

# Statement from Secretary of the Treasury Janet L. Yellen on Announcement of New U.S.-China Initiatives Following Meeting with Vice Premier He Lifeng of the People's Republic of China

April 6, 2024

GUANGZHOU – Secretary of the Treasury Janet L. Yellen today released the following statement on the announcement of new initiatives following her meeting with Vice Premier He Lifeng of the People's Republic of China:

“I have just concluded an extensive and productive two days of meetings in Guangzhou with Vice Premier He Lifeng of the People's Republic of China. After significant discussion with my counterpart, I am pleased that we have agreed to launch two significant new initiatives that will advance the interests of American workers and firms and help protect U.S. national security.

First, we agreed that the U.S. and China will hold intensive exchanges on balanced growth in the domestic and global economies. These exchanges will facilitate a discussion around macroeconomic imbalances, including their connection to overcapacity, and I intend to use this opportunity to advocate for a level playing field for American workers and firms. I am particularly concerned about the impact of Chinese industrial overcapacity in certain sectors as a result of government support, and the impact it could have on the American economy. Last week, I visited Suniva—a solar company in Georgia that was once forced to close down, like other companies across a number of industries, because it could not compete against large quantities of goods that China was exporting at artificially depressed prices. It's important that this doesn't happen again. These concerns are shared by our allies and partners, who see potential risks to their own domestic workers and firms. I firmly believe a shift away from policies that drive overcapacity would benefit the American, Chinese, and global economies.

These exchanges on balanced growth in the domestic and global economies are key to allowing us to deepen our understanding of China's policies and continue to express our concerns, as I have done in my meetings with Vice Premier He. These discussions are critical to protecting American interests and to making further progress toward the healthy economic relationship the Vice Premier and I jointly seek.

Second, we agreed that the U.S. and China will start Joint Treasury-PBOC Cooperation and Exchange on Anti-Money Laundering to expand cooperation against illicit finance and financial crime. Around the world, fraudsters, drug traffickers, and other criminal organizations and individuals identify and exploit loopholes in the U.S. and Chinese financial systems to advance their illicit activities. This causes harm to Americans and to our country's national security, as well as to people and economies around the world. This new effort will enable the U.S. and China to share best practices and provide updates on the actions we are each taking to close loopholes in our respective financial systems. Since it is secrecy that enables criminals to flourish, our collaborative effort is a key step forward to advancing the security of Americans and protecting the integrity of two of the largest financial systems in the world.

In addition, I welcome the announcement that the U.S. and China will continue holding technical exchanges on financial issues, including upcoming ones on operational resilience in the financial services sector and on financial stability implications from the insurance sector.

I look forward to discussions on these and other topics with other senior government officials throughout my trip to China and to future engagements with the Vice Premier in the coming months to advance American economic priorities.”

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