

President Biden Should Lead a Firm G7 Stance Against Communist China

James M. Roberts

KEY TAKEAWAYS

American leadership of the G7 is more vital than at any time since the end of the Cold War, and President Biden should use this summit to advance American interests.

During the G7 summit, the President should encourage other G7 leaders to continue support for pro-growth policies, including those successful under his predecessor.

He should also insist that the G7 signal strength to Beijing, insist on reform of the WHO, and demand that major polluters like China be held accountable.

President Joe Biden will join the other Group of Seven (G7) leaders for a virtual meeting on February 19 hosted by British Prime Minister Boris Johnson. It will be President Biden's first G7 summit. As the President seeks to establish himself as the leader of the free world, no task is more important than rebuilding the world's economies in the wake of the devastating COVID-19 pandemic. It is vital that President Biden encourage other G7 leaders to continue and deepen the coordination of pro-growth policies, including those proven successful under his predecessor.

The President should also insist that the G7—consisting of Canada, France, Germany, Great Britain, Italy, Japan, and the United States—lay down clear markers at the meeting to signal to communist China that the U.S. and its closest (and most economically powerful) allies will remain resolved to stand firm against China's aggressive mercantilism and its many

This paper, in its entirety, can be found at <http://report.heritage.org/ib6053>

The Heritage Foundation | 214 Massachusetts Avenue, NE | Washington, DC 20002 | (202) 546-4400 | heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

ongoing efforts to exploit the pandemic and otherwise undermine the economic and political health of Western market democracies.

The U.S. should also press for a top-to-bottom reform of the World Health Organization (WHO), whose grave early mistakes worsened the pandemic. Finally, given China's position as the world's largest polluter,¹ President Biden should urge all G7 countries to demand that the onerous economic burdens resulting from implementation of the ill-conceived Paris climate agreement be shared equally by China, India, and other countries that are currently held to a much lower standard. China stands to gain from President Biden's unfortunate decision to rejoin the fatally flawed agreement, a decision that will hamper the productivity and innovative capacity of the American economy.

A United G7 Should Defend Market-Based Democracy and Economic Freedom

The G7 is essentially a transatlantic partnership, with Japan providing a vital anchor in the Far East. Founded in 1975 as an economic and political bulwark against the communist Soviet Union, the G7 now faces a potentially more powerful communist adversary as China continues its 100-year plan to achieve world dominance.

G7 leadership is also important in connection with numerous significant issues in the Western hemisphere, the Indo-Pacific region, and the countries of the Middle East and North Africa. This meeting gives President Biden the opportunity to use the G7 to strengthen Western resolve against the expansion of communism and to coordinate effective policies as the world rebuilds in the aftermath of the pandemic.

American leadership at the G7 meeting is more vital now than at any time since the end of the Cold War. As leader of the world's only superpower, President Biden should urge the other heads of the G7 to resist and reject China's attempts to weaken their shared foundations of economic liberty and freedom. The malign influence of China permeates the challenges facing the G7 agenda. G7 unity is especially important for responding to several specific problems vis-à-vis China.

The G7 Should Stand firm Against Chinese Attempts to Hide the Pandemic's Origins. As Heritage Foundation analysts reported last year, in the immediate aftermath of the pandemic's outbreak, Beijing attempted to hide the novel coronavirus's origins in Wuhan (after hiding the existence of the virus itself), denied responsibility for the deadly virulence unleashed by it, and thereby enabled the spread of the disease "to the detriment of public health and economies throughout the world."²

This month, the WHO reported on its long-delayed visit to Wuhan to investigate the origins of COVID-19. Even *The Washington Post* criticized the findings of WHO experts that a “laboratory accident or leak was ‘extremely unlikely’ to explain the virus leap to humans—and thus would not be studied further.”³ As Heritage has reported, from the beginning of the pandemic, the WHO “and its director general, Tedros Adhanom Ghebreyesus, appear to have been willing pawns in Beijing’s gambit” to reshape public perceptions of the pandemic to its advantage. Apparently, the WHO is continuing its obeisance to the world’s largest and most powerful police state—helping Beijing to avoid the global, multi-trillion-dollar liability it might face if found to have started the pandemic.

To its credit, the Biden White House has already expressed concerns “about the way in which the early findings of the COVID-19 investigation were communicated and questions about the process used to reach them.” According to White House National Security Advisor Jake Sullivan, “It is imperative that this report [by the WHO] be independent, with expert findings free from intervention or alteration by the Chinese government.”⁴

In his Day One reversal of President Donald Trump’s decision to withdraw from the WHO, President Biden failed to insist on many needed reforms at the WHO. Those reforms should include the strengthening of International Health Regulations (IHRs); public reports on IHR compliance by WHO member states, such as China; change of the WHO’s pandemic response mechanism to make it independent and insulated from political pressure; and reprioritization of the WHO’s budget to direct much larger resources for pandemic prevention.⁵

During the G7 meeting, President Biden has the chance to condition his rash decision to rejoin the WHO without demanding any reforms, and urge the G7 to join him in imposing reforms before any additional G7 country funding goes to the WHO. The G7 must insist on transparency, accountability, and reform at the WHO, and task it with new priorities.

