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TRANSCRIPT

Press Briefing
"Previewing Secretary Blinken's China Visit"

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FEATURING

Bonny Lin
Director, China Power Project and Senior Fellow, Asian Security, CSIS

Jude Blanchette
Freeman Chair in China Studies, CSIS

Scott Kennedy
Senior Adviser and Trustee Chair in Chinese Business and Economics, CSIS

MODERATED BY

Paige Montfort
Media Relations Manager, External Relations, CSIS

Transcript By
Superior Transcriptions LLC
www.superiortranscriptions.com

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Paige Montfort: Thank you to our operator, and welcome, everyone. My name is Paige Montfort, and I'm the media relations manager here at the Center for Strategic and International Studies in Washington, D.C. We have a terrific briefing lined up for you today, previewing U.S. Secretary of State Antony Blinken's visit to China this weekend. And today's briefing is going to feature analysis from three of our top CSIS experts on China, whom I'll introduce in just a moment. They're going to preview the visit, what's likely to be on the agenda, as well as look ahead to possible outcomes. As always, we will have a transcript ready within just a few hours of this call, and I'll send it directly to everyone who has RSVPed to me for the briefing. It will also be posted to csis.org.

Now, without further ado, I'll introduce the experts on the call with us today. First, we're going to hear from Jude Blanchette, who holds our Freeman chair in China studies. He'll hand the mic over to Dr. Bonny Lin, the director of our China Power Project and a senior fellow in Asian Security here at CSIS. And third, we will hear from CSIS senior advisor Dr. Scott Kennedy, who holds our Trustee chair in Chinese business and economics. They'll each present their analysis, and then about halfway through the call we will open it up to your questions. We have a lot of ground to cover on this important call today, so I want to hand it right over to my colleague Jude to start us off.

Jude Blanchette: Thanks, Paige. And thanks, everyone, for joining us. I'm just going to offer a few initial thoughts, just so we can save the balance of time for my other colleagues. And then would love to hear questions.

So just a few quick initial points. So I think the first is, I don't think there should be many expectations that we're going to see anything significant breakthroughs for the trip. But I also don't think that's a bad thing, given how far the relationship has deteriorated over the last five years. So really building on President Biden's meeting with Xi Jinping last November, and then a meeting between Dan Kritenbrink and Xie Feng in December. This is really about reestablishing the undergirding of the relationship and putting in place some procedures and mechanisms to be able to manage through some of the tensions in the relationship right now.

I think it's also important, the larger political context within which this meeting is going. I'm sure everyone saw comments by General Minihan over – late last week, and then echoed through the weekend, saying that the prospect of war with the United States – or, as he said, his gut tells him that there will be conflict between the United States and China in 2025. I disagree with that assessment, but I think it does speak to the extraordinarily fraught state of the relationship, recent improvements aside.

So I think the White House views this trip as just another step in building on the trajectory since November. And they don't say this, but I think the goal is to basically fast-forward this Cold War to its detente phase, thereby skipping a Cuban Missile Crisis. And of course, it's also important that now with Beijing moving beyond its zero-COVID policy, although moving beyond it in an extraordinarily haphazard way, that additionally opens up space for many of the other conversations that are happening at a low level now but will likely gain traction over the coming months. So we're seeing on a number of different fronts, including – and I'm sure Scott will speak to this in the economic space – more dialogue. Of course, we saw Janet Yellen talk with Liu He on January 24th.

In terms of context for this, I think there's a perception in the White House that now is an advantageous time for the United States to try to reset relations. I think the Biden administration has demonstrated over the last couple years that it's comfortable taking a

hard line on China and in many ways moving beyond what the Trump administration was willing to do, and that therefore this bought them some political space to tack in a slightly different direction on its relationship with Beijing. I think they understand there's no point in which Republicans will not paint them as being soft on China, but substantively the track record is there, in their opinion, that gives them a little bit of breathing room. And then I think, also, in conversations with folks in the administration, it's clear that they also see Beijing as being in something of a weaker spot right now. Analysts can debate that point, but I think the perception is there that, in its own way, China is facing a poly-crisis, if we could put a word on it, in terms of COVID, in terms of its economy; we're seeing, you know, continuing problems in the resumption of consumption; we're seeing continuing problems in the real estate market.

You know, Xi Jinping is fighting fires on a number of different fronts right now and that might put him in a slightly more pragmatic position when it comes to the bilateral relationship. And indeed, Beijing has been sending some interesting and, to me, some somewhat unpredictable signals over the past couple months that do indicate something of a marginal course correction to pragmatism. I think there's important questions about how long that tack stays. Is this slightly more or marginally more pragmatic tack simply a function of the current headwinds China faces and that if they can rebuild some momentum in the economy, if Xi Jinping can put out a few of these fires, that we're going to see a return to the status quo ante of, you know, more wolf warrior assertive diplomacy and foreign policy? I think that's a question that remains to be seen. But the signals are, I think, striking as to what's happened over the last few months.

