Dr. Scott Kennedy:

Good afternoon and welcome to CSIS. Welcome to everyone who’s watching online. I’m Scott Kennedy. I’m the trustee chair in Chinese business and economics. And I’m proud to begin this program with you, “A Washingtonian in Beijing.”

In a minute, we’re going to do something a little out of the ordinary for CSIS. As the CSIS expert here, it’s usually me that does the moderating and hosting of our visiting guests. But today’s event is part of a larger collaborative project with Wang Jisi, who is the founding president of the Institute of International And Strategic Studies at Peking University. And the goal of this project that he and I undertook is to emphasize the importance of in-person research and scholarly exchange.

A year ago, he and I, sitting in our respective offices in Washington and Beijing, put together this plan to make reciprocal visits between the two countries to emphasize the importance of in research and in-person scholarly exchange. And in February and March of this year, Professor Wang visited the United States for three – for five weeks. He had a long list of meetings here in Washington, New York, and Boston. And as some have told me, he was like a glass of cool water in a desert. People were very, very happy to see him and talk with him about China.

Particularly during that time, because if you remember that was the time around when Russia invaded Ukraine. And as part of his visit, we hosted an online event, “A Beijinger in Washington,” which you all can still find on CSIS.org. Now that we both have completed our trips today is the bookend event to that February discussion. And so now, over to you, Professor Wang.

Professor Wang Jisi:

Thank you very much, Scott Kennedy, and good afternoon, everybody, either virtually or in person. I saw quite a few familiar faces. Some are hiding behind, but some are more visible. You know, Scott asked me to be the moderator today. Actually, I’m following the Chinese version of the statement, our leaders just expressed lately. That is, I’m not in a position to challenge you or replace you. (Laughter.) I’m going to work with you.

Anyway, let me take this opportunity to thank a number of people and their organizations. I want to thank CSIS, whose representative is here, Scott Kennedy, and their president, Dr. John Hamre.

And we want also to thank the Henry Luce Foundation, the Chinese Embassy in Washington, D.C., the State Department of the United States, and my university, Peking University. And, of course, we want to thank all the people here joining us today, either virtually or physically.
Scott, now, I have two questions to ask you. Since you’ve just mentioned our joint program, I want to question you about your visit to China in September/October. I think your visit went relatively smoothly, despite the zero COVID measures in China.

What did you find as most interesting and most stimulating, and what did you find as somewhat uneasy or uncomfortable?

Dr. Kennedy: Sure. Well, let me just, first, say thank you for being my partner on this journey, and also to your team at Peking University. This was really a terrific trip of a lifetime, and I appreciate you and Beida making it possible.

Now, there were some things that I expected and some things that I didn’t expect. I knew I’d have a long quarantine, and it was a total of 13 days between the time in Taiwan and then the 10 days in Beijing.

And once I got out, I knew that there would be – you know, the control level in China was higher than in the United States. But it’s amazing to see in practice, you know, that you need this phone, any phone, and scan it to get into any building and to any car. You have to test frequently.

But going through it is different than hearing about it. And you realize China’s really still in the COVID – in the middle of the pandemic and we are beyond it, doing everything we can to forget about it.

But there were also some surprises. First, I was surprised that people would be willing to see me. I was told by some that, because of political tensions, that no one would want to see an American.

But I think I was, happily, surprised. Now, it wasn’t – and so I saw – I had lots of meetings. And maybe it was just that I was an available American and people were happy to see someone that they can reach out and, you know, touch my hair or my shoulder or something. But in fact, I was impressed by the low refusal rate for meetings.

I would say the biggest surprise in terms of, like, what I discovered and heard from people around COVID, is the conversation in China sounds a lot like the conversation in the United States, and I didn’t expect that because China’s COVID policy is so different than the U.S.’s.

But in China I found some people accepted the policy, lived with the policy. But a lot of people complain about zero COVID policy and scanning their phones and all of the attention that they’re getting every day. And I also hear a lot of skepticism about vaccines, not just Chinese vaccines but mRNA vaccines.
And just like in the United States, people are their own epidemiologists and virologists in China, going online, searching for articles and citing the exact same articles that we cite here – that some people cite here to raise doubts about the vaccine or government policy.

In Shanghai, I found that people were not only angry, they’re still traumatized. Two to three months of being locked down is not easy for anyone to go through and that’s very recent for folks in Shanghai.

A professor friend told me of their retired elderly colleague who died of starvation. She didn’t know how to use her cell phone to get help. And I think a lot of people went through very difficult experiences there and, I think, are worried about the future and I encountered that when I was in Shanghai.

I would say, on the upside, you know, obviously, lots of things to be worried about in China and uncertainty. But China is not frozen in time, and so even though we’ve not been in China – for the most part, very few foreigners there – it’s a place that is still changing and still evolving. People have new hobbies, new fashion, there’s new restaurants, there’s new companies, there’s new kinds of technology. Electric vehicles everywhere. And even some people in China are confident about their future. Not everybody, but if you just read the media, you come away with one very simple, dark view. And I think I encountered a lot of those dark things that make me really worried about China. But I also found some things that were surprisingly positive.

