



Chinese President Xi Jinping and his US counterpart Joe Biden in the gardens at the Filoli Estate in Woodside, California, on the sidelines of the Asia-Pacific Economic Cooperation conference on Nov 15. Both China and the United States considered the summit a success. President Biden described the meeting to the press as "some of the most constructive and productive discussions we've had". PHOTO: NYTIMES

# Biden-Xi meet: A positive step in managing complex US-China ties

There was no reset but the San Francisco summit was a vital step to stabilise the relationship amid challenging times.



Chan Heng Chee

There is a cottage industry emerging of analyses on the Biden-Xi summit in San Francisco. Most of the writings fall into, for want of a better description, the glass half-full or the glass half-empty or, in some extreme cases, a glass totally empty school.

What meaning one makes of the four-hour meeting, the atmospherics around President Xi Jinping's visit and other events depends a great deal on where one stands. The US-China relationship is too complex and complicated to be hastily unpacked and served with a dismissive attitude.

Both the United States and China considered the Nov 15 summit a success. President Joe Biden described the meeting to the press as "some of the most constructive and productive discussions we've had". The US could count a few deliverables. The Chinese side was also pleased with the talks. There were three speeches prepared for President Xi to be delivered at the dinner with American chief executives that took place after the Biden-Xi meeting. Mr Xi selected the most friendly one, which reflected his mood after the summit wrapped up. He emphasised the people relationship throughout and that "the future of the China-US relationship will be created by our peoples".

Mr Xi talked of three things that would not change in the bilateral relationship. He spoke of the historical trend of peaceful co-existence between China and the US, the ultimate wish of the peoples for exchanges and cooperation, and the expectations of the whole world for a steadily growing China-US relationship. Compared with his March remarks when he highlighted the US-led "comprehensive containment, encirclement and suppression of China", this was a big change in tone. It came as a surprise to the audience, who was expecting to hear lots of statistics and the usual China growth story. President Xi received a standing ovation for the speech.

But there was no breakthrough and no reset. None was expected. Both sides set about lowering expectations before the meeting. The purpose was to stabilise the relationship or, as US National Security Adviser Jake Sullivan said, "to set a floor" to the downward spiral.

It had been a year since the Bali summit and both leaders had not met. Throughout 2023, the US continued to roll out measures banning technology exports to China considered a national security risk. The Biden administration continued to reinvigorate the strategic deterrence of treaty allies in Asia. In January, a Chinese balloon crossed over the Pacific to the United States, and US tensions with China were at their worst. China continued its military manoeuvres across the Taiwan Strait and in the South China Sea. There was talk in some quarters of a likelihood of conflict.

America's friends and allies, as well as Chinese friends and partners, were gently urging both powers to work out their relationship because they owe it to the rest of the world and to themselves not to make a dangerous global order worse.

President Biden should be recognised for his efforts to reach out to China, which was initially not keen to respond. In the latter's view, nothing came out of the Bali talks, and the sanctions continued. Much groundwork was thus laid ahead of the San Francisco meeting. In May, Mr Sullivan met Chinese Foreign Minister Wang Yi in Vienna, indicating both sides wanted to move beyond the balloon incident. Mr Sullivan and Mr Wang met again in September in Malta and in Washington on Oct 27, by then to finalise the Biden-Xi meeting.

From June to August, Secretary of State Antony Blinken, Treasury Secretary Janet Yellen, Commerce Secretary Gina Raimondo and Special Climate Envoy John Kerry made trips to China with the message that the US did not intend to decouple economically from China.

In October, US Senate Majority Leader Chuck Schumer led a bipartisan congressional delegation to China, assuring the Chinese that the US did not want to decouple from China but sought reciprocal and fair treatment for American companies.

China's economy, meanwhile, was running into serious trouble. Recovery post-Covid-19 had been much slower, and foreign direct investment was slowing down rapidly. China understood it had to manage its relationship with the US better.

The Chinese, on their part, were

discreetly preparing for the bilateral summit too, albeit seeking reassurance that nothing would embarrass China and Mr Xi. The Chinese held a Track 2 dialogue (non-official) and an important Track 1.5 dialogue (including officials) with US think-tanks in preparation for a potential meeting.

## SUMMIT OUTCOME

What were the results of the Biden-Xi meeting?

There was obviously strong incentive to meet, as if the list of bilateral issues was not grave enough. Global stability was further challenged by the eruption of yet another war, in the Middle East.

Arguably, the most critical and substantive parts of the talks involved the two sides exchanging views on the Ukraine war and the Israel-Hamas war, feeling out whether they could work together, especially since each backed the other side in the wars.

All reports from the meeting are that both China and the US do not want the two conflicts to turn into wider wars or be viewed through Cold War lenses. Dr Ian Bremmer, president of the Eurasia Group political risk consultancy, described both powers as "adults geopolitically" and this was not just the two presidents but also

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the senior officials down the line. This exchange clears unnecessary speculation and suspicions and is an important achievement.