And finally, let me just say a bit on, you know, Beijing's expectations for the meeting. Even if we think there is something of a more, you know, pragmatic turn, I think it's clear: Beijing wants to go into this with its own agenda of slowing down some of the U.S. actions in the technology space. I think they're going to be, as they have been the last few meetings, pushing for additional public reassurance from the Biden administration in its statements on Taiwan. I'm not sure they're going to get exactly what they want out of both of these fronts, and you saw, if you remember, the Biden-Xi Jinping meeting that it was really in the Chinese readout that we saw statements on Taiwan coming from Biden; it wasn't in the U.S. readout. But nonetheless, I think Beijing is going to be pushing for Biden to say something, get some statements out publicly that look more closely like they align with longstanding U.S. policy on Taiwan.

And then I'd just say, in terms of when we come out of this meeting, setting our expectations correctly – I think there was an overoptimism coming out of the Biden-Xi meeting that saw what was admittedly a relatively positive meeting as indicating a more significant course correction in the overall bilateral relationship, and it's undoubtedly true that if Beijing and Washington continue up this cadence of high-level convenings that this will indicate a – some degree of stabilization in the relationship, but we have a pretty fraught year ahead of us in the political calendar, starting with a possible trip by Speaker McCarthy, you know, anytime in the next couple months, and of course, about a year from now, or just over a year from now, having a very consequential election in Taiwan, which you're already seeing some analysts frame as a, you know, inherently destabilizing event for cross straits. So whatever positive momentum can be built up over the next week is really just an indication that we're in the first inning here, and there's a lot of work to be done to stabilize this and to avoid some of the – some of the hurdles we see over the next year.

So, with that, let me turn it over to my colleague Bonny Lin.

Dr. Bonny Lin: Thank you, Jude.

So let me just start off by largely agreeing with what Jude has laid out. I don't think we're going to be seeing any major significant breakthroughs or really large deliverables that both sides could really point to as changing or fundamentally altering U.S.-China relations. So I think we should view this as the United States trying to showcase to the international community that the United States and China can continue to maintain channels of communication and that communication can occur at the highest levels, where we know since the 20th Party Congress that decision-making is becoming increasingly concentrated within Xi Jinping and those of his inner circle.

What I will be looking for, given that as Jude mentioned this is probably the first of several meetings that we might see at high levels, is what will there be – will there be any insight or any announcement about when we might actually see President Biden with Chinese President Xi Jinping again. I'll be looking to see if that is included in any of the statements on either side.

I'll defer to my colleagues on how much progress we could potentially make on issues like climate change or global health, two issues that I think have been identified by both sides. But I do think that we've probably made some progress, at least, on global health, but I'm sure Scott can talk about that. I don't see us during this meeting and Blinken's trip as making much progress on some of the hard, critical security issues, progress – issues that Jude had mentioned for example on Taiwan. I'm not sure China's going to – there's going to be much ground achieved in terms of Russia, looking at what Russia's doing in Ukraine, or North Korea.

I think the Chinese will likely want to discuss agreement on some general principles for managing U.S.-China relations, and we're seeing them mention it again and again by the Chinese media and Chinese Foreign Ministry spokes-folks about mutual respect, peaceful coexisting, and cooperation. But I think where the rubber meets the road is how can these abstract principles be applied to any of the issues of contention.

If we're not seeing significant deliverables, I think it will be useful as we're watching this trip unfold to look at the general atmospherics. And here, again, I think it's important to recall the last trip by a U.S. secretary of state to China, which was Secretary Mike Pompeo in 2018. If you remember, when he went he had a very short meeting with Wang Yi and I believe he also met with Yang Jiechi, but there was no meal afterwards. That's in contrast to Secretary Kerry when he traveled to Beijing in 2015. He had meetings with China's foreign minister, vice chairman of the Central Military Commission, premier, state councilor, and President Xi Jinping. So we should be watching who Secretary Blinken will meet and what will come from each of those meetings, and if he had more or less of those meetings what that – what China is trying to signal to us about the state of U.S.-China relations. We should also watch other places Secretary Blinken may be going before or after visiting China.

I would just say that entering this meeting they are, I think, very well-positioned to have a candid conversation about a range of issues that we're facing, both in the Indo-Pacific and beyond. This includes, for example, talking about Taiwan, what's happening in the East China and South China Sea, Russia, and North Korea. You're probably all aware that, at least on the foreign policy side, there's been significant groundwork laid even before Blinken's trip to China. This includes, for example, earlier this month the U.S.-Japan 2+2, where both Secretary Blinken and Defense Secretary Austin were where; as well as Prime Minister Kishida's meeting with President Biden. Right now, this week Secretary Austin is currently on his fifth – I'm sorry, on his sixth trip to the Indo-Pacific, where he's meeting with South Korean and Filipino counterparts to focus on U.S. capabilities and interoperability. So all of this will be in the context of – will be sort of the background in which Blinken will be going to China.

