



By: *Tomorrow's Affairs Staff*

# Biden and Xi will work under pressure in San Francisco - is a breakthrough in relations possible?

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Next week, as part of the Asia-Pacific Economic Cooperation (APEC) summit in San Francisco, US and Chinese presidents Joe Biden and Xi Jinping will hold what could be the most significant meeting of the year.

Their previous meeting at the G20 summit in Indonesia was precisely a year ago. However, opportunities and mutual relations have changed globally, necessitating a shorter break in the schedule for the leaders of the 2 biggest political and economic powers to meet.

But neither side plans on raising the bar on the eve of the summit in San Francisco. They even attempted to present it as a routine work meeting without excessive ambitions for significant breakthroughs.

The final preparations were made 2 weeks ago, during the two-week visit of leading Chinese diplomat Wang Yi to Washington. This was the first visit of a Chinese diplomat to the US after 5 years.

Conversations were "candid and in-depth", as American diplomats described Wang Yi's meetings with President Biden, Secretary of State Antony Blinken and National Security Advisor Jake Sullivan.

## Internal pressures in Beijing

Due to internal issues that keep both leaders under scrutiny for what they will bring back from San Francisco, both sides are cautiously approaching their meeting next week. Both leaders will attend the meeting under internal pressure. However, these pressures are different.

The Chinese leader does not have political pressure on his back (at least not visibly), given that he secured undisputed leadership within the Chinese Communist Party a year ago at the party congress, and he received another 5-year mandate to lead the party and the state.

However, it is possible that Xi Jinping experiences turbulence in the party and state leadership, given that, during the last few

months, he has replaced the ministers of foreign affairs and defence, otherwise his personal favourites.

Changes in parts of the army due to accusations of corruption in the procurement and supply process accompanied these significant changes at the top of the Beijing government.

President Xi is under much greater pressure due to unfulfilled expectations and promises from a year ago that the economy would recover after a 3-year lockdown.

Contrary to the central government's plans, the economy will probably end this year with growth up to 4% instead of the projected 5.5%. The country is already experiencing a crisis in the real estate market, threatening the construction and banking sectors.

Foreign investors have been increasingly reluctant to invest in China, either because of the attractiveness of other markets or new internal restrictions that expose them to security risks.

That's why Xi Jinping will come to the US expecting to ask for a solution from the largest but also most competitive economy for at least part of the accumulated issues that stopped 3 decades of spectacular Chinese growth.

## Expectations that Biden will be more decisive

However, President Biden is under pressure since talks with Xi will happen before the election in which he hopes to be re-elected, which is less than a year away. Additionally, the issue of relations with China is one of the most significant in the polarised US political scene and will undoubtedly be dominant in the presidential campaign.

One of the latest pressures in this respect came this week from a group of Republican congressmen from the Select Committee on China, who asked the president to use tougher

policies to force Beijing to move closer to US policies and demands.

"If Xi fails to deliver, your administration must end its pursuit of zombie engagement and shift gears to a more assertive posture in order to defend American interests and values", Republican House members wrote in a letter.

However, the administration in Washington could hardly receive criticism for "making too many concessions while not demanding enough from China", as was written by the Republican representatives in the Committee, which was established last January to formulate a policy to counter China's global influence.

Last August, Biden issued an executive order restricting US investment in China in 3 significant areas: artificial intelligence (AI), quantum technology, and advanced chips, which might benefit China's defence industry.

The decision demonstrated in practice Biden's policy of rallying partners in the Indo-Pacific region to curb China's aggressive economic and security influence.

In this respect, the summits of the US with Japan, South Korea, and Australia, and the increased cooperation with India within the framework of the Quad forum, strengthened the block of influential players in the past year in opposing Chinese influence in the region.

Biden's current mandate will definitely be remembered by the order to shoot down a Chinese spy balloon over US territory as a decisive step in confronting China.

## Taiwan, Ukraine, and Middle East

Internal constraints should not prevent the 2 leaders from reaffirming restraint regarding military escalation in Taiwan, which they agreed to a year ago in Indonesia.

It could also be one of the more significant

scopes of the forthcoming meeting in San Francisco, given that domestic factors in both countries see Taiwan as the biggest point of disagreement between the 2 countries and are wary of resolving it by force.

Unlike a year ago, President Biden may face less resistance from Xi to distance himself from Moscow because of its aggression against Ukraine.

A year of war in which the Western bloc led by the US maintained unity in support of Kyiv and the implementation of sanctions against Russia could prove to Beijing that this policy will remain in place as long as necessary and that the alliance with Putin is not beneficial.

Beijing might also have an interest in aligning itself more strongly with US policy regarding Israel's war against Hamas, given that the crisis has disrupted Beijing's plans for greater influence in the Middle East region.

In this respect, Hamas has become a factor that everyone avoids. However, Iran is becoming its only influential supporter, which could be a point of convergence between the US and China regarding the Middle East.

Even though it is difficult to expect significant breakthroughs in the complex US-China relations in San Francisco, some might still take root at the forthcoming summit.

If the 2 leaders satisfy domestic factors, they will provide scope for collaboration on implementing potential breakthroughs - Biden serving a new term as president and Xi as head of China for the next 4 years.