

**US-China relations**

## Janet Yellen to meet China's vice-premier ahead of Biden-Xi summit

US and Chinese presidents expected to hold talks in San Francisco amid renewed effort to improve relations



US Treasury secretary Janet Yellen, left, listens as Chinese vice-premier He Lifeng, right, speaks during a meeting in Beijing in July © Mark Schiefelbein/Getty Images

**Demetri Sevastopulo** in Washington and **Joe Leahy** in Beijing 10 HOURS AGO

US Treasury secretary Janet Yellen is set to meet her Chinese counterpart in San Francisco this week as the countries prepare for a summit between Joe Biden and Xi Jinping at the Asia-Pacific Economic Cooperation forum.

The Treasury department said [Yellen](#) would host vice-premier He Lifeng on Thursday and Friday for talks on issues ranging from US concerns about unfair Chinese economic practices to potential areas for co-operation such as climate change and debt relief for low-income countries.

The engagement comes four months after Yellen [travelled to Beijing](#) for meetings with premier Li Qiang and He, who assumed responsibility for the Chinese economy when he became vice-premier in March.

“These two days of meetings will be part of a period of intensified engagement in our bilateral economic relationship,” said a Treasury official. “Both sides have had an opportunity to really roll up their sleeves and drill down on key issues . . . in a way that builds on the . . . meetings secretary Yellen had with vice-premier He in Beijing.”

The official declined to outline any concrete policy objectives for the meetings, saying the US was trying to be “clear-eyed” about its goals and wanted to get “a better

understanding of how the relationship works so that we can make sure we have a more robust connection so that it is not vulnerable to shocks”.

President Joe Biden and Chinese leader Xi Jinping are expected to hold a summit at Apec, which would be only their second in-person meeting as leaders. The pair met at the G20 in Indonesia a year ago, but an agreement to stabilise ties was derailed when a suspected Chinese spy balloon flew over the US.

[US-China relations](#) remain in their worst state since the countries established diplomatic ties in 1979. Washington is concerned about Beijing's military activity near Taiwan and its economic practices, while China has accused the US of trying to contain its growth with export controls and efforts to enhance security alliances in the Indo-Pacific region.

The Treasury official stressed that while the US wanted healthy economic competition with China, it would not shy away from national security issues.

The official said he did not know if Yellen would raise the issue of the \$69bn merger between chipmaker Broadcom and cloud software company VMware, which the companies [delayed last week](#) as they awaited regulatory approval from China.

The Financial Times reported that Beijing was considering holding up the deal in retaliation after the US [tightened restrictions](#) on the export to China of cutting-edge chips for artificial intelligence applications.

Analysts believe that while Beijing knows the prospects of a truce over security policy are dim, it wants to ease broader tensions to boost confidence in its struggling economy.

Xi has met visiting US officials and business leaders in recent months, and Beijing has trumpeted historic collaboration between earlier Chinese governments and Washington, such as the exploits of the Flying Tigers, a volunteer squadron that supported Chinese nationalist forces against Japan in the second world war.

China has not confirmed Xi's attendance at Apec, hinting that his participation will depend on Washington receiving him in an atmosphere of good faith rather than confrontation.

The sides need to “eliminate disturbances, overcome obstacles, enhance consensus and accumulate achievements”, China's foreign ministry said last week.

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