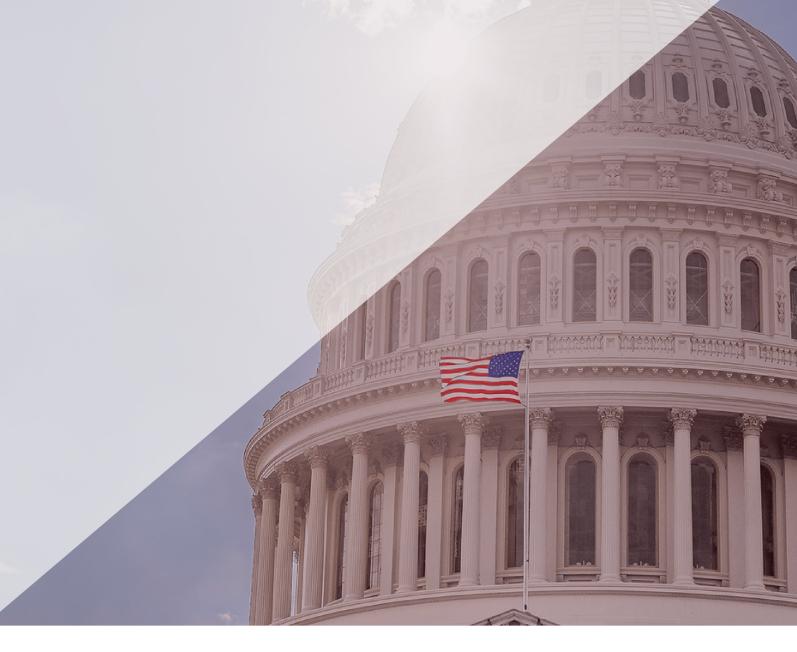February 2023

A DIVIDED CONGRESS: IMPLICATIONS FOR US-CHINA RELATIONS AND THE ROAD TO 2024

February 2023

A Divided Congress: Implications for US-China Relations and the Road to 2024

Highlights from

A Divided Congress:
Implications for US-China Relations and the Road to 2024

Dialogue Summary Report

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Contents

Overview

This online roundtable in early January, 2023, was convened and co-hosted by the Center for International Security and Strategy (CISS) of Tsinghua University in Beijing and the US China Education Trust (USCET) in Washington DC, in partnership with the Center for Congressional and Presidential Studies at American University. The roundtable brought together some two dozen Chinese and American scholars and practitioners of American politics and US-China relations, including two former members of Congress, for a candid, closed-door discussion of America's 2022 midterm elections, the new 118th Congress, and implications for American politics and US-China relations.

The roundtable began with experts providing American and Chinese perspectives on the 2022 elections; the US Congress in Sino-American relations; and the road ahead to the 2024 US presidential election. The second half of the roundtable featured a lively moderated dialogue among all discussants. While the participants agreed that the American political landscape remains deeply divided after the midterm elections, these divisions can be perceived differently in the United States and China. And while both major US political parties share an overlapping "tough on China" stance, there were diverging views on the stand that the parties will take on China and the role of the White House and the Congress in setting China policy in the months ahead. Participants agreed that US and China need to understand each other's views on these issues, as well as on the pressing need for the US and China to continue working together on areas of common interest.

This program was a continuation of USCET's long-standing work to promote Chinese understanding of America's elections and political process. USCET has worked with Chinese universities and NGOs to create programs covering every US presidential election since 2000. The growing role of the US Congress in US-China relations and the spread of misinformation and disinformation in both countries make these programs more important than ever. The Center for International Security and Strategic Studies (CISS) of Tsinghua University was pleased to co-host this event. A university-affiliated research institution, CISS is committed to helping the people of China and the United States, especially the younger generation, understand each other accurately and empathetically. While it is true that current Sino-US relations are at a low point, it is also because of this fact that mutual understanding among the younger generation is more important than ever to China, the United States, and the entire world.

Roundtable Agenda

A Divided Congress: Implications for US-China Relations and the Road to 2024

7:30-9:30pm, January 10, 2023, Washington DC
8:30-10:30am, January 11, 2023, Beijing

Opening Remarks

Topic 1: Post-Midterm Elections Analysis

Topic 2: The US Congress in Sino-American Strategic Competition

Topic 3: Looking Ahead on the Road to 2024

Moderated Discussion
   Including Chinese and American speakers and discussant speakers.

