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# A Preview of Xi's U.S. Visit

AUGUST 24, 2015 BY JEAN-MARC F BLANCHARD

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In late September, China President Xi Jinping will voyage to the US for a formal state visit. This will not be the first time he has traveled to the US, met President Barack Obama, or been hosted by Obama. Nevertheless, the visit will garner much attention because it involves one of the world's central relationships. Furthermore, there are continuing uncertainties about China's domestic direction and Xi's foreign policy agenda and ambitions. Beyond this, in this presidential election season, Democratic and Republican Presidential candidates alike will pay attention.



Barack Obama hosted President Xi Jinping in 2013 at The Sunnylands resort in California

While there are diverse opinions about the state of Sino-US ties, there certainly is no lack of issues challenging them. With respect to political problems, Chinese actions in the South China Sea, the US's rebalance strategy, and suspected Chinese theft of American government and corporate data rank highly. Nonetheless, positives such as the two countries' collaboration on Iran, joint anti-terrorism initiatives, and cooperation on climate change all deserve acknowledgment. On the economic front, tensions linked to China's inadequate protection of intellectual property (IP), China's incomplete fulfillment of its WTO commitments, US trade protectionism, China's (perceived) increasingly hostile treatment of foreign companies, and each countries' intentions vis-à-vis initiatives like the Trans-Pacific Partnership (TPP), Asian Infrastructure Investment Bank, and China's One Belt, One Road (OBOR) initiative.

There seems to be a consensus that the two leaders will discuss the South China Sea, cyber security/warfare, and climate change/energy, though, as Tom Fingar, Stanford University Professor and former U.S. National Intelligence Council Chairman observes, the

tone of the discussion for each issue likely will vary. Fingar anticipates the US will focus on global issues like the Middle East, nuclear proliferation, and the sharing of space given potential for progress. He also believes the two countries will discuss Afghanistan. David Dollar, a senior fellow with the John L. Thornton China Center at the Brookings Institution and former U.S. Treasury official, forecasts Xi and Obama will stress political issues such as China's policies towards non-governmental organizations (NGOs) and economic topics like a bilateral investment treaty (BIT) and IPR.



Xi Jinping's visit to Washington D.C.

Derek Scissors, a resident scholar at the American Enterprise Institute and expert on Asian economies, expects China's attempted coercion of US tech companies to be an important part of the economic agenda. He advocates Obama press Xi to clarify China's plans for state sector reform. Bruce Pickering, Asia Society Vice President of Global Programs, believes Iran and China's anti-corruption campaign, especially its pursuit of Chinese officials

that have fled to the US, may feature as part of the political agenda, too. He emphasizes the two sides should converse about North Korea, regional economic integration, and China's efforts to internationalize the RMB. Other experts have called for Xi and Obama to speak about cooperation opportunities in maritime navigation, military exchanges, and China's OBOR initiative.

There are two issues, which few experts, several months ago, would have predicted would be seriously discussed, that are likely to feature more prominently than expected. One is China's currency policy. This is so because earlier this month China's changed the RMB's central parity exchange rate, which led to declines in the value of China's currency. While some argue China is simply permitting market forces to play a bigger role in determining its exchange rate, others have accused China of launching a currency war. The second issue is human rights, which has always been part of the bilateral agenda. A week or so ago, US Assistant Secretary of State, Bureau of Democracy, Human Rights, and Labor Tom Malinowski exclaimed human rights "will be very prominently addressed" during Xi's state visit. More specifically, he stated that the US will raise concerns about China's moves against human rights lawyers and activists, religious freedom, Tibet, China's national security law, and pending laws relating to NGOs and cyber terrorism. Still, there are many doubts Washington will press hard.

In terms of potential outcomes, the two leaders could push negotiating teams to make faster progress on a BIT given the last China-US Strategic & Economic Dialogue gave great play to advancing BIT negotiations, though there is room for skepticism. In addition, Xi might clarify his ideas about US-China relations since the concept of a "new type of great power relations" never gained clarity. One Chinese professor from China Foreign Affairs University suggests China is planning "to formulate policy orientations for the coming decade" and that the two countries would "reach strategic agreements to lay the foundation of future bilateral relations." Pickering suggests one outcome may be China and the US reaching another level of cooperation regarding climate change.



Barack Obama and Xi Jinping at the 2012 APEC summit

Dollar said he finds it hard to be optimistic about the upcoming visit in contrast to the Sunnylands summit. Indeed, it would be a stretch to expect major accomplishments. Even if there are few

substantive outcomes, a state visit may help to smooth over bilateral tensions as the two powers typically moderate their tensions prior to summits and given, as Fingar pointed out, the potential of summits to calm Capitol Hill as they demonstrate the administration is paying attention to Congressional concerns. Moreover, the visit offers the two leaders a chance to sustain their rapport, to highlight the two countries' shared interests, and to emphasize their respective concerns. Finally, the visit affords the US an opportunity to converse with China's top leader, no small matter in a top down political system like China's. On the other hand, the potential is there for an acrimonious visit if human rights feature prominently. Moreover, presidential election politics, Congressional pressure, and Obama's need to establish his legacy could lead him to take a tougher stance towards China than in the past.

What can be done to ensure a more successful visit? Scissors suggests the US control the number of agenda items. Similarly, Richard Bush, the Director of the Center for East Asian Policy Studies at the Brookings Institution, says the two leaders should ignore the small stuff and instead “focus on issues that require presidential leadership.” Xie Tao, a professor at Beijing Foreign Studies University, argues “it is imperative” for Xi to meet with leaders of the House and Senate, the American business community, and labor union representatives in face-to-face closed door meetings to build rapport, facilitate discussion, and increase understanding. In short, the best visit would not just be a top leader summit, but rather meetings with key US constituencies.

By now, meetings between top US and Chinese leaders have a routine character given their frequency. Nevertheless, the importance of the bilateral relationship and the myriad of serious challenges facing the two countries require them to give serious attention to making this visit lay a path to a brighter future.

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