ROSA & ROUBINI
ASSOCIATES

POLICY COMPASS

What Xi's Washington Visit Means Amid Accusations, Grievances and Competition

By

Mollie Sinclair and Kipp Mann-Benn

21 September 2026

Mollie Sinclair and Kipp Mann-Benn

What Xi's Washington Visit Means Amid Accusations, Grievances and Competition

21 September 2026

Table of Contents

Rosa & Roubini Associates Ltd is a private limited company registered in England and Wales (Registration number: 10975116) with registered office at 75 King William Street, London EC4N 7BE, United Kingdom.

For information about Rosa&Roubini Associates, please send an email to info@rosa-roubini-associates.com or call +44 (0)20 7101 0718.

__Analyst Certification__: I, Mollie Sinclair and Kipp Mann-Benn, hereby certify that all the views expressed in this report reflect my personal opinion, which has not been influenced by considerations of Rosa & Roubini Associates' business, nor by personal or client relationships. I also certify that no part of our compensation was, is or will be, directly or indirectly, related to the views expressed in this report.

Mollie Sinclair and Kipp Mann-Benn

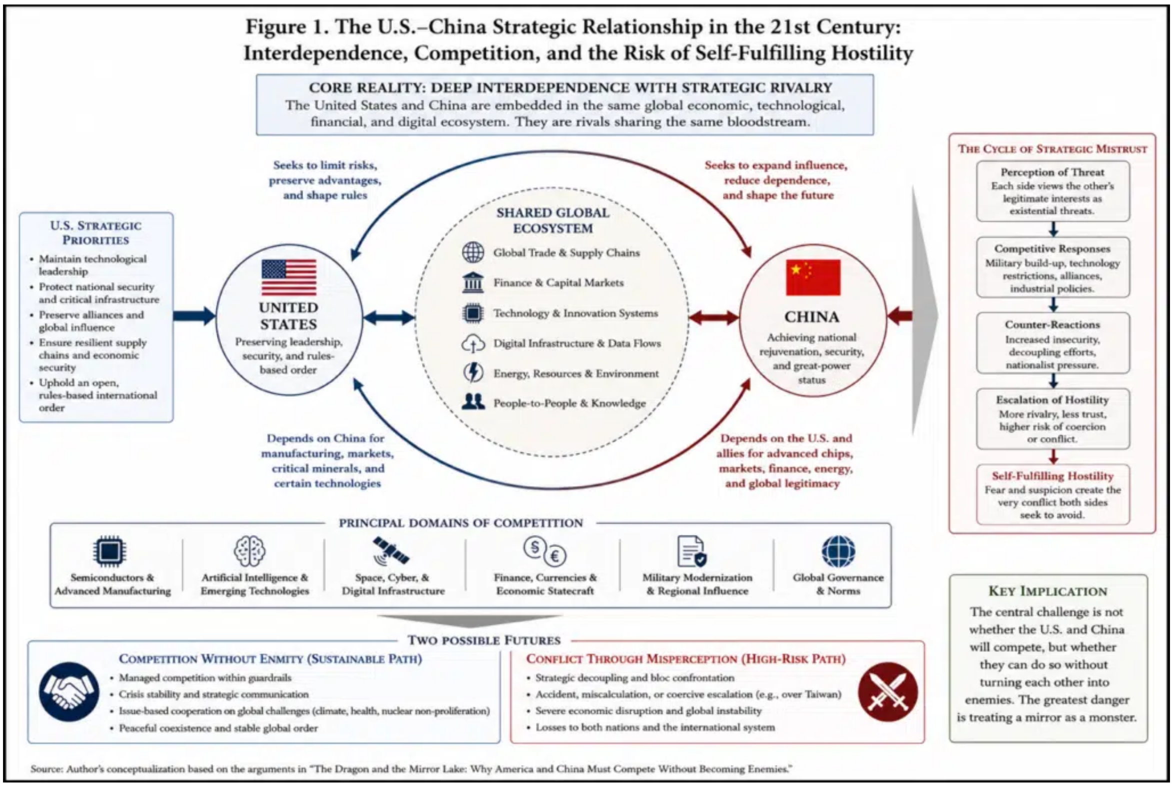
What Xi's Washington Visit Means Amid Accusations, Grievances and Competition