Prof. Wang: Ok. I think you depicted a very balanced picture. Some people are complaining. Some more people are following. I’m someone who follows and complains at the same time. (Laughter.) Well, now I think the situation is quite complicated in China. But is it – was it worthwhile, worthwhile? Was it necessary? Because you had had a number of videoconferences and conversation with Chinese counterparts. What made you decide that face-to-face meetings in Beijing and Shanghai were necessary for you to take the inconvenience and risk to visit – of visiting there? Did you feel the trip worthwhile?

Dr. Kennedy: This should not be a difficult question to answer. It should be pretty straightforward. And it’s – but I understand why people would think that it’s not, because a trip to China is something that I think everybody in this room and most watching online have done many, many times. And people like you, coming from China to the United States. And I hoped for too long that seemed like a normal activity that most resume doing.

But since going – but since the pandemic, going to China has not been easy. And CSIS was very helpful in making it possible for me to go. And my team here, without them I would not have been able to do it. I got to tell you, it’s not easy. You need Chinese cellphone, Chinese cellphone number. You need a
WeChat account. You need funds accessible in China. You need people to help you get through all of the complex steps just to get a visa and get on the plane, let alone what you do when you get there. So, you know, I really had a great group of folks helping me.

I’d say also, if you’re not fluent in Chinese, for the time being, going to China’s going to be essentially impossible. You might get then, but then you’re not going to have a clue of what to do. So, it’s not a very welcoming place, like, for your average tourists. And that’s why there are zero foreign tourists in China right now. But – and I guess I’d also say, you know, the quarantine – 10-day quarantine is not a cakewalk. It’s a challenge. But I had relatively good conditions, compared to most. But 10 days in any one room ain’t easy for anybody. Maybe there are some people that really enjoy that. I don’t. But I got through that.

I was lucky I never tested positive when I was in quarantine or when I got out of quarantine. And I was never identified as a close contact. Because if any of those things had happened, my experience would have been a lot different, because I would have probably gotten much longer quarantine, or gotten an invitation to go to a centralized facility. And at least in my mind – my impression of what that would be like would not be a holiday. It would be quite difficult. So, I think I was really lucky, because I know of people who have had very difficult circumstances in trying to travel back to China.

But I would say, for me, it was worth the chance. You know, the ability to not just talk to people, which you can do online, but in person – and, you know, Chinese are really worried about talking online sometimes. And you can’t get a full range of the debate unless you talk to people over an extended period. I mean, interviewing is what I’ve done for a living for my career. And it’s just – the Zoom just does not make that easy. It’s a nice supplement, but it’s not a replacement.

And so, I learned a lot about all of the different things – you know, different points of view, range of points of view. I really was most also really interested in what Chinese thought of American policies, and how did we come up with these things, and their views about life in the United States, and – you know. And so, I was surprised by things that I heard. Which is what I want. Really when I travel, I want to be surprised. But in addition to being surprised by things I could prepare for, I was also surprised by things I couldn’t prepare for, because I had no idea they were happening.

I had no idea Beijing had cleaned up its air and rivers. I had no idea there’d be so many different types of car companies pushing out electric vehicles, or this new hobby, or that new thing going on, or people upset about something I had never heard about.
And so, to me, that made it worth it, you know, and so China is — you know, it’s beautiful architecture. It’s landscapes. It’s documents. But China’s also people. And if you don’t talk to people face to face, there’s a lot that you will not learn.

I would say just specifically with regard to my job as working in a think tank, I kind of sort of had three things I was trying to measure while I was in China.

One is, could I get there? Two, could I do my job on the ground, and three, could I do my global job? And I would say, I got there. It took a lot longer than I’d want to. We can go into that if folks want, but it took a really long time to get there.

But I got out on the street. Field research actually — again, I had lots of very good meetings. Some people refused meetings. The biggest challenge is it’s still difficult to travel within China from one city to the other because you’re worried that if you go someplace, if you test positive or close contact, you won’t be able to return. And I was going around the time of the 20th Party Congress, and so Beijing was even tighter then.

So, I could meet people for what I do. Now if I was a historian and I was trying to go into archives, I know that’s still basically difficult for any foreign researcher, historian to do that, and there’s lots of difficulties obtaining certain kinds of data in China.

But for the type of work I do, it was pretty successful. I would say the thing I was most surprised is I could do my global job. I could do media interviews with folks around the world. I hosted two live events at CSIS in the middle of my trip and could communicate with people.

Luckily, I had good internet, and they let me do it. I suppose someone had to consciously decide to let me do my job, which I was able to do, and I’m glad that I was.

So, all those things add up to making it worth going.

Prof. Wang: I think, in addition to what you have talked about, there’s one quality you have and helped a great deal, that is your language skills. If you cannot communicate with the local Chinese in these circumstances, it’s very difficult, right.

You don’t have an interpreter. You don’t have a company going with you everywhere to take you to the, you know, underground and the buses and talking to taxi drivers. So that adds to some more difficulties to traveling in China today.
But with the locking down gradually loosened, there will be more people going to China without your language skills, and we are looking very much forward to that.