And I would just also note on the China-Russia space we've seen the past week or so more information on U.S. concerns with regard to what China is doing or what Chinese companies might be doing, including late last week where the Department of Treasury sanctioned a Chinese company for providing satellite imagery of Ukraine to support the Wagner Group's combat operations in Ukraine. So this, as well as other concerns about the China-Russia dynamic and what that means for Russia's operation in Ukraine, are likely to feature in the conversation.

So I'll wrap up here and turn it to my colleague, Scott Kennedy.

Dr. Scott Kennedy:

Well, thanks, Bonny and Jude, for your good remarks to get things started. Let me offer just a couple points as well, and then look forward to the conversation with everybody. A couple broad points, and then some details on the econ side of things. So I think, you know, the Trump administration's sort of mode of and approach towards China was just to signal that the U.S. is willing to use its power to compete with China, even if doing so will hurt U.S. interests, or have other consequences. People have said that the Biden administration has continued that policy. I would – I would challenge that a little bit and say the Biden administration's goal is to use the power of the West to compete with China, but in ways that don't cause war or isolate the U.S. from its allies. I think that's the biggest distinction I'd made at the most general level.

And what we're seeing for 2023 from the U.S., which started last year, is the clear intention that we're going to compete. We really want to have this relationship be stabilized and avoid war. And we want to normalize interaction, what the administration calls "build guardrails." And, you know, that's just getting back to sort of standard levels of interaction pre-pandemic, with regular meetings, travel, discussing both issues of contention, as well as potential cooperation, and including on climate and health. And it's clear that both sides at this stage want to tamp down the, you know, sense of gloom and doom and fatalism. The real question is, what is each side willing to do? Both sides seem to be saying that the ball is in the other side's court. And I expect that's what the conversation will look like in Beijing when Secretary Blinken goes there.

I'll say a little bit about Chinese motives from the meeting coming into this. I would say, you know, China's economy is not doing well, which Jude mentioned. And that's an impetus for their efforts to try and stabilize ties. In 2022, China's economy grew only 3 percent. And this year, it's projected to grow 4.8 percent. I think those are Chinese-style statistics. I was in China for six weeks in 2022, in the fall. And it was – I'd be hard pressed to identify real signs of progress outside of the electric vehicle industry. You know, you had major shutdowns of the economy in different points during the year. Sentiment was very low amongst consumers and investors.

I think looking at this year there's some potential bright spots for the Chinese economy. Zero-COVID was abandoned in six minutes. And they are opening up. The have upped their stimulus of the economy, cut some taxes, allowed the housing market to regrow again, ended the crackdown on internet firms and, you know, focused on suggesting they want dialogue with the U.S. And that includes Secretary Blinken's trip, Secretary Yellen's, I expect others in both directions. But on the downside, there's still a pretty significant list of things pushing to keep the Chinese economy from growing and being an engine of global growth.

The exit, the way they're leaving zero-COVID is not going very well. They've suggested that a billion people have gotten the virus, but only 70-some-thousand have died. If that's the case, China is way out in front of the rest of the world. If a billion people died and China followed – modeled themselves on the best way – best effort to deal with COVID, which was South Korea's 0.1 percent death, then that would be a million deaths in China. And they're not

reporting anything near that. The 70,000 number must mean it's only in hospitals and they are just leaving a lot of data off. And so the WHO and others have pushed the Chinese for being more transparent.

Business confidence is still quite weak. In 2022, personal consumption contributed only 38 percent to China's economy. In 2017 and '18, it was over 50 percent, and everyone was at that point saying China had a consumer-led economy. It obviously does not. Foreign companies are quite concerned still about China. And they are, if not leaving China, figuring out how to modify their global supply chains to be in China for China and outside of China for the rest of the world. A survey that we did and published last October showed that Taiwanese companies are leaving in significant numbers. Over 25 percent of them have already moved some of their operations out of China. And the risks that Jude and Bonny point to might make more of them consider leaving.

China's debt picture has continued to worsen, over 300 percent of debt-to-GDP ratio. Demography: China's population shrunk slightly for the first time last year; isn't expected to, you know, turn around any time soon, if at all. The tensions with the U.S. on technology and security are going to continue to sharpen. And as Bonny said, the U.S. has been expanding coordination with its allies to reinforce these restrictions. They are not going to weaken. And they have committed to dialogue, but they haven't committed to do anything subsequent to the dialogue.