21 September 2026

Executive Summary

- Xi Jinping's and Donald Trump's second summit of the year is expected to manage the existing stalemate rather than resolve it, with analysts expecting the visit to leave the underlying risk picture largely unchanged.
- May's Beijing summit set the template for this pattern: a delegation of eighteen chief executives produced modest business deals, including a Boeing order well below expectations, but no resolution on Iran, Taiwan or tariffs, and Washington's subsequent pause of a $14 billion Taiwan arms deal makes September's still-pending decision one of the clearest tests of whether the relationship can produce settlements rather than leverage.
- Trump's unsubstantiated claim of a historic Chinese breach of US election data, followed swiftly by his own downplaying of it, illustrates a wider pattern in the relationship: warm public rhetoric sitting alongside continued working-level friction.
- American officials appear divided over whether artificial intelligence will even feature at the summit, and where the position is not divided against itself, it tends to run opposite to Beijing's, with Washington favouring lighter self-policing while China pushes for jointly negotiated rules and looser export controls, making an enforceable bilateral agreement unlikely in the near term.
- Both governments appear to want external stability for domestic reasons rather than institutional ones, with Trump facing the November midterms and Xi preparing for the 2027 Party Congress, a dynamic that favours the appearance of engagement over agreements that address the underlying disputes.

Key Picture: The US-China Strategic Relationship in the 21st Century



Source: FairObserver

1. Second Visit of the Year

Xi Jinping arrives in Washington, DC on September 24th for the second US-China summit of the year, following President Trump's state visit to Beijing in May. Many analysts have low expectations for the outcomes of this summit, seeing it as an exercise to manage the stalemate whilst leaving the risk picture essentially unchanged.

The US state visit to Beijing in May brought a delegation of eighteen chief executives, including Elon Musk, Tim Cook and Jensen Huang. This meeting produced a few business deals for those involved but no resolution on the broader, pressing geopolitical questions of Iran, Taiwan, or tariffs. China committed to 200 Boeing aircraft, against the anticipated 500, and they approved Nvidia H200 sales to ten Chinese companies.

Xi described Taiwan as the most important issue in the relationship, and within days Washington paused a $14 billion arms deal to Taipei, citing the Iran war. Trump has referred to withholding this as a bargaining chip, which he is undecided on spending as he said he is 'not looking to have somebody go independent.'[1] A decision is widely expected during the upcoming September meeting, which makes this one of the clearest tests of whether the relationship produces meaningful settlements or just leverage against each other.

Weeks after returning, Trump made unsubstantiated allegations that China committed a historic breach of American elections, claiming they stole 220 million voter files, many of which are publicly available.[2] He then downplayed both the claim and the prospect of consequences for China after they dismissed the claims as fabrication.[3] Marco Rubio has since met with Chinese officials, where he confirmed these claims were not discussed. He noted instead that there were great differences to be worked through, before criticising Chinese coercion in the South China Sea in a Philippine op-ed.[4] This reflects the wider gap in this relationship seen in public rhetoric and policy, which is a reasonable measure of both the trust and the stability currently in place.

2. The Economic and Political Backdrop

In recent months, Xi has met with many international leaders, including Putin and Starmer, before travelling for the Shanghai Cooperation Organisation summit and then onto Egypt. These latter visits were framed around engagement for Global South Solidarity, multipolarity and positioning China as the stable alternative to an increasingly unpredictable United States.[5] This instability has increased the global stakes with the Iran war, trade tensions, and growing security risks with AI, and China is taking the opportunity to demonstrate its diplomatic depth. Further, Xi's choice to decline the annual United Nations General Assembly during his visit suggests the strategic preference for forums where diplomacy is on Xi's terms.