Let me move to some more political sensitive questions. It is often observed that in interlocutors in China will be constrained or restrained in speaking out to foreigners, or even among Chinese themselves.

Did you share these observations in China, and do you share these observations after your visit?

Dr. Kennedy:

Yes, certainly you run into that, where people are nervous to talk to you and be open and share their personal views about things, and that’s particularly true when the – the first time you meet somebody.

And if they're in a group where they don't know everybody, they might even be more anxious and more careful. Certainly, if you’re online it’s going to be even worse because anybody can be watching, potentially, right.

But in person – now luckily, I’ve been going to China for a while, so I’ve had the chance to meet people not just for the first time but the 10th time, the 20th time, and that helps a lot. I would say at one meeting I went to on this trip I sort of was invited to make some opening remarks, and then they went around the room, and they had people speak.

And one person decided that it was really important to show their allegiance to current day politics, and every sentence that this individual uttered began with the words, “Xi Jinping says.” Xi Jinping says, buh, buh, buh, buh. Xi Jinping says, buh, buh, buh. Like 10 times. I thought, good job. Good job for you. Now, that was – I didn't encounter that very often, but it was important to see. So even when you're getting what you think is the official view, it's still useful to see that in person.

But I don’t subscribe to the idea that when you are in private everyone, I meet is going to agree with me because that doesn’t even happen in my home. (Laughs.) My wife and kids disagree with me on almost everything. And it doesn't happen here at CSIS. I argue with my colleagues – happily argue with my colleagues every day and with folks here in Washington. And I heard a lot of heartfelt views critical of U.S. policy even when I was alone with people – people blaming the U.S. a hundred percent for the decline in the relationship, accusations that the U.S. is trying to keep China down and contain it, and defense of China’s system. So, I don’t think that you necessarily only get sort of pro-official views when you’re in a public setting.
But I would say, being – talking to people privately, you get – you get to see a broader range of views, and there are a large range of views on most topics. And in particular, in two foreign policy areas I found a wide range of views in China about official Chinese policy toward Russia in the context of the war in Ukraine, with some really questioning China’s approach going back to the joint declaration in February and then their position since. And I’ve also heard – I heard a lot of different points of view in China about interdependence and technology restrictions and whether China could overcome those, some folks more optimistic, some folks more skeptical about China’s abilities to do that. So, you hear lots of – lots of different things.

I was just wondering, if – I know that you’re the one asking questions and I’m answering, but because you’re here again today, I just thought, could I ask you for – in terms of, because – just the same kind of question about the value of coming to the United States. Because when I was in China, I spoke to one friend I’ve known a few decades and he told me – he says, Scott, I don’t need to go to Washington or the United States anymore. It’s all online right there for me just a click away. And if I went into the State Department, they’d just give me talking points. It would be a waste of time. And I was like, oh. It was – he, like, immediately countered everything that was – my trip and your trip was about. So, I was just wondering, you know, from your perspective, what’s the value of traveling and being here?

Prof. Wang: That is, if my son said to me: Dad, I can have a telephone conversation with you and I as I send videotapes to you, you know, my grandson is playing there, so I don’t want to see you in person. I don’t have the time. We can do that electronically. What would be my response?

So, I don’t think face-to-face conversations could be replaced by videoconferences or, you know, videotapes or whatever. So face-to-face interaction is necessary in today’s life and in any human history. That cannot be replaced.

So, I – yes, videoconferences are good, and we can have some candid discussion through videoconferences, other electronic devices. But I think it is worthwhile coming to the United States to see people like you and to have face-to-face conversations with you. But of course, I understand that there are people who cannot see us face to face; they are doing their own, you know, observation through the internet. I very much appreciate that.

Dr. Kennedy: Thanks. Thanks. I appreciate your answer. I would wholeheartedly support it. If I couldn’t – if I only – if my kids told me I could only see them online, yeah, I would also feel concerned on a number of levels. Ok. I’m sorry to interrupt. Yes.
And your tour coincided with the Congress – Party of China’s 20th Congress, the national congress. What was your major takeaway from the conference? And did you discuss the Party Congress with your Chinese colleagues? And what were their reactions, in your eyes?

Sure. Well, so I got to China, to the mainland, on September 7th. And I left on October 17th. So, I left the day after the 20th Party Congress started. I didn’t receive an invitation. No one said I could come. Not a member of the Central Committee or even beyond that. And I knew I wasn’t going to get into the room. So, I’d already been in China for a long time, so I went home in the middle – in the middle of the party.

But I learned – but I wanted to be there at the beginning. And I tried to talk to people about the preparations in the runup to the Party Congress while I was there and ask about elite politics and things like that. And I have sort of three take-aways from that experience. You know, really where is Chinese elite politics going? You know, I would defer to Mike Lampton, who is here, or my colleague Jude Blanchette, or others. I’m not the biggest, smartest analyst on elite politics. But in terms of what I saw on the ground, I have sort of three takeaways.

