## The Evolving U.S.-China Relationship

The U.S.-China relationship is evolving and becoming more complex and challenging. Over the last two weeks, senior U.S. and Chinese officials have sparred over the Phase 1 trade deal, the coronavirus pandemic, and the World Health Organization.

We've also seen new export control measures in response to China's military-civil fusion strategy and restrictions on sales to Huawei of semiconductors made with U.S. technology. Not to mention a multiplicity of bills on Capitol Hill covering everything from human rights and COVID-19 accountability to supply chains and cybersecurity.

Despite the heated rhetoric, both sides <u>reaffirmed support</u> for the Phase 1 trade agreement during a call between U.S. Trade Representative Lighthizer, U.S. Treasury Secretary Mnuchin, and Chinese Vice Premier Liu earlier this month – even amid growing concerns over China's ability to meet its purchase commitments.

As we go to press, new developments related to Taiwan, Hong Kong, and other geopolitical matters are on the horizon. Added friction in the bilateral relationship could affect the fortunes of American companies with operations in China, as well as those whose supply chains span the globe.

The U.S. Chamber's China Center is deeply engaged in helping our members understand these developments and their implications. We are working hard to hold informative programs, advocate on priority issues, and provide cutting-edge analysis of policies and their implications. We fully appreciate the importance of the China market to many of our members, as well as the need to address systematic challenges in our economic relationship.

Of note, the China Center was pleased to announce new corporate leadership this week, naming Metlife CEO Michel Khalaf as the new Chair of the U.S.-China Advisory Board. Michel's leadership will strengthen U.S. Chamber efforts to build a constructive dialogue and strengthen engagement between the two countries at this critical time.

As we navigate what may be increasingly rough waters ahead, the U.S. Chamber continues to advocate on behalf of our members for policies with China that expand mutually beneficial, safe, and secure trade and investment.