

# Why the US and China are unlikely to strike a grand bargain soon



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By Terry Su  
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US President Joe Biden’s whirlwind visit to East Asia in May reaped the expected rich harvest in terms of his administration’s policy to “shape the strategic environment around Beijing”, as summed up by Secretary of State Antony Blinken in his speech last month on the US’ strategic approach to China.

Both South Korea and Japan rallied to Biden’s call for closer cooperation and coordination against China. Under the Indo-Pacific Economic Framework, which was officially launched during Biden’s trip, the US and 12 other countries hope to redistribute China’s share of the region’s supply chain among themselves.

But none of the above was as dramatic as Biden’s pronouncement in Tokyo on May 23 that the US would confront Beijing militarily if it took action to recover Taiwan. This is the third time he has made a similar “gaffe”.

China hit back, notably over Taiwan. The climax was Chinese defence minister Wei Fenghe's declaration at the Shangri-La Dialogue in Singapore, both during his face-to-face meeting with US Defence Secretary Lloyd Austin on June 10 and in his keynote speech on June 12, that China will have no choice but "to fight at all costs" and "fight to the very end" for Taiwan.

At his meeting with US National Security Adviser Jake Sullivan in Luxembourg on June 13, China's top diplomat Yang Jiechi urged the US to turn promises into action and abandon its illusions over Taiwan. On the same day, China's foreign ministry spokesman shot down US claims that the Taiwan Strait is an "international waterway".

One would expect all this to incur Washington's wrath and result in the next round of tensions between the two countries. That did not seem to be the case. China said the Yang-Sullivan meeting had gone well, while the US said it was "candid, in-depth, substantive and productive".

On June 16, Sullivan said at an event organised by an American think tank that the US' "one-China" policy remained unchanged and that Washington had not found any sign of Beijing's material support for Russia in the latter's war against Ukraine.

On June 18, Biden himself said he was in the process of deciding on easing US tariffs on China and planned to speak to Chinese President Xi Jinping soon.

It seems to have dawned on Washington that China is a given, to whose existential logic it has to reconcile itself – as Blinken all but admitted in his May 26 speech – but not to the extent of deigning to treat Beijing with empathy.

The Ukraine war, while having served to strengthen US alliances globally, particularly Nato, is now turning out to be a drain on the country's military and economic resources.

On the domestic front, the record level of inflation is at the top of the Biden administration's agenda, which does not bode well for Democrats' fortunes in the pivotal midterm elections in November. This makes it all the more important for the administration to grandstand against China, the singularly rare theme on which there is bipartisan consensus and which caters to popular sentiment.

However, those in Washington who were tempted to draw parallels between Taiwan and Ukraine in the first 100 days of the war in Ukraine and who flirt with the idea of engaging China in a similar game are now disillusioned.

Beijing's draconian "zero-Covid" measures, while resulting in abrupt domestic economic disruptions in April and thus drawing broadsides from both within and outside China, also remind Washington of how the US economy cannot do without supplies from China – not yet anyway.

However, Taiwan remains a powder keg. Biden may have inched away from the US' "one-China" policy by way of repeated "gaffes", but China's recent moves should have brought home the message that there is indeed a red line.

Hence, one got a sense of the US almost breathing a sigh of relief when the other shoe dropped in the form of China's response. After all, Biden has long been seeking to put up "guardrails" for US rivalry with China.

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