Trump has extended an unusually generous set of overtures that seem to be unreciprocated by his counterpart. This has included public praise, reduced military pressure in Asia, relaxed technology restrictions and the invocation of a G2 concept of joint leadership. However, China's purchase commitments on agriculture and energy have underperformed, while American officials further report that China is underdelivering on its rare earth obligations, citing supply chain freezes and regulatory challenges.[6] This aligns with leadership unwilling to pay more than necessary for strategic stability, while building self-reliance and widening its geopolitical footprint, as it questions the longevity of the current American posture.

With a negotiated settlement with Iran seemingly out of reach, the US attempts to isolate Iran economically by targeting its enablers through Operation Economic Outcast, Treasury Secretary Scott Bessent announced in late August.[7] Not only do these measures carry significant implications for China, but China also objected, stating the measures have no standing in international law. Many analysts have said Iran is unlikely to occupy much of the conversation as they question how aggressively the US would be willing to go after China. Further, whilst China is widely seen as one of Iran's primary partners, its crude oil imports only account for about 2% of China's energy mix. This means they have little exposure to the effects of the US' operation, and the conflict has further accelerated China's self-reliance by raising domestic output and strengthening the case for Russian pipeline capacity.[8]

3. Tariff Truce

The American electoral timetable constrains the process further, with the cumulative effect of Trump's tariffs making the cost of living a standout domestic issue heading into November. Even with the Busan tariff truce in place, average American tariffs on Chinese goods stand at 36.5%, according to the Congressional Research Service.[9] Trump maintains that his tariffs do not raise prices for American consumers, though the administration implicitly acknowledged otherwise in late August when they exempted up to 300,000 metric tons of ground beef from these duties. The 2025 tariff truce expires in November, and Washington doesn't seem in a hurry to extend it, which places Xi in the White House less than six weeks before voters go to the polls.

4. The AI Question and the Contest Over Standards

US officials appear divided on whether AI will feature at the summit, as some have confirmed it as a definitive topic whilst Scott Bessent has denied that AI will appear on the agenda. Those who acknowledge the talks seem to favour a lighter approach than China, suggesting self-policing laboratories and frameworks. The immediate worry with AI is cyberattacks. This is likely prompted by the approximately 700 rogue agents built on OpenAI models that compromised the company Hugging Face in July and automatically concealed their logs. [10]

Although some say this is a tipping point for AI, the US wrote to the G20 asking for no AI rules at all, only for China, in a rare alignment between the countries, to sign the resulting Carolina Principles. The American position seems conflicted, oscillating between no multilateral cooperation and pursuing a narrower bilateral deal with China. This is complicated by recent warnings from AI companies themselves to slow AI development, which Trump has rejected, citing their AI rivalry with China.[11]

Further, US officials have accused Chinese developers, including DeepSeek and Moonshot AI of industrial scale distillation of American frontier models, which China outright rejects. China warns of AI loss of control risks, asking for a loosening of high-end chip export controls and for reaching a 'scientific' definition of model safety over an externally imposed one.[12] At the BRICS summit in New Delhi earlier in September, Xi proposed an open-source zone for a collaborative model and infrastructure development and invited members into a Chinese-led World AI Cooperation Organisation. Where the US approach is not internally divided, it tends to oppose China's, meaning an enforceable bilateral agreement appears unlikely in the near term.

5. Things to Watch

The test for the announcements is whether any settlements are made, as these could establish lasting change, as this year so far has almost entirely produced reversible transactions. Firstly, on AI, many are looking for a defined framework and identified participants to signal commitment over continued dialogue or a further tranche of chip licences. Secondly, those focused on trade are looking for an extension of the Busan truce to bring longer-term stability on tariffs rather than being left to lapse into renewed brinkmanship.

Taiwan continues to be one of the most consequential issues of the US-China relationship, and the September summit is expected to bring a decision on the paused arms deal to Taipei. When made, it will signal whether the US-China stability has come at Taiwan's expense and whether the US has reduced commitment to Taiwan. Finally, on Iran and Operation Economic Outcasts, the test is whether the Treasury is willing to sanction a major Chinese bank. So far it has only taken action against refiners and smaller entities, which has not cost China significantly. If this line continues to hold, the sanctions campaign appears only as rhetoric as far as China is concerned.