The first thing is that the people I talked to don’t know anything. They had no idea what was going on in elite politics. And I say that because that’s actually not how it used to be. I would go to Beijing, and Shanghai, and other places. I’d have dinners with people. We would talk – I’d go into conferences and people would have some semblance of knowledge or information, or very good rumors, about what was going on in Chinese politics. This time it was really clear that when you brought up the topic of the 20th Party Congress and what was going on, that people were really just randomly guessing, blindly guessing about what was going to happen. And sometimes you would say, oh, I think this person is going to get on the Standing Committee, or something like that. And it was either what they hoped would happen or what they feared would happen. But you’d say, well, you know, do you really know that? And the answer would be, I got no idea. And I thought that that’s a difference in Chinese politics now, broadly.

The second takeaway is I was down in Shanghai watching the 20th Party Congress opening ceremony online. And my takeaway from watching that theater is this was Xi Jinping’s show. By, for, of Xi Jinping. The speech that he gave, the other documents that were issued, really reflected his worldview, his concern that the Chinese Communist Party is under a variety of threats internally and externally, and that the primary ways to respond to that is to increase a variety of social controls to shape, to describe the relationship internationally as one of struggle, and also to offer a new social contract for Chinese. You know, it used to be, you know, you’d let the CCP rule in exchange for your life getting better, you getting wealthier year by year. I
think now the offer is CCP rule in exchange for social stability, domestically and internationally. And I think that’s what he was selling, and that’s what I took away from watching and from hearing people react.

The third thing is, because I was on Shanghai on the 16th, the day of opening, and then came back and saw the lineup for the new Standing Committee, having talked to people in Shanghai in the runup, I was – I was surprised, because the people I talked to were surprised that Li Qiang was on the Standing Committee in such a high position. And it looks like he will probably be appointed premier. And, you know, some of my friends guessed that, well, I guess you have to have the character Li and Qiang in your name, just like Li Keqiang, in order to get to be premier. Maybe that’s the way it is now. But whatever it is, people were surprised by that announcement.

So really, in terms of, like, the deeper analysis of what’s going on in Chinese politics and the 20th Party Congress, I’d defer to a lot of people in the room and some of my other colleagues. But those are sort of three first-hand takeaways.

Prof. Wang: Thank you very much for your candid discussion of the Party Congress. If you had been in Beijing rather than in Shanghai, I would have invited you to my institute to have a study session of the Party Congress. But anyway, it was a very interesting and stimulating visit.

Now let me move to the most recent event, that is the U.S.-China summit in Bali. It, to me, was very significant. Do you see a new trajectory in U.S.-China relations after the summit or will the relationship continue in the downward spiral, as we witnessed in the – in the recent past?

Dr. Kennedy: Well, I was actually – you know, I came away from watching the events in Bali over the last couple days thinking they had made some significant progress. So, I take a glass-half-full reaction to what occurred, because I think broadly speaking what they did in that meeting and their comments afterward was reduce the temperature in the relationship from this scalding hot movement towards open conflict and stopped that trend, or at least halted it.

They agreed to extended dialogue. Well, first of all, they had extended dialogue for three-and-a-half hours, much longer than originally planned, and they committed to greater communication. They formed several working groups that will on a regular basis meet and discuss a wide range of issues affecting the bilateral relationship. Secretary of State Blinken is going to travel to China in early January, probably to help put those working groups together and perhaps address other issues in the relationship. And to me, that’s very healthy. I mean, it just – it speaks directly to the purpose of
our project, that communication matters. And I think – I’m glad that both sides seem to have – reflect the same sentiment in what they decided to do.

And I think, you know, that’s probably the best that could have been hoped for in terms of an outcome of their meeting. Things could have gotten worse. Xi Jinping could have arrived in Bali with the 20th Party Congress winds at his back and just given a big lecture and, you know, push – you know, put some really tough demands on the U.S. and, you know, stormed out. And you know, Biden could have come up, you know, with his political winds at his back and been tough. You know, they both kept their original positions, but this was not a screaming match, right? This was a constructive, frank conversation.

It also wasn’t just what we would call in Washington a box-checking exercise. They didn’t go just to go and say they went. They actually did try to – look like they tried to accomplish things, which was about clarifying their redlines and expanding communication.

That said, I think there’s real big problems that were not addressed yesterday that I think you and I probably agree about we ought to be worried. Both sides still question the fundamental motives of the other side. Both sides still blame the other, basically a hundred percent for the state of the relationship. Both sides keep score, thinking they’re winning, therefore why stop this conflict or what they’re doing. Both sides think the other has no political space to move, to compromise. And both sides think that even if they did want to move, they wouldn’t necessarily trust them and that it wouldn’t be a credible promise.

So that still makes me worried that the overall trajectory has not been turned. We’ve slowed down the pace of decline, but not really fundamentally changed the direction. And so, I guess what I’m wondering about – and I’d be curious about you and what others here and online think – is: Will the communication just simply – the greater communication just reinforce those trends, or will they be able to redirect them? And so, I’m at least glad that we have slowed down the pace of decline and friction, but now we’ve got an opportunity to use it.