President Biden Should Push the G7 to Resist China’s Moves to Dominate Global Institutions. As Heritage analysts have reported, “four of the 15 specialized agencies of the U.N. are now headed by a Chinese national,”⁶ continuing a decade-long trend of rising Chinese influence at the United Nations and at other multilateral institutions, such as Interpol. The rising influence of China in international institutions should concern not only the U.S. but all G7 countries. President Biden should put the issue on the agenda for follow-up. G7 leaders should mandate that the appropriate agencies within each G7 government conduct coordinated studies of Chinese influence based on an in-depth assessment of China’s

interests and its tactics. President Biden should lead a G7 effort to promote U.S. and other G7 country candidates for leadership positions in international institutions.

The G7 Should Issue a Finding: China Is the World’s Worst Polluter of Air, Water, and Land. At the G7 meeting, President Biden should reiterate long-standing U.S. concerns about Beijing’s nearly criminal disregard for the environment. In a September 2020 statement, President Trump reported that China is the world’s biggest emitter of greenhouse gasses, is responsible for the majority of plastic found in the world’s oceans,⁷ and is the world’s largest mercury polluter, among many other negative findings.⁸ President Biden should lead the G7 in condemning China’s ongoing infliction of environmental damage on the world.

President Biden should also push the G7 to examine energy alternatives to reduce dependence in Europe on Russian oil and gas. This is particularly important at a time when the transatlantic community is trying to plan a return to a sound economic footing in the post-COVID-19 era. A Heritage Foundation report in 2020 outlined those alternatives in detail.⁹

The G7 Should Condemn China’s Inhumane Treatment of Its Uyghur Minority. In September 2020, Heritage Foundation analysts recommended¹⁰ that the U.S. government issue an atrocity determination for Uyghur Muslims, given the mounting evidence that the Chinese Communist Party (CCP) may be perpetrating genocide and crimes against humanity against Uyghurs. The U.S. Department of State did, in fact, issue such a declaration on January 19, 2021.¹¹ The atrocity determination reflected the realities of what the Uyghur community in China is facing and highlighted the growing severity of the human rights violations they face. By pressing the G7 to issue a similar statement, President Biden could help to galvanize much-needed global focus and attention on a situation that may amount to some of the worst human rights violations committed in the 21st century.

The G7 Should Work with the European Union and Japan on a Plan to Reform the World Trade Organization (WTO). As Heritage has noted, “China has used its economic power to bully, bribe, corrupt, and steal its way up the global economic supply chain, with only limited resistance from the WTO. It is past time to plug the loopholes that allow this.”¹² At the G7, President Biden should press for a joint effort to end China’s “developing country” status at the WTO and launch a plan to make it more effective and more resistant to unfair and malicious influence. The organization provides useful functions that cannot be easily replaced.

President Biden Should Urge the G7 to Oppose a Massive “Back-door” International Monetary Fund (IMF) Bailout of China. Some G7 members may raise a plan being promoted by the Left to increase massively the quantity of the IMF’s Special Drawing Rights (SDRs) to respond to the pandemic’s impact on developing countries. As Heritage analysts have reported,¹³ expanding SDRs would open the IMF’s front door to many more morally hazardous bailouts—even to oppressive and corrupt regimes. It would also create a potential SDR windfall for China that could run into the hundreds of billions as unconditional SDRs (funded by American taxpayers) are cashed in by developing countries to repay “Belt-and-Road” debts—allowing Beijing’s debt-trap diplomacy to continue apace without any interference by the IMF or the U.S.

President Biden Should Urge the EU to Reconsider Its Investment Agreement with China. Beijing’s last-minute flexibility on the terms of its bilateral investment agreement with the European Union appears to have been motivated at least in part by a desire on the part of China to pre-empt an improvement in U.S.–EU relations.¹⁴ President Biden should encourage the EU to reconsider its Comprehensive Agreement on Investment (CAI) with China to preclude the possibility that Europe will cut out the United States and make a separate peace with China “that will do long-term damage to the transatlantic relationship.”