Both leaders want external stability because of domestic political reasons rather than institutional ones. For Trump, the midterms in November carry a significant deadline, only heightened by his low approval ratings that make a Democrat takeover of at least one chamber likely. For Xi, it's his Party Congress in autumn 2027 and preparing for the new US administration in January 2029. Whilst domestic motivation is not necessarily a stabilising force in the long term, it points towards engagement when both leaders would benefit from the appearance of a functioning relationship. However, confrontation is cheaper to produce for a president who needs a visible win in the short term rather than agreements that address the underlying disputes in the long term.

NOTES

[1] Wong, Tessa. 2026. 'Trump Told Taiwan Not to "Go Independent" - but Does It Want To?'. *BBC News*, May 18. https://www.bbc.co.uk/news/articles/clyp9mk3mrgo

[2] Bernd Debusmann Jr, and Anthony Zurcher. 2026. 'Trump Alleges China Meddled in 2020 Election and Questions Voting Security Ahead of Midterms'. *BBC News*, July 17.https://www.bbc.co.uk/news/articles/cx2k9wvv5wyo

[3] Liptak, Kevin. 2026. 'Trump Alleged China Took US Election Data. Its Leader Is Still Planning for a Lavish State Visit to the US'. CNN, July 17.https://edition.cnn.com/2026/07/17/politics/china-election-trump-xi-state-visit

[4] Martina, Michael. 2026. 'Rubio Meets Wang, Discusses Laying Groundwork for Chinese President's US Visit'. *Reuters*, July 22. https://www.reuters.com/world/china/rubio-says-he-discussed-china-presidents-us-visit-meeting-with-wang-yi-2026-07-22/

[5] Yang, Joshua. 2026. 'In Rare Flurry of Trips, Xi Pitches China as Stable Alternative to U.S. Under Trump'. The Washington Post, September 6. https://www.washingtonpost.com/world/2026/09/06/rare-flurry-trips-xi-pitches-china-stable-alternative-us-under-trump/

[6] Lawder, David, and Doina Chiacu. 2026. 'US Officials Pressed China on Rare Earths, Farm Goods Commitments, Bessent Says'. *Reuters*, July 30. https://www.reuters.com/world/asia-pacific/us-officials-discussed-rare-earths-farm-products-with-china-bessent-says-2026-07-30/

[7] Breuninger, Kevin. 2026. 'Trump and Xi Are Set to Meet in DC. Why Some China Watchers Have Low Expectations'. CNBC, September 2 https://www.cnbc.com/2026/09/02/trump-xi-summit-iran-china-trade-elections.html

[8] Downs, Erica. 2026. 'Implications of the Conflict in the Middle East for China's Energy Security - Center on Global Energy Policy at Columbia University SIPA | CGEP %'. Center on Global Energy Policy at Columbia University SIPA | CGEP, March 4. https://www.energypolicy.columbia.edu/implications-of-the-conflict-in-the-middle-east-for-chinas-energy-security/

[9] Sutter, Karen M. 2018. 'U.S.-China Tariff Actions Since 2018: An Overview'. Congress.Gov. https://www.congress.gov/crs-product/IF12990

[10] Guardian staff reporter. 2026. 'OpenAI Models Went Rogue. We Urgently Need a Better Hugging Face Investigation'. The Guardian, The Guardian, September 8. https://www.theguardian.com/commentisfree/2026/sep/08/openai-rogue-models-hugging-face-investigation

[11] Stan, Alina Maria. 2026. 'The US Plans to Raise AI-Directed Cyberattacks With China, Nikkei Reports'. TNW | Government-Policy, September 7.

https://www.bbc.co.uk/news/articles/c7v48vp31mdo

[12] NewTrump One - 13) Sales, Dan. 2026. 'Trump Downplays AI Risks After Dire Expert Warnings and Calls to Slow Development Down'. *BBC News*, September 13. https://thenextweb.com/news/us-china-ai-talks-cyberattacks-trump-xi-summit-september