Influence Competition in U.S. and Chinese Vaccine Diplomacy

Cheng-yi Lin

Research Fellow, Institute of European and American Studies, Academia Sinica

Abstract

This paper analyzes the strategic considerations and practical operations of the United States and China in launching foreign vaccine assistance, including both sides' diplomatic strategies, characteristics, advantages and disadvantages, and effectiveness. Beijing mainly exports vaccines through bilateral arrangements to better serve its diplomatic functions and purposes. The U.S. is primarily leaving its donated supplies to the COVAX mechanism to administer. The number of doses of China's pledged donations are far behind the United States. China and the United States are engaged in vaccine diplomacy, but Beijing's vigorous propaganda raises doubts in the international community. Interestingly, China and the U.S. have one very rare stance in common: on vaccine intellectual property rights exemption.

Keywords: COVID-19, Vaccine Diplomacy, Pandemic Origins, Vaccine Patents, U.S.-China Relations

I. Introduction

As the country where the COVID-19 pandemic originated, China has refuted claims that the virus leaked from Wuhan Institute of Virology (WIV) and disputed the Biden administration's rationale for restarting a virus traceability investigation. China has been assertive in exporting Chinese-developed coronavirus vaccines to more than 100 countries, both for humanitarian consideration and to improve China's international image given its possible mismanagement of the pandemic at the very beginning. With tensions increasing between China and the U.S., COVID vaccine diplomacy has become a symbol of great power competition after frictions over trade

and technology. It has also become an issue of disinformation as the two countries head towards the spiral of strategic competition.

II. U.S. and China Strategic Considerations in Vaccine Diplomacy

As far as the Biden administration is concerned, the COVID-19 pandemic is a call for the restoration of the U.S.' international leadership. For the People's Republic of China (PRC), it is about whether it can seize a perfect opportunity to rectify the argument that the pandemic was spread by China, and shape the image of President Xi Jinping as the international leader who can truly assist developing countries. The two countries have launched their foreign vaccine assistance schemes separately, but they are obviously competing for international influence. However, in one rare development, the two countries have agreed on vaccine patent exemptions. For Beijing, it is an opportunity to narrow the gap with Western biomedical standards, and it is also a point on which the United States and Europe may split. Beijing firmly opposes the investigation into the origin of the COVID-19 by the United States and must take countermeasures to reduce the destructive nature of this investigation.

Due to the earlier control and containment of the COVID-19 pandemic in the first half of 2020, the Chinese government was able to conduct vaccine diplomacy much earlier than any other major power. In February 2021, Pakistan became the first country to receive Chinese vaccines. Bangladesh, Brunei, Egypt, Indonesia, Mexico, Pakistan, the Philippines, Thailand, Tunisia, and Zimbabwe obtained at least two kinds of Chinese vaccines such as Sinopharm and Sinovac. By the end of July 2021, China declared it had exported at least 700 million doses of vaccines to more than 100 countries. Another statistic showed China sold 952 million doses and donated 33 million vaccines.¹ China has felt great pride in the claim that it has exported and donated more vaccines than all other countries combined, but one should also notice that the percentage of Chinese donations is far behind its sales. As the most populous country, China has administered more than a third of all COVID vaccines globally, dwarfing the rest of the world in absolute number of doses administered.

^{1.} Bridge Consulting, "China COVID-19 Vaccine Tracker," July 2021, *Bridge Consulting (Beijing)*, https://bridgebeijing.com/our-publications/our-publications-1/china-covid-19-vaccines-tracker/.

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Figure 1. China's Vaccines Around the World

Source: Bridge Consulting, "China COVID-19 Vaccine Tracker."

Note: Labeled destinations colored in grey are still awaiting their first delivery from China or have received undisclosed quantities of vaccines. This graphic only includes bilateral contributions directly from China.

Xi has repeatedly stated that vaccines in China are a global "public good," but Beijing has explicitly linked its vaccine exports with Chinese "Belt and Road" initiatives in Asia, Africa, and Latin America. Among recipients of donated Chinese vaccines, 72% are China's closest neighbors in Southeast Asia or South Asia. Vaccines give Beijing the advantage of diplomacy and the use of first mover. Beijing's vaccine diplomacy can obviously also become a tough tactic, targeting India's neighbors in South Asia and preventing Bangladesh from joining the Quadruple Security Dialogue (Quad). Bangladesh originally relied on Indian vaccines, and this may cause subtle changes in India-Bangladesh relations. It is worth paying attention to whether Chinese vaccine assistance and supply will turn into long-term diplomatic advantages.

