue.

Nov. 7, 2021: In an interview with CNN, US national security adviser Jake Sullivan [says](#) that US is seeking coexistence with China rather than containment or a new cold war.

Nov. 9, 2021: President Biden [extends](#) order that prohibits US investments in Chinese companies that have alleged ties with the Chinese military.

Nov. 9, 2021: In a congratulatory letter to the National Committee on US-China Relations, President Xi [says](#) China "stands ready to work with the United States to enhance exchanges and cooperation across the board."

Nov. 10, 2021: US and China [sign](#) joint Glasgow Declaration on Enhancing Climate Action in the 2020s.

Nov. 10, 2021: Secretary Blinken [says](#) the US and its allies would "take action" if China uses force to alter the status quo over Taiwan.

Nov. 11, 2021: President Biden signs the Secure Equipment Act, which will "ensure that insecure equipment from Huawei, ZTE, and other untrustworthy entities can no longer be inserted into our communications networks," [says](#) FCC Commissioner Brendan Carr.

Nov. 12, 2021: Secretary Blinken [speaks](#) with counterpart, Chinese Foreign Minister Wang Yi, in advance of President Blinken's phone call with Xi Jinping.

Nov. 15, 2021: US and China simultaneously [release](#) detained citizens from each country. Daniel Hsu is allowed to leave China and seven Chinese nationals convicted of crimes in the US are sent back to China.

Nov. 15, 2021: Presidents Biden and Xi [hold](#) a virtual meeting lasting 3 1/2 hours.

Nov. 16, 2021: United States and China [announce](#) an agreement to ease restrictions on foreign journalists operating in the two countries.

Nov. 16, 2021: Speaking to reporters in New Hampshire, Biden [says](#) Taiwan “makes its own decisions,” and is “independent.” Hours later Biden amends his statement, saying “we are not encouraging independence...We’re not going to change our policy at all...We’re encouraging them to do exactly what the Taiwan Act requires...Let them make up their minds, period.”

Nov. 17, 2021: US-China Economic and Security Review Commission releases annual [report](#) to Congress.

Nov. 19, 2021: After Chinese Coast Guard vessels used water cannons to prevent civilian boats manned by the Philippine Navy from delivering supplies to marines aboard the *Sierra Madre* on Second Thomas Shoal, State Department spokesperson Ned Price [accuses](#) China of an escalation against the Philippines and warns that an armed attack would invite a US response.

Nov. 23, 2021: *Arleigh Burke*-class guided-missile destroyer *USS Milius* (DDG 69) [conducts](#) a Taiwan Strait transit.

Nov. 24, 2021: Department of Commerce [puts](#) a dozen Chinese companies involved in quantum computing and other advanced technologies on an export blacklist, saying they pose a risk of gaining access to critical US technologies for the PLA.

Nov. 25–26, 2021: Five members of the US House of Representatives [visit](#) Taiwan.

Nov. 30, 2021: US and PRC defense officials [hold](#) working-level virtual meeting to discuss the DoD’s recently released annual report on “Military and Security Developments Involving the People’s Republic of China.”

Dec. 2, 2021: Under Secretary Jose W. Fernandez [delivers](#) a keynote address at the US-China Business Council’s “Gala 2021: Way Forward.”

Dec. 3, 2021: Secretary Blinken [tells](#) the Reuters Next conference that Chinese leaders should think carefully about their actions toward Taiwan, warning of “terrible consequences” if China precipitates a crisis across the Taiwan Strait.

Dec. 4, 2021: Defense Secretary Lloyd Austin delivers a [speech](#) titled “The China Challenge” at the 2021 Reagan National Defense Forum.

Dec. 6, 2021: White House [announces](#) that it will not send officials to the 2022 Beijing Winter Olympics in protest against human rights abuses committed by the Chinese Communist Party.

Dec. 8, 2021: Senate Foreign Relations Committee [holds](#) hearing on “The Future of U.S. Policy on Taiwan,” with witnesses Assistant Secretary of State for East Asian and Pacific Affairs Daniel Kritenbrink and Assistant Secretary of Defense for Indo-Pacific Security Affairs Ely Ratner.

Dec. 9, 2021: Department of State issues a [statement](#) on the announcement by Nicaragua that it is breaking ties with Taiwan and establishing diplomatic relations with the PRC.

Dec. 10, 2021: Treasury Department [imposes](#) investment restrictions on the Chinese company SenseTime, and sanctions two Chinese individuals over alleged oppression of Uyghur Muslims in Xinjiang.

Dec. 10, 2021: State Department [designates](#) four current and former senior PRC officials in Xinjiang for their involvement in arbitrary detention of Uyghurs.

Dec. 14–16, 2021: Annual Military Maritime Consultative Agreement working group and flag officer session is [held](#) with representatives from the US Indo-Pacific Command, Pacific Fleet, and Pacific Air Forces on the US side, and PLA naval and air force officers on the Chinese side.

Dec. 15, 2021: Department of the Treasury imposes [sanctions](#) on four Chinese chemical companies and one individual over illicit drug trade.

Dec. 16, 2021: Citing their role in the Chinese government's alleged oppression of ethnic Uyghurs, the Commerce Department [adds](#) China's Academy of Military Medical Sciences and its 11 research institutes to its list of companies and institutions, restricting access to exports.

Dec. 16, 2021: Treasury Department [adds](#) eight Chinese companies—including DJI, the world's largest commercial drone manufacturer—to an investment blacklist for actively supporting the "surveillance and tracking" of Uyghurs and other ethnic minorities in China.

Dec. 20, 2021: Secretary Blinken [designates](#) designated Under Secretary for Civilian Security, Democracy, and Human Rights Uzra Zeya to serve concurrently as the Special Coordinator for Tibetan Issues.

Dec. 20, 2021: State Department [releases](#) the Hong Kong Autonomy Act Report to Congress, which underscores US concerns about the PRC's continued efforts to undermine the democratic institutions in Hong Kong and erode Hong Kong's autonomy in its judiciary, civil service, press, and academic institutions.

Dec. 20, 2021: One day after Legislative Council elections in Hong Kong, G7 Foreign Ministers (f Canada, France, Germany, Italy, Japan, the United Kingdom, and the US) and the High Representative of the EU, [issue](#) statement expressing grave concern over the erosion of democratic elements of Hong Kong's electoral system. A similar statement was [issued](#) by the foreign ministers of the "Five Eyes" countries.

Dec. 21, 2021: Beijing [announces](#) sanctions against four members of the US Commission on International Religious Freedom in response to Washington's latest sanctions targeting China's Xinjiang policies on Dec. 10.

Dec. 23, 2021: President Biden [signs](#) into law the Uyghur Forced Labor Prevention Act, which bans all imports from China's Xinjiang region and imposes sanctions on foreign individuals responsible for force labor in the region.

US-China Chronology completed by GMF research intern Ma Senqi.