So I would say, if I was looking for one big story this year beyond all of, you know, the effort to increase consultation, it is what is the world's reaction going to be to these discussions in Chinese action? I think Washington is going to be likely much more at the skeptical end of the spectrum. And its allies, particularly those in Southeast Asia, perhaps some in Europe, are going to be more easily reassured and push Washington to normalize more quickly. And I think we'll see Wall Street push more quickly for there to be normalization, and for equity investors, those that do business in China, actually to be on the more skeptical side. So that variation in reaction to what happens in China, I think, will be an interesting story to watch this year.

Let me stop there.

Ms. Montfort: Thank you, Scott.

And for those of you who may have joined a few minutes into the call, we first heard from Jude Blanchette, followed by Bonny Lin and just now from Scott Kennedy. So at this time we're going to open it up to questions from those of you who have called in. I'll ask for our operator to jump in now to remind us of the queueing instructions, and then he'll begin to call on folks.

Operator: (Gives queueing instructions.)

Our first question will come from the line of Shaun Tandon with AFP. Please go ahead. Your line is open.

Shaun Tandon: Hey, there. Thanks for doing this call.

I wanted to extend some of the comments, particularly from Jude, talking about the calendar. You were mentioning things that could come up – Speaker McCarthy go to Taiwan, the Taiwan elections. Is there some sense this could actually be a window of sorts? I mean, do you think both sides see that, that there could be some – if they want to work together on

some issues, that this might be the time to do it? And is that a fair read of it, or is that misreading it?

And just one other issue, human rights. I mean, that's just been something that's come up, you know, periodically from the U.S. side regarding the relationship. Do you see that as something that is going to be addressed at all? Do you think that, you know, to keep the relationship on a better footing or to try to improve confidence, maybe that'll be downplayed a bit? How do you see that coming into the conversation, if at all?

Thanks.

Mr. Blanchette: Thanks. That's a good question. And it actually just gets to the issue of the role of human agency here, because, of course, in theory and as, you know, some of the commentaries have mentioned in this call, myself included, some of the challenges China is facing could potentially, you know, force behavior modification in Beijing wherein it is a little bit more tolerant of or tamps down a bit on its more unhelpful behavior.

So I guess I see the question, is this a window of opportunity, as maybe. And let me add a few positives on the – into the balance-sheet approach of looking at the year, because, of course, we're going to have the G-20 summit in New Delhi in September. So there's the prospect of a meeting between Biden and Xi there. Although, you know, Xi Jinping hasn't announced a trip, we're hosting the APEC summit in San Francisco in November. So we have some additional opportunities on the calendar, so to speak, for the two leaders to come together.

I think the challenge is this is not a – this is not a 12 months that either Beijing or Washington are fully in control. And so even the Biden administration, of course, is contending with an increasingly China-hawkish Congress. We have this new Select Committee on China run by Mike Gallagher, which, of course, Taiwan – as they've already indicated, Taiwan is going to be front and center on the agenda, including, if the comments are correct, even floating the idea, unrealistic as it is and provocative as it would be, or holding hearings in Taipei. I don't think that's serious, per se, but it just indicates that – the extent to which tensions over Taiwan are managed to some extent, to a large extent, depend on Beijing's ability to separate the wheat from the chaff, and be able to look over some of the actions that Congress is likely to take over the next few years and focus on the conversation with the administration.

Now, another challenge, though, is we're coming into an election season ourselves here. We already have had one, you know, candidate announce, Donald Trump. So Beijing, of course, also has to start having an eye on where is the relationship going to be, you know, two years from now, when we have a likely – you know, a possible change of administration. So I think this is really a who-knows answer to your very simply question. Part of this will be the extent to which, you know, both Washington and Beijing are going to be able to push domestic politics to the side a bit, and focus on the bigger picture.

But I don't know. Bonny and Scott, you probably have better answers.

Dr. Lin: Maybe I'll just weigh in really quickly on this. I do think when Chinese experts look at the U.S. political landscape, I would say they're quite concerned with what they view as a much more forward-leaning Republican positions on China. I don't think they are necessarily certain that we would have a second term for President Biden and his team. So related to the question about windows, there is a sense that perhaps this could be the

team, I guess from their perspective, the least-hawkish team against China that they might see for some time. And as Jude mentioned, that perception might not be entirely correct, but there is a pretty clear at least sense among the Chinese – a fear, a concern among Chinese analysts that Republicans might be a bit more difficult for them to predict where our U.S.-China policy might go.

Ms. Montfort: Thank you.

And then, Bonny, Scott, Jude, does anyone want to jump in on the second part of Shaun's question related to human rights?

Mr. Blanchette: Yeah, I'll unmute. You know, as this has been the case in virtually every high-level bilateral discussion between the Chinese and the U.S., the United States will raise the issues of human rights. This has been core to, you know, consistent U.S. policy that when it meets with Beijing it's going to raise its concerns about ongoing human rights violations in Xinjiang. We forget about Tibet, but, of course, there are still significant and concerning developments coming out of Tibet.

