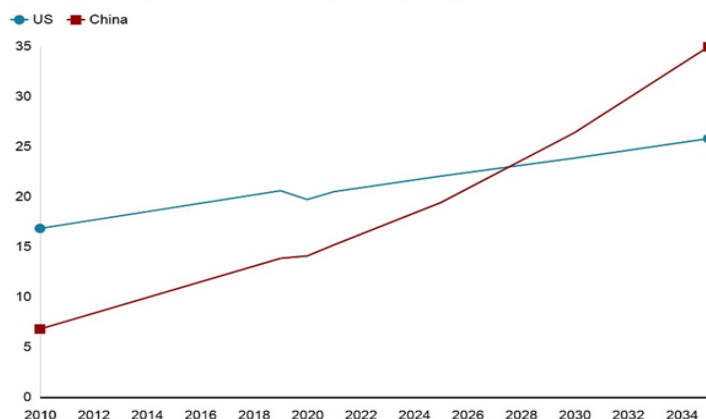


Beyond dealing with a global pandemic, one of the most pressing issues for President Biden is defining the path forward specific to China. Biden appears to be hitting the reset button on President Trump’s China policy. The chart to the left shows U.S. and Chinese GDP, showing China at the current growth rate surpassing the U.S. in 2028. Biden is working toward a multilateral alliance of democracies that will create pressure on China to create a level playing field in areas that range from manufacturing to artificial intelligence to mining rare earth metals. China has responded by working aggressively to create trade pacts with Japan, South Korea, Australia, and across Europe. Short of reinvigorating the cold war, alliances acknowledge the challenges associated with a democratic economy working in harmony with an autocratic economy.

- According to CNBC, Chinese GDP grew by 2.3% in 2020 as a result of alliances with other countries across Asia and Europe.
- Janet Yellen has described China as “our most important strategic competitor” (Barrons).
- President Xi’s message at the World Economic Forum was marked with confidence in China’s ability to maintain it’s pace in defining itself as the world’s most powerful economy by positioning itself as a friend to globalization.

**US and Chinese economies 2010-2035**  
Gross domestic product in \$US trillions (constant prices)



Source: CEBR World Economic League Table 2021