By mid-August 2021, Sinovac was the main supplier of vaccine sales by the PRC (70.57%), while Sinopharm has been the main supplier of donated Chinese vaccines (84.38%). The Sinopharm vaccine was approved by the World Health Organization (WHO) in May 2021 using the Emergency Use Listing (EUL), a prerequisite for inclusion in the COVAX Facility vaccine supply to other countries. By August 27, 2021, the PRC had donated 46.30 million doses of vaccines. This is much lower than the 114.77 million given by the United States (see Table 1 and 2).

		(unit: million)
Countries across Regions	Number of Countries	Doses Donated
Western Hemisphere	19 countries	38.96
East Asia and the Pacific	11 countries	28.16
South and Central Asia	8 countries	22.33
Sub-Saharan Africa	27 countries	20.19
Europe and Eurasia	4 countries	2.83
Middle East and North Africa	4 countries	2.30
Total	73 countries	114.77

Table 1. U.S.-donated Vaccines Delivered by August 2021

Source: U.S. Department of State, "COVID-19 Vaccine Donations," August 27, 2021, Accessed, U.S. Department of State, https://www.state.gov/covid-19-recovery/vaccine-deliveries/#af>.

As the number of confirmed positive cases in the United States increased, the Trump and Biden administrations stocked up on domestic vaccines. It was not until May 2021 that oversupply in the U.S. made vaccine diplomacy possible. China, Russia, India, and the European Union had been able to export their own vaccines to assist other countries before the U.S. joined the effort. In mid-May, President Biden declared that the United States would become the global "arsenal of vaccines" against the COVID-19 pandemic, just as the United States acted as the "arsenal of democracy" in World War II. Biden pledged to donate 60 million doses of the AstraZeneca (AZ) vaccine plus 20 million doses of Pfizer and Moderna vaccines. Of the total 80 million vaccines, 75% (60 million doses) would be provided through COVAX, the Global pooled-vaccine procurement and equitable distribution mechanism, and the other 25% (20 million doses) would be shared directly with countries in need.

		(unit: million)
Countries across Regions	Doses Donated	Doses Sold
Asia-Pacific	32.82	512.81
Latin America	1.46	384.02
Europe	0.96	118.72
Africa	11.06	72.85
Total	46.30	1088.40

 Table 2. Donated and Sold Chinese Vaccines by August 2021

Source: Bridge Consulting, "China COVID-19 Vaccine Tracker."

China has accused the United States of "vaccine nationalism," but in reality Beijing has not been as generous as the vaccine donor image it projects. China donated 10 million vaccine doses to COVAX, which will purchase 550 million vaccines from China. Table 2 shows that the number of doses of donations pledged by China is far behind its sales to other countries, particularly in Latin America and Africa. Beijing mainly exports vaccines through bilateral arrangements to better serve its diplomatic functions and purposes. The U.S. is leaving its donated supplies to the COVAX mechanism (60 million doses) to administer. Members of the House of Representatives and Senate repeatedly reminded Samantha Power, the director of the United States Agency for International Development (USAID), that funds donated by the U.S. to assist COVAX were used to purchase China's Sinovac or Sinopharm vaccines, which enabled China to make huge profits. In response, Power stated that it is "shocking" and "completely outrageous" for China to profit from selling Chinese vaccines without promptly providing sufficient financial donations to COVAX.²

Chinese Foreign Minister Wang Yi criticized the U.S. for creating a "vaccine divide" because developed countries, which account for 16% of the world's population, purchase 60% of the world's vaccines. Some countries have purchased a total number of vaccines more than two to three times the size of their populations, and many developing countries are struggling with severe vaccine shortages. Chinese arguments are hard to sustain because China's vaccine donations to African countries are far fewer than those of the U.S., as shown in Tables 1 and 2. Additionally, the effectiveness of Chinese vaccines in Indonesia, the Seychelles and other countries is low.³ However, the advantage of the Chinese vaccines is that they can be stored at normal refrigerator temperature, which is convenient for transportation, storage and vaccination in developing countries with limited logistics and storage conditions. Many developing countries have fewer options, and the Chinese vaccine has become their first choice.

^{2.} Josh Rogin, "China's Vaccine Profiteering at the U.N. is Being Funded by U.S. Taxpayers," *Washington Post*, July 15, 2021, https://www.washingtonpost.com/opinions/2021/07/15/china-charging-un-for-vaccine-when-us-is-donating/.