The question is, the volume on those concerns raised. I mean, remember when we saw the – one of the first meetings between the Biden administration and Beijing in Alaska, it opened up in a fairly contentious way, with the United States really putting human rights issues right front and center on the platter. I think they're likely to be in the discussion, but I don't think they're going to be a central focus. And I think part of that is just the pragmatic understanding that the quickest way to derail the discussion right now is just by centering human rights issues.

So I think it's more going to be making sure that's in the conversation, making sure the administration is making its concerns known. But also, making sure that the conversation is able to move to other critical issues in the bilateral relationship that also have to be addressed.

Operator: Our next question comes from the line of Christina Lu with Foreign Policy. Please go ahead. Your line is open.

Christina Lu: Hi. Thank you all for doing this today.

I have a two-part question. As you both just touched upon, in D.C. it seems like we've been seeing an increasingly hawkish turn towards China across both parties. So my questions are, how did that come to be? And also, do you think that will constrain Blinken from finding avenues for working with Beijing?

Dr. Lin: I can take a first stab at this. I understood the question to mean, if there is a division between the two parties on China, and what that means in terms of constraining the Biden administration's options for dealing with China.

So I mentioned that when I was talking about the Chinese perception of Republicans, that it was their perception, and I commented that that might not be fully true, I think there is quite a bit of bipartisan consensus on the need to compete with China. And I don't see the Biden

administration as putting forth proposals to work with China, or rather putting forward proposals to cooperate with China in ways that would undercut U.S. interests or in ways that would be different from where we would see, for example, a Republican administration. So, I don't see so much that right now, at least, we would – the Republicans as really limiting what the Biden administration would be proposing or would be – how they would engage, for example, the Chinese side.

But I do see areas in which, well, we could see slight differences in where Congress might be on issues like Taiwan, and where the administration might have to think through sort of the ramifications of how China might respond, and how the United States might have to deal with the Chinese reaction. And here, I think what the Chinese are very eager to try to understand is if exactly like what you had mentioned, we have another speaker visit to Taiwan, how would – how is it possible for both sides to sort of – to think through to manage the visit in a way that it doesn't become a conflict or it doesn't spiral way out of control?

So, we did that last year quite well. And we have to give a lot of credit for the Biden administration in really figuring out how to manage a very difficult problem set. And I think we're again facing a challenging – the situation where what we – what we saw is that China is likely to escalate. And worse, what we saw from last August is that China does seem to have a preference to show its displeasure when the United States or other actors take action that isn't like on Taiwan by using military force. I would imagine a key topic of conversation that might come up during this visit would be, broadly speaking, how to manage issues of contention in the relationship and Taiwan being one of those issues. And hopefully there can be some understanding achieved of what are – what are actions that both sides would want to avoid if we were to come to a another situation where one side could view as a crisis?

Dr. Kennedy: This is Scott. I could contribute, add a little bit more/foot-stomp some of the points that Bonny made, Christina, to your question.

I guess my sense is, I agree with her this is basically a bipartisan issue. China's almost always been bipartisan. And I think that the bigger shift really I think comes with the rise of Xi Jinping and the shift in China's – his approach toward China's domestic economy, society, and foreign policy. Obviously, it wasn't a total about face. China was already in the – shifting direction over the last five years before him. But certainly, Xi Jinping locked in a variety of changes that made the U.S. increasingly frustrated. And I think, essentially, the U.S. broadly conceived ran out of patience with China, and that was reflected in President Trump's approach, which was to use unilateral pressure to exert as much pressure to try and get China to make significant concessions. And as he did that, it then became politically much less popular in the U.S. to stand on the other side of the argument. And so we saw the number of pieces of legislation submitted by both Democrats and Republicans rise dramatically over the last few years.

The phase one agreement that was – the two sides reached in January of 2020 might have stemmed that flow and shifted the politics in a different direction. But one week after they announced that agreement on January 15th, 2020, the pandemic broke out. And President Trump decided intentionally to again to shift China policy for 2020 in a direction that fit his domestic political needs. And 2020 was a year of unceasing action against

China, and both political parties, you know, continue to push legislation and a common point of view. The Chinese made it very easy to be hawkish because of the pandemic, the way they responded to individual actions, and their overall tone. And so that's where we are right now, continued under the Biden administration, and so it's going to be very – it's very difficult for the U.S. to take a position which shows restraint; it's going to require the Chinese to do so as well. And so that leads some people to be very fatalistic about the trajectory of the relationship. I think we've got diplomats to try and figure out a way to put some guardrails on it; that should be something that they work on. But I think for both foreign policy reasons and domestic political reasons, we are at a place we were not at 10 years ago.

Operator: Our next question will come from the line of Nike Ching with Voice of America. Please go ahead.

Nike Ching: Good afternoon. Thank you for doing this.

