
LYE Liang Fook

EAI Background Brief No. 1238

Date of Publication: 20 April 2017
Executive Summary

1. US-China relations appear to have attained a more practical and realistic footing following the meeting between Chinese President Xi Jinping and US President Donald Trump at the Mar-a-Lago retreat in April 2017.

2. There were expectations that Trump would be tough on Xi. Before he was sworn in as president, Trump had lambasted China on a number of issues. He even angered China by accepting a phone call from Taiwan President Tsai Ing-wen.

3. The Trump-Xi meet was made possible after Trump agreed, at Xi’s request, to adhere to the one China policy when they spoke in February 2017. China regards the one China policy as the political foundation of US-China relations.

4. By meeting Trump in America, Xi has continued his practice of reaching out to his US counterpart in an informal setting. In 2013, when he became president, Xi went to California to meet incumbent US President Barack Obama. His visit to Mar-a-Lago this time round is a more significant gesture as Trump is new at the helm.

5. As it turned out, Trump was much less combative at the Mar-a-Lago retreat though he did press China to do more on trade and on North Korea. The retreat provided a platform for the two sides to build a forward-looking, constructive relationship.

6. They agreed to elevate their existing bilateral talks to a more comprehensive framework to be overseen by the two presidents. The framework has four pillars and each pillar is expected to come up with concrete actions/steps to bring the relationship to another level.

7. Most notably, they will be unveiling a 100-day plan to promote a more balanced economic relationship. Trump is also expected to visit China later this year where more deliverables are expected to be announced.
8. The economic front is where China is willing and has greater leeway to explore win-win cooperation with America. Even then, China would expect America to reciprocate as it would not want to be seen as the only party granting concessions.

9. Challenges however remain. One is their differences over security matters such as how to deal with the threat from North Korea. While Trump appears prepared to consider all options, China only wants a peaceful approach. The specifics of how China can “help” America on this issue remain to be worked out.

10. The Taiwan issue could be another lightning rod. China would react negatively if the Trump administration approves arms sales to Taiwan or dispatches marines to guard the de facto US embassy in Taiwan.

11. Given these variables, it is still unclear whether the positive momentum generated by the Mar-a-Lago retreat can be sustained. Too much US pressure on China to deliver results could backfire. Rather than be the junior partner, China wants to be the equal of the United States.