

## HEATHER COX RICHARDSON

NOV 17



READ IN APP ↗

The summit of the leaders of the Asia-Pacific Economic Cooperation (APEC) economies continued today in San Francisco, California.

Formed in 1989, APEC is made up of the economies of 21 nations around the Pacific Rim: Australia, Brunei, Canada, Indonesia, Japan, South Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, Taiwan, Hong Kong, China, Mexico, Papua New Guinea, Chile, Peru, Russia, Vietnam, and the United States. Together, these economies make up about 62% of global gross domestic product and almost half of global trade.

David Sanger of the *New York Times* today noted an apparent shift in the power dynamic between President Joe Biden and Chinese president Xi Jinping, who met yesterday for a four-hour conversation. Earlier in his presidency, Xi was riding on a strong economy that overshadowed that of the U.S. and looked as if it would continue to do so. Then, Xi favored what was known as “wolf warrior” diplomacy: the aggressive defense of China’s national interests against what Chinese envoys portrayed as foreign hostility, especially that of the U.S.

Under that diplomatic regime, Xi emphasized that liberal democracy was too weak to face the twenty-first century. The speed and momentous questions of the new era called for strong leaders, he said. In early February 2022, Russia and China held a summit after which they pledged that the “[f]riendship between the two States has no limits.”

Things have changed.

The U.S. has emerged from the coronavirus pandemic with a historically strong economy, while China’s economy is reeling from a real estate bubble and deflation at the same time that government crackdowns have made

foreign capital flee. This summer, Xi quietly sidelined Qin Gang, the foreign minister associated with wolf warrior diplomacy, and in October, he replaced Defense Minister General Li Shangfu, who is under U.S. sanctions for overseeing weapon purchases from Russia.

Indeed, China has also been quietly pushing back from its close embrace of Russia. Just weeks after their February 2022 declaration, Russia invaded Ukraine in an operation that Russian president Vladimir Putin almost certainly expected would be quick and successful, permitting Russia to seize key Ukrainian ports and land. Such a victory would have strengthened both Russia and China at the same time it weakened Europe, the United States, and their allies and partners.

Instead, Ukraine stood firm, and the North Atlantic Treaty Organization (NATO) and allies and partners have stood behind the embattled country. As the war has stretched on, sanctions have cut into the Russian economy and Putin has had to cede power to Xi, accepting the Chinese yuan in exchange for Russian commodities, for example. This week, Alberto Nardelli of *Bloomberg* reported that the European Union is considering another round of sanctions, including a ban on the export of machine tools and machinery parts that enable Russia to make ammunition.

In a piece at the Center for European Policy Analysis today, Julia Davis, who monitors Russian media, noted that Russia lost an extraordinary 997,000 people between October 2020 and September 2021, even before the war began. Now it is so desperate to increase its population that its leadership claims to have stolen as many as 700,000 Ukrainian children and is urging women to have as many children as possible.

Holly Ellyatt of CNBC noted that to the degree they even mentioned it, Russian media sniped at the Biden-Xi summit, but it was hard to miss that although Russian president Putin was not welcome to attend, Xi came and engaged in several high-level meetings, assuring potential investors that China wants to be friends with the U.S. Also hard to miss was Xi's pointed comment that the China-U.S. relationship "is the most important bilateral relationship in the world."

Going into this summit, then, the U.S. had the leverage to get agreements from China to crack down on the precursor chemicals that Chinese producers have been shipping to Latin America to make illegal fentanyl, restore military communications between the two countries now that Li has been replaced, and make promises about addressing climate change. Other large issues of trade and the independence of Taiwan will not be resolved so easily.