Roundtable Concludes

Speakers and Discussants (alphabetical)

- David Barker, Professor of Government and Director of the Center for Congressional and Presidential Studies, American University
- Julia Chang Bloch, Executive Chair, US-China Education Trust (USCET)
- Chen Dingding, Professor, School of International Relations, Jinan University and Founding Director, Intellisia Institute
- Chen Zheng, Lecturer, Academy of Regional and Global Governance, Beijing Foreign Studies University
- Charlie Cook, Founder, *The Cook Political Report*
- Da Wei, Director, Center for International Security and Strategy (CISS); Professor, Department of International Relations, Tsinghua University (Presiding)
- Diao Daming, Associate Professor, Renmin University
- Jia Qingguo, Professor, School of International Relations, Peking University; Standing Committee Member, Chinese People's Political Consultative Conference (CPPCC)
- Robert Kapp, Former President of the US China Business Council and Member of USCET's Advisory Council
- Bonny Lin, Director of the China Power Project and Senior Fellow for Asian Security, Center for Strategic and International Studies (CSIS)
- Liu Weidong, Senior Fellow, Institute of American Studies, Chinese Academy of Social Science
- Former Congressman Don Manzullo (R-IL)
- Former Congressman Jim Moran (D-VA)
- Shen Yamei, Director and Associate Research Fellow, Department for American Studies, China Institute of International Studies
- Sun Chenghao, Research Fellow, Center for International Security and Strategy, Tsinghua University
- Yun Sun, Senior Fellow, Director of the China Program, and Co-Director of the East Asia Program, Stimson Center
- Robert Sutter, Professor of Practice of International Affairs, Elliott School of International Affairs, George Washington University
- James Thurber, University Distinguished Professor of Government Emeritus and Founder and Former Director of the Center for Congressional and Presidential Studies, American University
- Wang Dong, Professor, School of International Relations, Peking University; Executive Director, Institute for Global Cooperation and Understanding
- Xie Tao, Professor and Dean of the School of English and International Studies, Beijing Foreign Studies University
- Zhang Tongtong, Postdoctoral Fellow, Stanford University Internet Observatory and incoming Assistant Professor, American University
- Zhao Minghao, Senior Fellow, Institute of International Studies, Fudan University

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Topic 1: Post-Midterm Elections Analysis

Two key take-aways from the 2022 elections: 1) voters were looking for stability and moving away from polarizing issues like election fraud in the midterm elections, and 2) the so-called "red wave" did not materialize: the Democrats only lost nine seats in the House and picked up one seat in the Senate. Even though the sitting President's party lost seats in the midterm elections, reflecting a longstanding American political trend, Democrats did well compared to historical precedent. A US participant pointed out that candidate selection played a big part in the midterm elections. The Republican party selected a number of inexperienced candidates, which could in part explain their losses in the Senate. He also observed that GOP candidates' choice of issues strongly impacted their success in the 2022 midterm elections. GOP candidates who focused on current issues such as inflation, immigration, and crime won their races, while those who focused on past issues such as 2020 election fraud generally lost. On the other hand, Democratic candidates focused heavily on issues such as abortion rights and Trump's disruption of democracy. Political "tribalism" remained significant in the 2022 midterm, and the coastal vs. inland and urban vs. rural political divides continued. Going forward, a divided Congress will bring increased gridlock to fundamental issues such as the debt ceiling. At the same time, issues including competition with China and taming big tech will bring the parties together. Party leadership in both chambers will be very important moving forward. While the selection of Kevin McCarthy as speaker in the House showcased deep divisions in the party, Republicans will likely rally around Mitch McConnell in the Senate.

A Chinese participant stated that the 2022 midterm was record-breaking in American political history, with a resulting split rarely seen since the 1890s. The GOP and the Democrats both gained and lost seats in both chambers, demonstrating the split in voter choice. On the state level, Democrats are increasingly picking up governor seats in traditionally "red" states such as Arizona. The Chinese participant pointed out that traditionally red states such as Georgia and Arizona are experiencing a "blue" turn due to economic growth and immigration, an encouraging development for Democrats looking to the presidential election in 2024. In addition, he believed that issues like the legacy of the Civil Rights movement motivated young voters, which in turn boosted Democrats' performance in the 2022 midterm. On China, the Chinese participant maintained that the topic of China was raised by candidates during their midterm campaigns, Republicans more than

Democrats, even when it had little relevance to local constituents. The participant was concerned that, if continued, such harsh rhetoric on China would be very damaging to the bilateral relationship.

Topic 2: The US Congress in Sino-American Strategic Competition

A US participant pointed out that even though members of Congress distrust China more than ever, the American and Chinese people are involved in a "forced kiss." Regardless of how people in both countries feel about each other, they need each other.

Another US participant posited that, in the midterm elections, China played no role whatsoever for voters, Democratic or Republican. The new Republican majority recently established a House Select Committee on Competition between the United States and the Chinese Communist Party. Tellingly, the Committee chose to use the word "competition" in place of "cooperation" or "collaboration." Furthermore, instead of using the word "China," it chose to use the Chinese Communist Party. Regardless, the relationship between China and the United States should not be a partisan issue, he added.

