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Hawaii Meeting Indicated Improving US-China Relations

Provided by:



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On June 18th, China's Ministry of Foreign Affairs (MFA) announced that Yang Jiechi, Member of the Political Bureau of the Central Committee of the Communist Party of China (CPC) and Director of the Office of the Foreign Affairs Commission of the CPC Central Committee, held a dialogue at request with Mike Pompeo, Secretary of State of the U.S. in Hawaii from June 16th to 17th.

Here are our key readings on this meeting.

- **The meeting indicated improving U.S.-China relations.**

According to MFA, both sides had in-depth exchanges of views on U.S.-China relations and international and regional issues of common concern. Both sides fully expounded respective stances and deemed the dialogue to be constructive. The two sides agreed to take actions to earnestly implement the consensus reached by the two heads of state and continue to maintain contact and communication.

The meeting itself delivered positive messages amid the recently intense bilateral relations, and the fact that both agreed to implement the consensus reached by leaders will promote the cooperation in addressing Covid-19 pandemic as well as the implementation of Phase One Trade Agreement which will benefit the cotton trade.

In middle of the highly uncertain situation with damaged economy and Covid-19 pandemic both in U.S. and China, protecting the consensus to implement Phase One Trade Agreement is what both sides need. With the Trade Agreement in place, China could avoid the bilateral relations from further deterioration and therefore buy time to recover its economy hit by the pandemic and protect the foreign trade and investment which contribute greatly to China's economy development and social stability.

- **Xinjiang topic poses threat to U.S.-China cotton trade**

However, besides the consensus on continued communication and cooperation, the meeting also covered the topic concerning Taiwan, Hong Kong and Xinjiang, which pose great risk on the already fragile relations. On June 18th, MFA once again elaborated China's strong stance on these topics by the remarks from the spokesperson on the Hawaii meeting. Meanwhile, specifically for the so called "Uyghur Human Rights Policy Act of 2020" signed by U.S., MFA, Standing Committee of the National People's Congress of Xinjiang Uygur Autonomous Region, Foreign Affairs Committee of the National People's Congress and Foreign Affairs Committee of the Chinese People's Political Consultative Conference all issued strong statement to criticize.

- **Next steps**

Moving forward, ACSA is suggested to continue the efforts to promote the U.S.-China cotton trade by the ongoing engagement with both the governments in U.S. and China and Chinese industry stakeholders such as CCA, CNTAC and CNCE.

Meanwhile, to avoid collateral damage from the sensitive Xinjiang topic, the communication should continue to focus on the business and stay away from the political sensitive topics. ACSA's strategy made in the past few years to explore engagement between ACSA China Committee with Xinjiang region to grasp the development trend of China's cotton production hub and develop partnership with Xinjiang is thus suggested to suspend.