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TRUMP–XI SUMMIT: HANDSHAKES WILL NOT ERASE THE CHINA CHALLENGE

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TOPLINE POINTS

- ★ **China operates as if its borders do not limit its power.** From covert “police stations” on American soil to physically assaulting pro-democracy protesters at the 2023 APEC summit in San Francisco, the CCP actively surveils and intimidates Chinese diaspora members, dissidents, and ethnic minorities inside the United States.
- ★ **The trade relationship has been systematically exploited.** Since joining the WTO in 2001, China has broken its commitments, flooding global markets with state-subsidized goods, demanding forced technology transfers, and routing exports through third countries to evade U.S. tariffs.
- ★ **Expect positive optics, not real progress.** Both leaders have short-term incentives to project success, meaning the summit headlines will likely be dominated by handshakes and photo-ops while the underlying tensions, including military buildup, hostage diplomacy, supply chain dominance, and tech theft, go unresolved.

INTRODUCTION

In May 2026, the leaders of the world’s two largest economies, Donald Trump and Xi Jinping, will meet at a moment of heightened tensions in trade, security, technology, and human rights. Although both sides have a short-term incentive not to exacerbate friction—Treasury Secretary Scott Bessent and other Administration officials characterize the relationship in advance of the summit as “[stable](#),” while [tempering expectations of any breakthrough](#)—the meeting takes place against a backdrop of accumulated grievances that no single summit can resolve and no American president can ignore: structural economic manipulation that has hollowed out American industry, a military buildup meant to challenge U.S. power in the Pacific and beyond, systematic repression of minorities and dissidents that Beijing exports to American soil, and the ongoing detention of American citizens.

These problems are the product of decades of decisions by the Chinese Communist Party (CCP) and of successive American administrations that chose to look the other way. This text does not prescribe what should be said or agreed to. It documents some of the structural problems in the U.S.–China relationship underlying this meeting, regardless of the high-profile photo-ops and handshakes in Beijing.



TRANSNATIONAL REPRESSION AND POLITICAL INTERFERENCE

The CCP does not recognize borders as a limit on its power and extends its repression into other countries as a flagrant violation of their sovereignty. The CCP, through both its party and state apparatuses, [surveils, intimidates, and silences Chinese diaspora members, dissidents, and ethnic minorities living on American soil](#) through covert police stations, United Front–linked networks, and organized harassment campaigns. The purpose of these campaigns is [to terrorize dissidents who reside in other countries into silence](#), either by [direct action against them personally or by the threat of use or coercion against their families](#) who may still reside in the People’s Republic of China.

The targets of this apparatus include Uyghurs whose family members are detained in the Xinjiang Uyghur Autonomous Region, [Tibetans subjected to surveillance](#), [Falun Gong practitioners facing bomb threats](#), and [Hong Kongers who stood up for democracy](#). They also harass [Inner Mongolians](#), Chinese Christians, and Hui Muslims across the United States, [including via lawfare in American courtrooms](#). The CCP [sees no bounds on tactics that are acceptable for these purposes](#), as it sees [all persons of Chinese ethnicity or origin as under its governance](#).

This transnational repression also occurs in diplomatic contexts, during events involving American presidents and CCP representatives. During the U.S.-hosted Asia-Pacific Economic Cooperation (APEC) summit in San Francisco in 2023, [CCP-organized crowds physically assaulted pro-democracy demonstrators in broad daylight](#), a brazen [extension of Beijing’s repressive reach into American cities](#).

AMERICANS UNJUSTLY DETAINED, POLITICAL HOSTAGES, AND PRISONERS OF CONSCIENCE

The People’s Republic of China (PRC) holds American citizens and other foreigners as political leverage, a practice that has accelerated under Xi Jinping’s leadership. Notable examples include two Canadians imprisoned after a Huawei executive implicated in a bank-fraud case involving Iranian sanctions was arrested in Canada following a U.S. extradition request. When the Huawei executive returned to China, [the Canadian hostages were released](#). More recently, [a Wells Fargo executive was barred from leaving China](#), indicative of a trend prompting multinational companies to reconsider travel to China.

The CCP uses pretextual drug charges to sentence Americans while denying them due process. Cases involving [Dawn Michelle Hunt](#), a Chicago native lured into carrying drug-lined handbags without her knowledge, and [Nelson Wells Jr.](#), a New Orleans native who traveled to China for medical care after an accident, have received congressional attention, given their worsening medical conditions.

There is a sustained crackdown on religious leaders, including Pastor Ezra Jin, the founder of Zion Church, Beijing’s largest underground house church network, [arrested in October 2025 in the largest coordinated crackdown on Christians in 40 years](#). His children are American citizens.

Certain detentions appear intended to influence U.S. government policy and to silence criticism. Dr. Gulshan Abbas was a U.S. lawful permanent resident and retired physician living in the Uyghur Region of China, who was sentenced to 20 years in prison in a sham trial, widely understood as direct retaliation against [her sister, Rushan Abbas, a prominent Uyghur-American activist and former Radio Free Asia commentator](#). Likewise, Uyghur entrepreneur [Ekpar Asat was arrested upon his return to China](#), apparently due to his participation in the State Department’s International Visitors Leadership Program.



Separately, [President Trump has denounced the detention of Jimmy Lai](#), a British citizen and Hong Kong media owner, sentenced to [20 years in February 2026 for free speech and democracy advocacy](#) under the National Security Law imposed on Hong Kong by Beijing.

SYSTEMATIC ABUSE OF THE U.S.–CHINA TRADE RELATIONSHIP

China’s accession to the World Trade Organization (WTO) in 2001 [was premised on promises of market liberalization](#). China has systematically [broken those promises for more than two decades](#). Access to its own market by outside firms requires [sacrificing intellectual property and engaging in predatory schemes](#), which undermine their competitiveness, even as [China already has some of the most extensive trade barriers](#) among the world’s largest economies.