I guess my question could be directed to anyone who would like to address Russia's war in Ukraine. The United States has been watching closely Chinese companies' assistance to Russia in Ukraine war. Just last week a Chinese entity named Spacety China has been sanctioned by the United States. But earlier today in Beijing when Chinese MOFA spokeswoman was asked to comment, she said, quote, "The U.S. is the one who started the Ukraine crisis," end of quote. She also accused the U.S. for intensifying the conflict. Given that type of PRC narrative, do you see each nation would end up just repeating their own positions? What do you see – what does the U.S. try to accomplish? Should we temper our expectations? Thank you.

Mr. Blanchette: Well, let me offer a few thoughts and then turn it over to colleagues.

In terms of Beijing's framing coming out of the briefing, I should say that that's actually a fairly standard, conventional way that Beijing has been talking about the war in Ukraine since its very outset, that fundamentally this is – the root cause of this is Western – specifically U.S.-NATO – actions that backed Russia into a corner. So they're consistent on that, I should say. And reports that we've seen that were coming out last week that China – based on unnamed sources in the administration – that Chinese SOEs are providing material help for the Russians, until we see clearer evidence as to what this is, it's very hard to know what to make of the extent of China's support for Russia. And this is one where I think the specifics will matter a great deal. China has, since Russia's invasion, maintained a position that normal economic activity is not support of Russia, it's normal economic activity, and Beijing will, of course, point to other countries – including countries like India – that have engaged in much the same level of economic interactions.

Now, on the other hand, it's true that I think China has gotten away with – hasn't paid the full reputational cost for the extent that it has been supporting Russia. This is not, of course, putting PLA troops on the battlefields, but this certainly is acting as a degree of a backstop for Russia through stepped-up purchases, energy purchases, willing to settle transactions in renminbi, and of course, in the quote you gave from the MFA podium, rhetorical support for Russia, by consistently saying Russia's not at fault here; this is ultimately the United States.

The key debate that is still being had about this in Washington, D.C., is to what extent do you try to, in a sense, push Russia and China closer together, or tie China to Russia by exposing the extent to which China is comfortable being a strategic partner of Russia, or do you try to drive a wedge to them, the so-called reverse Kissinger? And in the end, I think what we're realizing is the relationship between Russia and China is complicated, and to some extent it is more than some people are willing to admit. And we're seeing that by just looking at the bilateral trade and investment flows and, again, that continuing diplomatic support of Russia by blaming the United States and NATO for this.

But it is also less than others think. Meaning there are complicated fault lines in the relationship between Russia and China. And I think if Xi Jinping could snap his fingers, he would like to see the war end, but in a way that Russia comes out of this with Putin in power and Russia continuing to be a strong strategic partner. But he may not get his wish on that. Over.

Dr. Lin: I'll just add a couple of things. I think it's important to know, when we look at the China-Russia relationship right now, that it very much seems like Russia is the one playing suitor and trying to cater more towards China. So you mentioned the Chinese Foreign Ministry statement about – in response to the sanctioning of the Chinese firm. Which, as Jude mentioned, is usually when Chinese firms are sanctioned, the response from China is quite pointed. And this recent response is no different.

But what's also interesting in the Foreign Ministry press conference was they were asked about whether Wang Yi might be traveling to Russia, because the Russian Foreign Ministry had mentioned that, you know, the highlight of their year would be a Xi-Putin meeting, and that Russia's trade with China had also risen by a third in 2022. And the Chinese Foreign Ministry did not really comment on if and when Wang Yi is traveling to Russia, which could be a sign of setting up of a Xi-Putin meeting.

So I think, going into Blinken's visit to China, we are seeing Russia trying to emphasize to China the importance of the China-Russia relationship. We're seeing China being a bit more cautious with respect to clearly aligning itself with Russia, at least politically. But again, China feeling like it needs to respond, given what it views as unfair accusations. Again, it's only – that's its perception of the situation.

Ms. Montfort: Thank you, Bonny. Scott, did –

Operator: And, as a reminder –

Ms. Montfort: I was going to say, Scott, did you have anything else you wanted to add on that? Or should we move to the next one?

Dr. Kennedy: I can just briefly state a couple things. I think that the debate over China's policy towards Russia and Ukraine within China is one of the most contentious issues that I encountered when I was there. And that a lot of people inside China in the expert community think that the Chinese made a strategic blunder, and we're just watching that play out. The Chinese are just trying to make the best of a bad hand that they themselves are responsible

for. And in many ways, Russia may become a very large North Korea problem for China. And there's no way to make this really a huge strategic benefit to them, but there's no easy way to fully back out of this. And so I expect, as consistent as China will be in their conversations with Blinken, they are – this is not a policy position that is easy for them to defend and stick with.

Operator: (Gives queuing instructions.)

Our next question will come from Megan Lebowitz with NBC News. Please go ahead. Your line is open.

Megan Lebowitz: Hi. Thank you so much for doing this.