I personally give us about a year of time. A year out, we’re starting to get closer to Taiwan’s elections in January of 2024 and then the U.S. presidential election. And then once – you know, once you get into political campaign season, it’s much harder to try and solve things. So, I give – you know, we’ll see what that greater communication can produce in the next years.

I still, you know, say, you know, I hold out about 5 to 10 percent hope that we really diverge from the course that we’re on, and for having 5 to 10
percent level of optimism I’m considered a crazy wild optimist in Beijing or in Washington, D. C.

So, we’ll see where things go.

Prof. Wang: Well, I share your optimism because I’m also a very optimistic person, and I think the summit in Bali, again, shows the necessity of face-to-face conversations.

The two leaders, President Xi Jinping and President Joe Biden, have had five online conversations the past three years. But I think this one in Bali is more – is the most interesting and most productive – most constructive conversation, and I hope that will be continued.

There was talk about working groups and also Secretary Tony Blinken's visit to China that may have happen in the near future.

So, the final question I would like to ask you is what’s your personal plans in interacting with China in the near future that might include your colleagues in CSIS or other Washingtonians in this city?

Dr. Kennedy: Sure. Well, I think it’s important just to state here the title. I am a Washingtonian. I was actually born in Washington and grew up here, not my entire life but, you know, so just – it’s, we didn’t just make up a title to make it sound good as a parallel.

So, I – but I do feel kind of like Beijing is my second hometown and I was glad that I was able to finally get back there after a while.

So, for the time being, I’m just trying to digest this trip and we’ve got this joint report that you and I are working on. Hopefully, we’ll have that out in a few weeks with some of – some policy recommendations and some analysis about the U.S.-China relationship.

I’ve been writing – starting to write some travel logs about different aspects of what it’s like to travel. I have few more of those to write about with regard to living with zero COVID and some of the more positive things that I saw that surprised me.

In terms of travel, you know, we’ll have to ask Dr. Hamre and others and see how other people’s trips to China go. But if things go smoothly, I’d like to be able to get back to China in the first quarter of next year, perhaps during the two sessions.
I’m not invited to the two sessions either. So, it’ll still be watching from the outside, if anything.

CSIS, several of us – a couple programs are collaborating and trying to put together a track 1.5 dialogue on health with the Chinese.

We have counterparts in Beijing and Shanghai that we’re working with, and that might involve, hopefully, face-to-face meetings at some point. And then, lastly, you know, I want to help – you know, the purpose of the trip is partly, you know, that you and I took is to jumpstart and get more scholars going. I’d like to take a group of scholars to China and meet with your colleagues there, and then have Chinese scholars, as a group, come here as well. Again, normally, we wouldn't need to do this. People should just be able to go online, buy a ticket, go to the airport, get off the airplane and go see whoever they want.

But, for the moment, we still need to do a little bit of organizing, dealing with some of the real challenges that there are for traveling in both directions, which are still significant and, I think, will be with us for some time.

But, you know, I’m glad that I’ve gone, and I hope conditions continue to improve so that more scholars and businesspeople and tourists and average and Chinese can go.

It’s, actually, really difficult for some Chinese to go home. Not only do they have to quarantine, but it’s also a challenge to come back, you know, including staff that we have here or Chinese students that are in Washington.

So, we would also like there to be more flights, so people don't have to pay, you know, half their life’s salary for a plane ticket. That would be helpful, too.

So, we'll see what happens in the next few months.

Prof. Wang: Ok. I think, although I have retired, I will try my best to facilitate your next trip and all those trips of other people around you. That is my promise, but I cannot say I can fulfill my promises very readily. After all, I think this is a very good conversation between the two of us. And now the floor is open to the audiences, right?

Dr. Kennedy: Terrific, yes.

Prof. Wang: You will handle the online questions. I will handle the physical content.

Dr. Kennedy: In person.

Prof. Wang: In person. So—
Dr. Kennedy: Terrific. Terrific. So just to remind people, if you’re online right now you go to the homepage for the event and you can type in your questions. They’re coming to me on my phone. But if you’re here in the audience, raise your hand. Professor Wang will call on you. And we’ll start in the room, because if you’ve made all the effort to come here, just like us coming and traveling, you get to ask the first questions, for sure.

Prof. Wang: But the questions are only addressed to him, not – rather than to me. (Laughter.)

Dr. Kennedy: I can’t control the audience. So, we’ll see what happens. Ok. So just to – at CSIS, we usually do, if you could just identify yourself when you ask your question, that would be helpful.

Q: Oh, hi. Can you hear me? Thank you. Thank you, Professor Wang and Scott Kennedy, for your interesting discussion. So, I’m Yifan, a first-year student at SAIS. So yeah.

So, basically, I agree. I see a lot of opportunities in this kind of atmosphere, based on your conversation. You agree that it’s kind of two – like the two top leader, this kind of summit. You show a lot of good faith, good words, this kind of thing. And also, I notice, like, right now the Chinese ambassador to the United States didn’t have any, you know, concrete conversation with any top-level official from the State Department, or these kind of things. But, you know, Beijing, we already see a lot of, like, a – we already see the ambassador – the U.S. ambassador to Beijing. So how do you see – like, how do you explain, like, the future trajectory of this kind of diplomatic procedure? Yeah, and also considering, like, the domestic agenda in China has changed a lot since this top two leader meeting, like the new, the 20 New Rules, just coming up last week, these kind of things, yeah.