China joined the WTO in 2001, committing to open its markets and play by international rules. It honored neither commitment, and the two decades of “engagement” that followed transferred enormous wealth and industrial capacity from the United States to China. State-directed industrial policy, in violation of WTO rules, floods global markets with below-cost goods in [steel, solar, shipbuilding](#), and [electric vehicles](#) (EVs), wiping out competition in countries that follow trade rules, while the [systemic use of forced labor](#) gives Chinese manufacturers an inherent cost advantage. Chinese goods are routed through third countries such as [Vietnam, Thailand, Canada, and Mexico](#) to disguise their origin [and evade U.S. tariffs, undermining trade enforcement](#).

Conversely, access to the Chinese domestic market has long come at the price of [forced technology transfer, a practice whereby companies would gain access to China’s market in exchange for giving up intellectual and trade secrets](#); this practice [continues](#) despite commitments to the contrary in the Phase One trade deal. China’s domestic auto market—as one example, built with much of the above-mentioned transferred technology—remains effectively closed to foreign competition, while Beijing demands access to [U.S., Canadian, and other international markets](#) for heavily subsidized Chinese EVs.

CHINESE MILITARY AGGRESSION

Xi Jinping has overseen the most rapid military buildup by any major power since World War II, enabling daily acts of coercion calibrated to test U.S. deterrence across the Indo-Pacific. China is expanding its nuclear arsenal to [1,000+ warheads by 2030](#), up from roughly 200 just a few years ago, [while refusing to participate in any arms control dialogue](#). The People’s Liberation Army Navy [successfully commissioned its third aircraft carrier in 2025](#) and increased its [naval vessel count by 53% from 2004 to 2023, while the U.S. inventory declined by 0.3%](#). China is building toward an [80-strong submarine fleet by 2035, half of which will be nuclear-powered](#), including the Type 096 nuclear-powered ballistic missile submarine, [estimated to be capable of striking the American homeland from within the First Island Chain](#).

Outside of its borders, the PRC continues to engage in sustained military exercises, gray-zone incursions, economic coercion, and diplomatic isolation, [which constitute an ongoing campaign of pressure against Taiwan, the keystone of the First Island Chain](#). Illegal island-building, fortification of disputed features, and systematic harassment of Philippine vessels [in the South China Sea represent the incremental annexation of strategic sea lanes](#) and resource-rich international waters far exceeding legitimate territorial claims. The PRC has also flouted the unequivocal ruling of an international arbitral body [over its incursions into the Philippines’ Exclusive Economic Zone](#) while asserting its rights to the waters.



DOMINATING CRITICAL SUPPLY CHAINS

The PRC has engineered structural dependence on many critical inputs to the American economy and military. China controls [roughly 91% of global rare earth separation and refining](#) and [upwards of 50% of the total supply of several key elements](#), creating a potential chokehold on the supply chains for defense systems, semiconductors, and advanced manufacturing. As far back as 1995, it targeted rare earths through a . The U.S. depends on the PRC for a dominant share of [active pharmaceutical ingredients, including for antibiotics and other essential medicines](#), a vulnerability [underlined during the COVID pandemic](#).

Furthermore, Beijing's dominance of [solar panel manufacturing, battery supply chains, and magnet material](#) refining means that a relatively small but sizeable sum of [U.S. energy infrastructure runs through China](#). Significant quantities of the United States' "renewable energy" generation rely on components or materials from Chinese manufacturers, which are often directly subsidized by the state.

STEALING AND MANIPULATING TECHNOLOGY

Beijing is aggressively campaigning to acquire, steal, and replicate American technological advantages that it cannot develop on its own. China is systematically circumventing U.S. export controls on advanced semiconductors through [third-country intermediaries, front companies, and falsified end-user certificates to acquire illicit chips](#). Separately, numerous government and non-government sources have documented an [industrial-scale campaign that uses tens of thousands of proxy accounts to jailbreak U.S. frontier AI models and extract their capabilities without paying, effectively stealing the output of billions of dollars of American research](#) and development investment.

In addition, as AI models grow more capable, they are reducing barriers for malicious actors across chemical, biological, radiological, nuclear, and [cyber](#) domains. The State Department's 2025 arms compliance report [assessed](#) that China is likely capable of using AI tools to advance its biological weapons research, which the U.S. government has [long flagged](#) as a Biological Weapons Convention (BWC) compliance concern. President Trump has rightly [called for](#) an AI-enabled verification system for the BWC. Bilateral engagement with China should involve technically verifiable commitments that AI will never be used to build biological or cyber weapons or control nuclear weapons, and that the U.S. will insist that the PRC abides by U.S.-set AI standards.

Separately, Chinese-manufactured EVs [also pose a data and surveillance risk](#). Vehicles with embedded connectivity and sensors that collect location, behavioral, and infrastructure data may be accessible to the Chinese state, and their increasing export to countries in the Indo-Pacific, as well as Canada, Mexico, and Europe, [pose risks if they were to be transferred into the United States](#).

ONCE THE CAMERAS HAVE TURNED ELSEWHERE

In Beijing, President Trump will have the opportunity to engage in personal diplomacy, at which he excels, and to leverage it to influence General Secretary Xi's policy orientation to America's advantage. Summits can be occasions for important moments of clarity, but the grievances documented here did not appear overnight. Most resulted from deliberate policy decisions by the PRC aimed at directly challenging American global leadership. These fundamental conflicts will not be settled in a single meeting, but President Trump's leadership at the summit may bring us closer to a resolution. Deliverables might include the freeing of prisoners of conscience, such as Jimmy Lai and Pastor Ezra Jin.