From one American participant's perspective, 2023 will not be a year when China's economy surpasses the United States since the Zero-Covid policy hurt both China's society and economy. Meanwhile, India will surpass China this year in terms of overall population and economic growth. The participant worried that China will be increasingly weakened, creating a difficult financial situation for the country. In addition, he predicted that as China breaks out of its restrictive Covid policies, we will see increased inflation, to which the United States might unfortunately contribute. In addition, many young people's potential in China will not be realized due to the state's desire for control. However, the United States in particular will provide economic opportunities to reward their talent and innovation.

A Chinese participant noted that the relationship between the People's Republic of China and the US is at its lowest level since bilateral relations were first established in 1979. The US Congress is only interested in competition and confrontation with China, and has been at the forefront of demonizing China and exaggerating the so-called "China threat." Regardless of political affiliations, Congressmen express very similar views on China in public, which has strong implications for Congressional policies on China. Congress has also been active in seeking to contain China's economic development. For instance, there are many restrictions on high-tech exports to China as well as on high-tech cooperation with Chinese companies.

The Chinese participant also emphasized that some members of Congress have been challenging the "One China" Policy. Despite knowing how harmful this would be for bilateral relations or even for the world at large, they have taken the lead on challenging restrictions on official contacts between the US and Taiwan. More than 30 draft bills and resolutions related to Taiwan were in the legislative pipeline during the last Congress. These bills and resolutions have one major

commonality: challenging China's territorial and political sovereignty over Taiwan. In addition, Congress defended few meaningful aspects of the relationship between the two countries such as trade, people-to-people exchange, and climate change. The US Congress has allowed itself to be held hostage by a small number of extremists who reduce the complex relationship between our two great countries to the simple constructs of competition, confrontation, and hostility.

Participants from both China and the United States expressed their expectations for cooperation. A US participant pointed out that we need a wider range of dialogue that extends beyond political figures and diplomats. The United States needs to play a role in collaboration, not just competition. A Chinese participant called on the people of both countries to work together to bring our two great nations back into cooperation and amity.

Topic 3: Looking Ahead on the Road to 2024

All the participants, particularly academics, hesitated to make predictions about the 2024 election. One US participant even paraphrased former Secretary of Defense Donald Rumsfeld's famous quote about the "known and unknown" as a framework to analyze elections. Based on the status quo, participants from both the US and China raised some of the challenges that the two political parties may face in the 2024 presidential and congressional races.

For the presidential election, one Chinese scholar suggested the possibility of nasty factionalism within the Republican Party, currently reflected by the competition between Donald Trump and Ron DeSantis. Specifically, DeSantis' re-election as Florida's governor caused a widespread upheaval within the party. Mainstream media outlets including *The Wall Street Journal* have published strong editorials supporting him as the future Republican leader. A US participant added that DeSantis had done the best job of reversing the so-called "Trump appeal" within the Republican Party. However, the scholar also noted that the early frontrunner usually does not receive the final party nomination. If DeSantis wants to start running for another office (such as President), he would need to resign from his position as governor first, due to Florida's unique legislative process. For his part, Trump would be very reluctant to relinquish his role as the current leader within the Republican party. The speaker posited that about 35 to 40 percent of Republican voters would likely stand by Trump no matter what happens. If Trump is in fact indicted in the next six months, this group of fervent supporters could become even more vocal, adding to a negative political polarization.

The situation does not look much better for the Democrats. Both Chinese and US speakers noted that the delay in Biden's decision about his 2024 candidacy has created unhelpful uncertainty in the Democratic race. The US side suggested that his decision may be influenced by Trump's decision. In other words, since Biden sees himself as the only Democrat who has ever beaten Trump in an election, a Trump candidacy would make it more likely that Biden will run as well. One Chinese participant suggested that it would be better for Biden's team to announce the decision

as early as possible to ensure that other Democratic presidential candidates have enough time to prepare for campaigning. A US scholar noted that, based on historical data, if Biden does not run, Vice President Kamala Harris would be the most likely nominee. Moreover, a participant from China noted that the scarcity of competitive candidates indicates that Democratic Party is now facing a generational succession challenge, which could influence the party's long-term success.

Regarding the midterm elections, the two sides made three main points. First, in both the House and the Senate, the increasingly negligible difference between the number of seats held by the two parties will result in a very strong sense of insecurity for both sides. The Republican Party will likely continue to feel anxious about maintaining its own slim majority. In turn, the Democrats will be motivated to commit partisan attacks to restore their own majority status in 2024.

Second, despite a Democratic win in the Senate in 2022, a US expert predicted that it would be hard for the Democrats to hold onto the Senate majority in 2024, when 23 Democratic seats and 11 Republican seats will be up for grabs. Out of the 23 Democratic seats, seven are in states carried by Donald Trump at least once in previous elections, while none of the seven Republican seats up for election are in states carried by Hillary Clinton or Joe Biden in past presidential races. Thus, the Democrats will face a much bigger challenge in maintaining their seats in the Senate than the Republicans in the 2024 general election.