President Biden Should Meet Privately with Prime Minister Johnson to Advance a U.S.–U.K. Free Trade Agreement (FTA). As the COVID-19 crisis continues, it is in the interests of both the U.S. and the U.K. to continue negotiations to conclude an FTA as soon as possible. An FTA will help both economies to recover from the effects of the crisis and boost worldwide trade among market democracies.

Other Areas of Transatlantic Cooperation to Confront the China Challenge

Heritage Foundation analysts are working with the Atlantic Council to promote a number of other actions that the G7 should undertake to present a unified challenge to China’s coercive diplomacy and its malign efforts in information and communications technology, among the many global problems that communist China has created. The U.S. should also raise these issues at the G7.¹⁵

James M. Roberts is Research Fellow for Economic Freedom and Growth in the Center for International Trade and Economics, of the Kathryn and Shelby Cullom Davis Institute for National Security and Foreign Policy, at The Heritage Foundation.

Endnotes

1. ShareAmerica, "China's Air Pollution Harms Its Citizens and the World," November 24, 2020, <https://share.america.gov/chinas-air-pollution-harms-its-citizens-world/> (accessed February 17, 2021).
2. Brett D. Schaefer, "WHO and Its Leader Play China's Puppets on Coronavirus," Heritage Foundation *Commentary*, April 3rd, 2020, <https://www.heritage.org/asia/commentary/who-and-its-leader-play-chinas-puppets-coronavirus>.
3. "Opinion: The WHO Investigation into the Coronavirus Origin Must Be Free of China's Meddling," *The Washington Post*, February 13, 2021, https://www.washingtonpost.com/opinions/global-opinions/who-coronavirus-origin-independent-investigation/2021/02/12/ad421654-6d69-11eb-ba56-d7e2c8defa31_story.html (accessed February 16, 2021).
4. "China Fires Back at US Allegations of Lack of Transparency," *The Washington Post*, February 13, 2021, https://www.washingtonpost.com/world/the_americas/china-fires-back-at-us-allegations-of-lack-of-transparency/2021/02/13/c73221b8-6e76-11eb-a66e-e27046e9e898_story.html (accessed February 16, 2021).
5. Brett D. Schaefer and Danielle Pletka, "What the World Health Organization Must Do to Earn Back U.S. Support," Heritage Foundation *Issue Brief* No. 5098, August 7, 2020, <https://www.heritage.org/global-politics/report/what-the-world-health-organization-must-do-earn-back-us-support>.
6. Brett D. Schaefer, "How the U.S. Should Address Rising Chinese Influence at the United Nations," Heritage Foundation *Backgrounder* No. 3431, August 20, 2019, <https://www.heritage.org/global-politics/report/how-the-us-should-address-rising-chinese-influence-the-united-nations>.
7. Niall McCarthy, "The Countries Polluting the Oceans the Most," Statista, February 12, 2020, <https://www.statista.com/chart/12211/the-countries-polluting-the-oceans-the-most/#:~:text=They%20found%20that%20China%20and,in%20The%20Wall%20Street%20Journal> (accessed February 17, 2021).
8. ShareAmerica, "China's Air Pollution Harms Its Citizens and the World."
9. James Jay Carafano et al., "The G-7 White House Summit: President Trump Must Lead a Post-COVID Economic Partnership," Heritage Foundation *Issue Brief* No. 5077, May 29, 2020, <https://www.heritage.org/global-politics/report/the-g-7-white-house-summit-president-trump-must-lead-post-covid-economic>.
10. Ibid.
11. Michael R. Pompeo, "Determination of the Secretary of State on Atrocities in Xinjiang," U.S. Department of State, January 19, 2021, <https://2017-2021.state.gov/determination-of-the-secretary-of-state-on-atrocities-in-xinjiang//index.html> (accessed February 17, 2021).
12. James Jay Carafano, "The Fight Over the World Trade Organization Has Begun," Heritage Foundation *Commentary*, October 8, 2020, <https://www.heritage.org/global-politics/commentary/the-fight-over-the-world-trade-organization-has-begun>.
13. James M. Roberts, "Will Biden Force U.S. Taxpayers to Fund a Massive International Monetary Fund Bailout of China?" Heritage Foundation *Commentary*, February 5, 2021, <https://www.heritage.org/monetary-policy/commentary/will-biden-force-us-taxpayers-fund-massive-international-monetary-fund>.
14. "The EU-China Comprehensive Agreement on Investment," Heritage Foundation *Fact Sheet* No. 193, January 13, 2021, <https://www.heritage.org/global-politics/report/the-eu-china-comprehensive-agreement-investment>.
15. James Jay Carafano et al., "Why the United States Needs an Atlantic Strategy," Heritage Foundation *Backgrounder* No. 3577, December 23, 2020, <https://www.heritage.org/global-politics/report/why-the-united-states-needs-atlantic-strategy>.