I have two quick questions. I was curious, are there any areas that you think we are most likely to see the U.S. and China find common ground on? And, second, Jude, I know you spoke at the beginning briefly about General Minihan's comments. So, Scott and Bonny, I'm curious if you agree with those comments, if you think that the general's comments on war in 2025 are unlikely? Thank you.

Dr. Kennedy: Yeah, this is Scott. So good question, Megan. I always agree with Jude. (Laughs.) No, honestly, on this I do. I really think that those comments by the general are not consistent with the range of possible outcomes. And I think we are seemingly trying to talk ourselves into a conflict that doesn't need to occur. We have decades and decades of avoiding conflict with very smart diplomacy. And very smart diplomacy can still be used to avoid conflict and kick the can down the road, as Jude and Ryan Hass from Brookings wrote in a great piece in Foreign Affairs very recently. So really I'd commend that to everybody here as really sort of a great framework to think about Taiwan.

I do think that there are ways that we can stabilize that relationship. But it's going to require a combination of deterrence and reassurance in all directions, from all the parties.

In terms of what – where we might see some common ground, I think public health is one area where it's possible you could see the two sides talk about ways that they could expand collaboration and information sharing. Of course, that may be subject to criticism from the bullpen. The U.S. Congress could chime in on anything that might look like cooperation on public health because of COVID and the origins of COVID and the way China has exited COVID.

But that's one area where I think, at the working level, among scientists, doctors, within parts of the U.S. government and Beijing, there is a recognition of the need to expand collaboration. There could be other areas – macroeconomics, et cetera. But I think we may see a lot of restating of positions in areas where there have been disagreements. And I think, even if we don't make progress, just the expansion of conversation and dialogue, I think, is a good thing and should be welcomed as at least progress in the functioning of the relationship, because the level of communication so far has been so unbelievably low, unprecedented, as far as I can remember.

Dr. Lin: So also responding to the question, I very much agree with Scott mentioning global health, public health. And I think we could point to some very limited progress we made earlier last year about some limited waiving of patents for COVID vaccines for developing countries. And like Scott mentioned, it might be difficult to operate on public health if it's only bilateral. But if we were to focus on third countries or other regions, there might be more channels of possibility.

With respect to the comment of the potential risk of conflict in 2025, my understanding of why the assessment was 2025 was the election cycles in both the United States and Taiwan and how, after both elections, if things are teed up or aligned in a certain way, there could be a higher risk of conflict in 2025.

I think, as both Scott and Jude mentioned, that's one possibility. There's also other possibilities that – and this is one possibility that we've heard from some of our colleagues in Taiwan, that they're worried that China may even think about using some show of force to influence the Taiwan presidential election.

So I would just say that the risk of – the risk of a potential crisis or a potential use of force is definitely increasing, but it might not be the full-out invasion scenario that folks are talking about. It could be more limited uses of force. And it might not be 2025. It could be before that and it could be after that.

So I would just say that we are entering a more turbulent period, looking at cross-strait relations. And it would be very difficult to say at a particular year we're going to see a particular Chinese use of force.

Mr. Blanchette: Could I just add one quick thing on this, which is the unanticipated effect of these gut predictions. But if we just look across the entirety of the U.S. military, we have now had a chain of senior officials all offer different assessments. So we've had Admiral Mike Gilday say – last year he said potentially the end of 2022 or 2023. We had Phil Davidson in 2021 say sometime between 2021 and 2027. We've had the current Indo-PACOM head, John Aquilino, say that the window is, quote, closer than some of us think. And now we have this Minihan comment of 2025.

What we're effectively signaling is we have no idea, and I'm not sure we understand just how damaging that is. If the point is we're not sure, but we think – we think there's a growing risk, then you say we're not sure, but we think there's a growing risk. But now having this menu option of various years, depending on the official that you're talking to, I think comes across as undermining the credibility of our statements and our assessments on precisely the relationship where your words matter. And this is where I would say the really adult in the room has been Chairman of Joint Chiefs of Staff Mark Milley, who has, I think, given the most balanced, accurate assessment of this challenge, which is it would be very hard for China to do, and they would pay a big cost. But of course, we can't rule it out, so we're going to have to prepare for it. But otherwise, we're basically a boy who cried wolf in this and undermining our credibility by signaling we're just not sure.

Operator: Our next question will come from the line of John Hudson with The Washington Post. Please go ahead. Your line is open.

John Hudson: Hey, folks.

I wanted to ask, are there any differences of opinions inside the administration when it comes to the goals of this trip? The administration seems to be quite united in holding a very dim view of Beijing and Washington coming to any productive agreement on anything. And it seems like almost all energy, they believe, should be spent on coordinating with allies to pressure China. Do you see – do you see that as a fairly universally held view within the administration from conversations you've had and through speeches you've read? Or do you think that there is maybe more of a diversity of views inside the administration about, you know, how hard they should be working on trying to build the bilateral relationship and come away with some, at least a focused set of things that can be worked on that aren't just sort of talking points and sort of feel-good ideas?