Last, regarding the chaotic election of Kevin McCarthy as House speaker, a Chinese speaker discussed the Freedom Caucus's significant leverage over the Republican Party. These extreme right-wing Republicans could bring about some very substantial cuts in government spending on Social Security, Medicare, and even the military. However, these cuts may lead to a strong backlash from the American people, since most Americans prefer the government spend more rather than less, and this could harm the Republican Party's 2024 election prospects.

Moderated Discussion

Potential damage to US-China relations from the Republican-controlled House of Representatives: One Chinese speaker noted that one of the first things that the newly elected Speaker of the House, Kevin McCarthy, did was to announce the setup of a new Select Committee on Competition between the US and the Chinese Communist Party (CCP). McCarthy suggested that he would visit Taiwan and accused the Biden administration of being soft on China. Another Chinese speaker raised concerns regarding the possibility that the Republicans in Congress will pressure the Biden administration, which prefers peaceful competition with China, to take more confrontational policies against China.

The US speaker responded that Kevin McCarthy wanted to visit Taiwan because his predecessor Nancy Pelosi did so. Although McCarthy might do and say deliberately provocative things, the US speaker hoped that China would not take the bait. China should recognize that McCarthy's actions are more about US domestic politics than foreign policy.

An American speaker raised the question of what China has learned from Pelosi's visit to Taiwan. Should China treat Pelosi's visit as a political performance targeted at domestic audiences and refrain from overreacting, or will China choose to act more firmly if a similar event happens again?

A Chinese speaker responded that, despite the debate on how to react on the official level, mainstream Chinese public opinion is that Pelosi's visit embodied US hostility to China. Currently, China is unable to take meaningful actions to deter such visits. Thus, most Chinese think it is necessary for China to grow stronger in order to prevent such incidents from happening again.

Perceptions of differences between the Democratic and Republican parties on US policy toward China: A US speaker observed that there is a tendency on the Chinese side to view the Republican Party as more hardline than the Democrats on US policy to China. Is this perception, then, a consensus in Chinese academia? What differences in the US policy to China does China perceive when the Democratic Party or the Republican Party holds the presidency?

A Chinese speaker stated that, despite the fact that both parties endorsed tough policies on China, the Chinese side believed that they did so for different reasons. While the main focus for Democrats is on human rights and ideological issues, the Republicans focus more on security issues. Historically speaking, China has had disagreements with the US on human rights and trade issues during Democratic administrations, and on security issues with Republican administrations. China has had a good relationship with both parties in the past, as exemplified by US-China relations during Democratic Bill Clinton and Republican George W. Bush's presidencies. However, the Trump administration was an exception because it lacked any "bottom line." Despite the legacy of the Trump administration and existing disagreements on various issues, the US-China relationship has improved tremendously under the Biden administration. It is not clear where the US-China relationship will head if the Republican Party secures the presidency in 2024.

Divisions within the Republican Party: A Chinese speaker stated that a divided Republican Party is more detrimental to the US-China relationship than a divided Congress. Based on the results of the 2022 election, the Chinese speaker observed that the moderate segment of the Republican Party shrank, while the extreme conservative segment of the Republican Party expanded. The new generation of Republicans has a strong motivation to align with extreme conservatism and Trump's MAGA platform and to encourage candidates who are hostile to China, especially on the Taiwan issue.

A US speaker responded that, although the extreme conservative segment unfortunately has massive media coverage, it does not represent the mainstream of the Republican Party. In reality, most members of the Republican Party have dedicated themselves to promoting free trade between the US and China, and the GOP as a whole should not be judged based on biased samples. Aside from the contentious issue of Taiwan, on many issues important in the US-China relationship they have a positive track record, such as historical economic interactions between the two countries. The US speaker emphasized that the world view of the leadership in Beijing mattered greatly for

the US-China relationship. In the end, even during this challenging era in US-China relations, he believes that many Americans still want to see friendship between the two countries.

The current status of US democracy: A Chinese speaker raised the question of how the US participants viewed the current status of US democracy, given divided public opinions on the health of US democracy after the 2022 elections. Another Chinese speaker expressed concern about the role of identity politics in US political polarization.

A US speaker responded that US democracy is healthy, as shown by the 2022 Congressional elections. Most people who challenged the outcome of the last presidential election were defeated at the local levels and national levels. The US government prosecuted individuals who were associated with the "attempted coup" on January 6th, 2021, which also demonstrates the health of US democracy. In addition, the US speaker pointed out that the influence of Donald Trump is fading in US domestic politics. Trump utilized the alienated population in the US to build his base, but he lacks a core philosophy to sustain his influence. Despite the obstacles, the US speaker is optimistic about the current status and future of US democracy.