Dr. Kennedy: Yeah. So, I think that the chances for more communication are pretty high. I would say, from what I know, you know, China’s ambassador to Washington, Qin Gang, and the American ambassador to China, Nicholas Burns, both have had too much free time on their hands. Both have not had as many meetings as they could have. I don’t know to what extent that’s intentional or just the product of zero COVID or something else. But it does appear that in recent months they have had more meetings, more senior meetings, and extensive discussions with their colleagues inside. I know Ambassador Burns has traveled outside Beijing already, including to a trip to Wuhan, which was – which was, from what he told me, very successful.

So, I do think that there’s more conversations ongoing. The adjustments in zero COVID policy, those tweaks, are – those are important. They’re gradual. The Chinese government calls those a way to perfect zero COVID policy. You
I expect they will never announce the end of zero COVID. They will just continue to perfect it until it’s disappeared. But how long that will take, we won’t know, in large part because the virus – it’s not a member of the Chinese Communist Party. It’s not a Republican. It’s not a Democrat. It doesn’t listen to anybody. So, we’ll just have to see how the virus and the rest of us get along. And I think that will shape things.

One thing I did come away with is there’s a genuine seriousness on the part of Chinese officials that they want to really limit the loss of life and significant ill health. So, what they’ve been doing, these restrictions, we can criticize them, and I think sometimes people think they’ve gone way too far and some of the people have really suffered beyond what’s necessary. But I think the intent is not just simply, well, we like to control people therefore we’ve got zero COVID. I think they’ve got a different goal than that. And I think that they are looking to find ways to adjust the policies.

But I would say two steps forward, one step back, just like “mo zhe shitou guo he,” feeling the stones across the river. That’s how we’ll get through to the post-COVID era.

We have an online question?

We do. So, an online question, I think this is for both of us. So, sorry. So, the question is, is it possible for the U.S. and China to revive the U.S. Strategic and Economic Dialogue?

We have in the audience someone who was very important at the very outset of the dialogue, and it evolved over – as Dan Wright. But we have other people here who have participated and are familiar with it.

Is it possible that something like the U.S. S&ED could come back, or should we encourage something like that to come back?

I think we should encourage more dialogues between the two sides, between the two governments, and between the two societies, including scholars and educators and think tank people. But today, is it necessary to have a very large scale one dedication sent to the other part, including all the government officials in different agencies who have not been ready for that yet. Maybe in the future we can think about this.

But at this moment, the summit meeting revealed the two sides agreed to have working groups, and I think the working groups may be more effective than the overall large gathering between the two sides. And that may pave the way for better relationship in future.
Dr. Kennedy: Yeah, I would answer the question this way. I agree with you about the S&EDs – or SED, so don’t need to go there. You know, I participated in the final S&ED. That’s not why they closed it down, but I got to – in 2016, in the U.S.-China innovation dialogue I participated, and I got to have meetings in the United States and then go to Beijing for that.

And I realize that if they were inviting me to participate, it wasn’t very strategic. Someone from a think tank without the, you know, hundreds or thousand of people that you couldn’t – that they had gotten away from the original mission was a small number of people talking about very strategic important issues, as opposed to a lot of people talking about every issue under the sun. And so, my attendance was a bad sign that they’re moving in the wrong direction.

I think one thing I am wondering about is when will there be a time where it makes sense for there to be state visits? Right now, we’ve had this meeting on the sideline of the G20. We’ve had the videoconferences. We have other Western leaders. The chancellor of Germany has already gone to China.

The head of Australia Anthony Albanese is about to travel to China. When will it make sense for President Biden to either go to China or to have Xi Jinping here? I think that’s a politically fraught question in Washington. I’m not sure about in Beijing.

I guess one of the things I took away from the S&ED process – and I think happens in summits or state visits – is the extent of preparation that goes into those visits, which I think would be beneficial for both. Again, not suggesting there ought to be more compromise or less compromise, but just simply the focus of attention I think is useful and worth our time. I’m just not sure what the exact format ought to be.

Prof. Wang: One additional constraint is that the S&ED was very time consuming. We are having dialogues not only within our states, but also Europe – various European countries, and Russia, India, Brazil, and South Africa. So, I wonder whether the leaders will have enough time to have many, many meetings like S&ED.

So, I think it is – so start from the very practical working level dialogue before we have S&ED.

The next question, you raised your hand first. Ok. You compete, right? Wu Xinbo competed.

Q: Thank you. Wu Xinbo from Fudan University. It’s interesting to note that how people are very selected these days in their words about interaction
with China – just communication, not engagement, not dialogue because both are bad words.

My real question is, Scott, what’s your sense about prospects of economic and trade relations, especially about the removal or partial removal of the Trump tariff? Now the midterm election is over. Inflation is still high. The two econ teams are likely to meet. Will this be on the agenda in the near future? Thank you.