Each side has its own prioritisation of the deliverables.

President Biden presented the agreement on fentanyl as the centrepiece of the meeting. The fentanyl crisis is a huge domestic issue in the US. It hits American families and especially young people. It was brought up during Secretary Blinken's visit to Beijing in June. The illegal fentanyl in the US is said to come from Mexico, produced using Chinese chemicals.

Before the meeting, China had already taken necessary measures to tell Chinese companies not to export 51 ingredients used in making the drug. The meeting agreed to set up a working group of both sides for counter-narcotics and law enforcement. For China's cooperation on fentanyl, the US removed from its "entity list" and lifted sanctions imposed on the Ministry of Public Security's Institute of Forensic Science, which includes the National Narcotics Laboratory of China. This was to facilitate the work.

The US had pressed for and achieved the restoration of high-level military-to-military communications, which were cut off after the August 2022 visit by then US Speaker Nancy Pelosi to Taiwan. Two meetings will be put back on track – the US-China Defence Policy Coordination Talks and the US-China Military Maritime Consultative Agreement. Telephone conversations between theatre commanders would resume. This is considered critical for stabilising the relationship and to avoid misunderstanding in case of accidents at sea or in the air or because of close encounters.

The US and China agreed to address the risks of advanced artificial intelligence (AI) systems through US-China government talks. It was a short paragraph in the White House read-out, but coming on the heels of China's participation at the AI Safety Summit organised by the British government on Nov 1 to 2, there is clearly room to expand this area of cooperation.

Government officials and companies, as well as academia and civil society, attended the Bletchley Park meeting. Other than the US and China, participants included

representatives from the European Union as well as India, Japan, Australia, Indonesia, the Philippines, Singapore, the United Arab Emirates and Saudi Arabia.

The US was represented by Vice-President Kamala Harris and China by its Vice-Minister for Science and Technology Wu Zhaohui. CEOs of top tech firms, such as Mr Elon Musk, Mr Sam Altman, Mr Brad Smith (Microsoft) and Mr Dennis Hassabis (DeepMind), and Alibaba and Tencent were also present. All 28 countries plus the EU signed on to the Bletchley Declaration, which called for transparency and accountability from actors developing frontier AI technology. There was talk that the group should work on a framework to be modelled after the United Nations International Panel on Climate Change. Discussions would continue in six months when the meeting is held in South Korea, and six months later in France.

This AI agreement shows that the US and China, in spite of their rivalry, especially in technology, are willing to work together on existential safety questions concerning AI.

The Chinese view of the Biden-Xi summit was shared by China's Ambassador to the US Xie Feng. He spoke of five pillars that had been laid out in San Francisco for the sound development of the US-China relationship. He listed cooperation in counter-narcotics, law enforcement and AI as one pillar. Like climate change, these three items would be something the US and China could work on going forward. Importantly for the Chinese, at the summit President Biden reiterated that "the US does not support 'Taiwan independence', does not seek a new Cold War or to suppress China's development or to decouple from China".

China would want to see some of the restrictions and sanctions lifted, though that would involve tough negotiations. Presumably, Dr Yellen's economic and financial working group, established with Vice-Premier He Lifeng to deepen communication, and Ms Raimondo's commercial issues working group, established with Chinese counterpart Wang Wentao, would help to reduce misunderstanding and find solutions to trade and investment issues.

## EASING OF REGIONAL TENSIONS

But there is a larger security consequence enabled by the summit of the two leaders. It has allowed the allies of the US to work out their relationships with China too. Australia, under the Biden administration, had been working on improving its relationship with China, which, of all US partners and allies, had deteriorated the fastest and deepest, according to Australian strategic analyses. China, on its part, wanted to turn the page with Australia, after the Scott Morrison government. The outcome of Prime Minister Anthony Albanese's visit to Beijing early in November was viewed as positive on both sides. Mr Albanese was in Washington before he went to Beijing.

Japanese Prime Minister Fumio Kishida, too, met Mr Xi during the Asia-Pacific Economic Cooperation summit in an effort to thrash out many thorny bilateral issues. On Nov 26, the foreign ministers of South Korea, China and Japan met for talks to discuss preparations for a trilateral leaders' summit, the first in four years.

There is no doubt that as a result of the Biden-Xi summit, regional tensions have somewhat eased for the moment, which is a relief for the Asia-Pacific countries.

It is better for leaders to talk than not. All are aware that with the US presidential election in 2024, campaign rhetoric will undermine the bilateral relationship, with Republicans and Democrats trying to out-tough the other on dealing with China. At the summit, the US and China agreed that high-level visits and meetings would continue in 2024 to keep communications going, which may be helpful as a counterbalance, but positions taken next year by the US will have an eye to the election.

The path ahead for stabilisation is still rocky but the San Francisco summit was a necessary and positive step to provide guard rails to manage the US-China relationship.

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