Mr. Blanchette: Look – John, this is Jude – I don't think the trip is intended as just a sort of a box checking exercise or something to show, you know, third countries that the U.S. is – you know, is uninterested in a managing relationship. I think there is a clear desire in moving forward with the trip, that it makes progress. But I think you're right that the general assessment is pretty dim that any one trip is going to reach a breakthrough. And I think there is a fairly dim view that some of the areas of cooperation are going to spring forth after this – after this meeting or others. But I think folks in the administration, certainly the ones supporting the trip, see this as too important to not try. And really, I think, substantively the trip is a feeler to see if there is any – if there is any change or shift in opinion in Beijing that is willing to break out of the cycle which Scott mentioned, which is you first, which, of course, has been the reason we've seen the breakdown of this over the last few years. So, I think even within that general assessment that is relatively dim on the prospects for cooperation, I think the trip is in and of itself an indication that folks are – understand that this is too significant and consequential relationship for there not to be the effort to see if anything can happen. But that's why the administration is trying to frame the trip as, you know, manage the expectation for what we see come out of this individual trip.

Dr. Lin: And I would just add to what Jude mentioned – sorry, go ahead.

Dr. Kennedy: No, go ahead Bonny.

Dr. Lin: I would just add to what Jude mentioned that I think this administration is also cognizant of sort of the history of our history of engaging with China, and I think it would be hard pressed to find folks in this administration that

would look at our track record from before, whether you're talking about probably the pre-Trump years, and where you find the United States going in with a list of action items that we wanted China to make progress on and really seeing China make progress on those items. This mission is probably very much clear-eyed in realizing that China has its own interests, and on some of those interests they might not necessarily be on the same page with the United States. And on those issues, it's going to be very, very difficult to change China's calculus without shaping the environment that China operates in. That's why there's such a priority with engaging our allies and partners, because we've realized in the past that just engaging China bilaterally, asking China to change, or asking China to understand U.S. concerns or the concerns of our allies and partners, we haven't made enough progress on that. So now we need to demonstrate to China that without change in its behavior China is likely to meet more pushback from the United States and our allies and partners.

Dr. Kennedy: I would add to that, John, I think Jude and Bonny summed it up very well. I guess looking at this administration I would say your views about the variation across the administration would have held that there would be differences on the national security side versus those on the econ and trade side. But what I've been impressed by the last year is that the econ-trade side of the house has stiffened their spine quite a bit. And if you look I'm not talking just about USTR, which has always been there, but the Commerce Department came out with those very firm regulations on October 7th. And the way that – if you look at the speech by Secretary Raimondo from November 30th, it points to areas in which, she says, the U.S. should be consistently tough and they're not going to let up. You even saw Secretary Yellen offer some firm, pointed comments about China's economy and about some differences of interest that we have.

So I've been impressed by the way parts of the administration have seemingly shifted in a more hawkish direction to be in line with the overall framework, which is invest, align, and compete, as part of this overall plan of strategic competition. I would say, on the other hand, you know, the NSC I think is – looks – you know, has also been bound too. If you look at the Asia forecast – or, the Indo – the free and open Indo-Pacific forecast meeting that we held in January 12th, where Kurt Campbell spoke, he emphasized that a key goal this year is building guardrails. And so, you know, that's the type of dialogue that is being carried out through Blinken's trip.

So I think what the difference is between dialogues and before is that in the past there was the question of, well, could we have dialogues to get the relationship back to normal, with "normal" being defined as primarily centered around competition and pocketing the areas of conflict? And I think now the goal is, can we have conversations and dialogue where we make progress on areas of agreement, but we continue to have areas of contestation that may be where we avoid conflict, but where we continue to move forward. I don't think anyone in the administration is thinking that they might horse trade, you know, getting China to move on one issue, say on climate, and relaxing U.S. policy in another area, like technology. I don't see that in any part of the administration.

Operator: And we have reached our end time here, so I will conclude the question and answer, and turn it over to you for any closing remarks.

Ms. Montfort: Thank you so much to Scott, Jude, and Bonny for sharing your insights and analysis, taking your time this afternoon. To those of you still in the queue, I know we had a pretty significant question and answer queue today. Please feel free to reach out to me, Paige Montfort, with those follow-up questions. And, as a reminder for everyone who joined, I will be sending a transcript of this call out to everyone who RSVPed within a few hours this evening. It'll also be posted on our csis.org website tonight.

So if you have any other questions, follow-ups, or want to interview any of our other experts at CSIS, in addition to Bonny Scott, and Jude, please feel free to reach out to me or to our chief communications officer, Andrew Schwartz. We're always happy to help coordinate those. And we hope you all have a good night and a great weekend ahead – or, week ahead. (Laughs.)

(END)