Dr. Kennedy: Sure. Sure. I’m interested in engagement, communication, and dialogue. So however, you want to phrase it, I don’t have to be politically correct. And I think people here basically understand about this.

And you – I certainly ran into some political correctness in China as well – not when I was at Fudan University, though, I would say. So, I’ll give you – give you credit, you and your colleagues. I had a terrific visit.

I would say Fudan University is harder to get onto the campus than at Beida. Actually, neither is easy, but, boy, their demands are really, really high. And I understand that and appreciate it, respect it. Didn’t disagree with it. But, man –

Prof. Wang: I’m happy to hear that.

Dr. Kennedy: Yeah. Yeah. So – (laughter) – you know, Fudan wins that prize.

So, in terms of the economic dialogue, I would say, you know, first of all, we have – we still have a very large commercial relationship. We still have 650-some billion in trade in goods, another hundred billion of trade in services. We still have, you know – you know, hundreds of billions of U.S. investment in China and Chinese investment here. There has definitely been some adjustment in that, the slowdown in the growth, and some changes in supply chains. I wouldn’t call it outright decoupling, but we have – we have somewhere where we’re adjusting the relationship, partly as a result of political/geopolitical tensions, partly in response to zero COVID. And you know, resilience is the – you know, the word of the post-COVID era, right, and companies and governments are all trying to become more resilient, even China with its, you know, policies in many areas are also stressing its own style of resilience.

In terms of ways where we might make progress, I think, you know, folks who have done the math on the tariffs think – I guess their view is if you remove them, it probably wouldn’t radically alter the direction of trade that much and it might not adjust – have a big effect on prices. And now that inflation has started to decline, the economic boost that would come from delivering the tariffs, reducing, from eliminating the tariffs might not be
there. And so there might have been a political window and an economic window in the first half of this year that may be gone.

So, I would – I would be skeptical that the Biden administration has put that high on their agenda. But it could be a topic within the working groups. My guess is, if that’s a topic in the working groups, industrial policy will also be a topic in the working groups – and industrial subsidies, maybe agricultural subsidies, other things that add to costs. So, if we’re trying to figure out how to reduce costs, we’re going to hear both about tariffs as well as non-tariff barriers. And certainly, given that the United States has now decided that industrial policy might be its friend – is not just something to criticize others – that will be a two-way conversation.

The math that we’ve done shows that China still far outpaces the U.S. in terms of industrial policy spending, but this will not be a case of one side doing industrial policy and the other not. So, I think that that means that we will have a – potentially a complex conversation about our commercial relationship.

Another thing that will come up besides industrial policy will just be traditional market access issues. You know, one – we’ve talked about the S&ED summits, state visits. One thing we’ve not talked about is there used to be this dialogue process called the Joint Commission on Commerce and Trade between the Ministry of Commerce and the Department of Commerce here. They just collected lots of what seemed to be minor issues for the country as a whole, but very important for individual companies and stakeholders, and then deal with those either on an annual basis or semi-annual basis. I don’t know if these working groups end up taking on those types of issues, but certainly there’s lots of American companies in China and Chinese companies in the U.S. that have individual issues to raise. So, besides the question of tariffs and industrial policy outright, maybe they’ll also see conversations about these very specific issues.

Prof. Wang: Well, thank you. Now shall we turn to the online questions?

Dr. Kennedy: Here we go. Let me see. My vision hasn’t gotten any better from my trip to China, I have to tell you, unfortunately. We already – there was a question that came online about zero COVID that we’ve already answered. So, it’s back to you. You get to pick again.

Prof. Wang: Bonnie, it’s your turn. No? That gentleman, could you identify yourself?

Q: Professor Wang and Mr. Kennedy, thank you so much. I’m Ding with Xinhua News Agency. I’m a reporter.
And thank you so much for the productive conversation between you two. And I have to say, first, I’m quite impressed by the slides of your album of your China visit, in which I also see some familiar faces, including my colleagues in Beijing. So, my first question is, what was your most – what was the most impressive experience while you were in China? And the second question is, on the U.S. midterms. So, what will be the potential impact of the new Congress on U.S.-China relations, as we know that a new Congress is taking shape with a different balance of power? Thank you.

Dr. Kennedy: Yeah. Well, I had lots of memorable experiences. There’s probably not one that I will say that is the experience of the trip. But I would just say, just generally speaking, that including the meetings with journalists – both foreign journalists and I met Chinese journalists from lots of different organizations – people disagreed with me on lots of stuff, but they weren’t disagreeable.

That means we had really good substantive arguments about lots of stuff, but we did it in a respectful way. And I really appreciate that, because I think people – we get the impression that if you go to China you’re just screamed at and yelled at, and that there’s going to be a Hu Xijin on every street corner, right? (Laughter.) I think that – everyone’s laughing, so you all know the former editor of the Global Times and his reputation.

So, I didn’t find that. Now, I have had American friends who have run into problems with nationalists and not been treated as politely as I did. But I was just generally impressed by people’s welcoming approach. And I really appreciate that. And I hope that when Chinese are in the United States, that they get treated as well if not better. And I know that there are experiences of some Chinese who were in the United States who have not been treated that way. And I think that’s really appalling. And I think we should be as good – we should be the best hosts we possibly can for people coming from anywhere in the world. I think it makes us a better country. It makes us a more attractive place to be, whether we’re just trying to get along with everyone or whether we’re trying to compete to be number one.

In terms of the midterms, I would say this was – I was surprised how often people asked me in China about the midterms. And the first thing I’d have to remind them is, you know, I am an expert on China, not on the United States. And I know very little about American politics. And that if you want to, we’ve got some other friends here at CSIS or go up to Brookings, or across to SAIS, or to GW or Georgetown to ask. I am not the best person to ask for expert advice. And I typically either don’t know what’s going on, or I make bad predictions, or both. But nevertheless, I’m the American sitting in front of them, so they still get to ask me the question.
And so, you know, I think what I try to remind people is this – there is this consensus in the United States broadly about the challenge from China. It’s not a fully formed consensus across the board, but if you go up to Capitol Hill, you’ll find Republicans and Democrats agreeing more than not on China. There is significant variation still, but you’ll find more consensus on China than on other issues. And so, the results of the midterms shouldn’t fundamentally alter American policy, because probably the folks that are getting elected who might have replaced someone who’s not – who served in office before them, on China they might have relatively similar views. Now, we can’t say that for sure. You have got to go look at the full range. And I’m thinking about the person who’s sitting right behind you who works at the Congressional Research Service who knows a lot more about congressional politics than I do, who knows that there’s a lot of variation. And so, I would just say that this is in general. So, there is variation, but broadly so.

I would – you know, but now we’ve got the results of the midterms, right, at least – at least one house. So, we know how the Senate has turned out, so that means no big differences there. On the House side, we’ll have to see. I suppose – I haven’t been paying attention in the last couple hours, so I don’t know if someone has called the House already for the Republicans or not. But I think let’s, if – supposing the Republicans win the House, I guess what we’ll see is the House be a little bit more uppity on China policy. We may see the new speaker of the House decide to get on an airplane with some friends and travel over towards Taiwan. And we may see more hearings and attention. But I don’t think fundamentally – the U.S. already has a hawkish approach towards China. It’s not like we would radically change in that direction.

I would say, though, another way to think about domestic politics – and I know that we’re getting close to time – is even though I don’t think domestic politics in, the partisan politics here is fundamentally going to change the direction of where we’re going, I do think that the nature of American domestic politics pushes us in a certain direction that differs from some of our allies and some of our friends. So, I think political polarization in the United States, which is also driven partly by polarization in income and changes in media and things like that, the greater division, I think that actually pushes us to be more hawkish on China in general. And sort of the tribalism of American domestic politics I think is also reflected in our view about sort of tribalism of international politics.

And I think, you know, in the spring I didn’t get – I tried to go to China, didn’t get there, and so instead of going to mainland China I went to Taiwan, South Korea, and Japan. And I found three societies where there isn’t that social polarization – where the gap between rich and poor isn’t as wide, where they’ve handled COVID relatively successfully, their economies seem relatively healthy, infrastructure. And it may be a total coincidence, but it’s
still worth mentioning that although their worries about China are extremely high – it’s not a figment – it’s not that the U.S. just made them be worried about China, these are genuine views there – their approaches toward China are a little bit different than the United States.

So, for them, the idea of decoupling – which is something that this administration says it’s not doing and which we are not largely doing, I answered Xinbo’s question – we still talk essentially about the commercial relationship as zero-sum relative to national security. And you don’t get that quite zero-sum discussion or view as solidified in the three societies I visited, and I think that has to do a little bit with somewhat how their domestic politics differ from us.

And so although we pay a lot of attention just to the partisan side of politics in the U.S. and Rs and Ds and et cetera, I think there’s just general trends in American politics broadly which lead us in a direction on China policy which is going to be challenging for us in dealing with our allies to find common ground on what we’re going to do. So, that was probably a slightly different answer than you were expecting, but I still tried to talk about how domestic politics matters.

Prof. Wang: I adopt the same tactics in answering questions. When people ask me about China, I say I don’t know. I am a U.S. voter in China. (Laughter.) I was very impressed with your answering the question about in the states and even the midterm elections.

Dr. Kennedy: I think we are. We’ve passed the formal endpoint of the conversation.

I just want to say thank you to you.

Prof. Wang: Oh, I also want to say thank you. Let me wrap up by reciting what you wrote for the Foreign Policy magazine yesterday in discussing the summit. And you say there that expanding direct, in-person communication between American and Chinese governments and societies is essential to responsibly pursuing strategic competition in a way that reduces the likelihood of outright conflict, strengthens U.S. national security and economy – I would add also China’s national security and economy – and increases the possibility that the United States and China could collaboratively address climate change and other global challenges. With that, let’s end the program.

Dr. Kennedy: Thank you. And thank everyone for being here and for those online. (Applause.)

(End)