^{3.} Sui-Lee Wee, "Vaccine Diplomacy Hits a Snag," New York Times, May 14, 2021, p. 4; Sui-Lee Wee & Steven Lee Myers, "As Chinese Vaccines Stumble, U.S. Finds New Opening in Asia," The Japan Times, August 21, 2021, https://www.japantimes.co.jp/news/2021/08/21/asia-pacific/china-vaccines-us-southeast-asia/.

The PRC has once again become the representative or the spokesperson for the developing world.

The U.S. is wary of China's use of vaccine diplomacy to influence Latin American countries and show that China can be a good economic, diplomatic, and public health partner. Furthermore, the PRC's vaccine diplomatic "extortion" could affect the stability of Taiwan's relations with friendly nations such as Paraguay and Honduras. Paraguay, Taiwan's only diplomatic ally in South America, was in urgent need of vaccines to assuage domestic protests against Paraguayan President Mario Abdo Benitez for inadequate pandemic crisis management before the Biden's vaccine assistance program was pledged in May 2021. Paraguay did not shy away from making statements that it could purchase vaccines from the PRC and then asked Taiwan and the U.S. for assistance to address its vaccine shortage. On April 22, 2021, the Ministry of Foreign Affairs of Paraguay announced that Taiwan was willing to provide US \$16.5 million to assist Paraguay in purchasing vaccines from India.⁴ Very similar measures were taken by the government of Honduras, which also urged Taiwan to help in dialogue with the U.S. to obtain vaccines from the Biden administration. Honduras may open a representative office in China regardless of whether it receives the assistance of Chinese vaccines. Honduran President Juan Orlando Hernández stated that he would do everything he could to help his citizens and to build a "diplomatic bridge" to purchase vaccines from China. As of August 2021, Taiwan's diplomatic allies Honduras and Guatemala have each received donations of 1.5 million doses of vaccine from the U.S., and Paraguay 1 million doses. This substantially outnumbered China's 200,000 doses donated to Paraguay.⁵

5. Information and numbers drawn from sources of Table 1 and Table 2.

^{4. &}quot;Countries with Diplomatic Relations with Taiwan Face the Temptation of China's 'Vaccine Diplomacy', China and Taiwan are Constantly Wrestling Diplomatically-BBC News," Archyde, May 15, 2021, https://www.archyde.com/countries-with-diplomatic-relations-with-taiwan-face-the-temptation-of-chinas-vaccine-diplomacy-china-and-taiwan-are-constantly-wrestling-diplomatically-bbc-news/">https://www.archyde.com/countries-with-diplomatic-relations-with-taiwan-face-the-temptation-of-chinas-vaccine-diplomacy-china-and-taiwan-are-constantly-wrestling-diplomatically-bbc-news/">https://www.archyde.com/countries-with-diplomatic-relations-with-taiwan-face-the-temptation-of-chinas-vaccine-diplomacy-china-and-taiwan-are-constantly-wrestling-diplomatically-bbc-news/; Ernesto Londoño, "Paraguay's 'Life and Death' Covid Crisis Gives China Diplomatic Opening," New York Times, April 16, 2021, p. A9; Harsh Pant & Premesha Saha, "India's Vaccine Diplomacy Reaches Taiwan," Foreign Policy, April 20, 2021, https://foreignpolicy.com/2021/04/20/india-vaccine-diplomacy-china-taiwan/.

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Figure 2. A Healthcare Worker Prepares A Sinovac Coronavirus Vaccine at A Clinic in Brasilia

Source: Josh Rogin, "The United States Can't Ignore China's Vaccine Diplomacy in Latin America."

While China has been actively pursuing vaccine diplomacy by offering Chinesemanufactured vaccines, it has been most frustrated that the Democratic Progressive Party (DPP) government in Taiwan has not accepted or even requested Chinese vaccines. Zhu Fenglian, a spokesperson for the Taiwan Affairs Office under the PRC State Council, said that China would consider sending pandemic prevention and control experts to Taiwan. Beijing believed Taiwan would desperately need Chinese vaccines when its quarantine measures were breached in May 2021 and it faced its first major outbreak. To Beijing's surprise, Japan and the U.S. stepped in to offer and deliver about 5 million doses of AZ and Moderna vaccines by June 2021. Lithuania, Slovakia, and the Czech Republic followed suit by donating vaccines to Taiwan to demonstrate that Taiwan is not alone in its fighting COVID-19. The effectiveness of Chinese vaccines is only one consideration for Taiwan. The Chinese political quarantine policy of excluding Taiwan from the World Health Assembly (WHA) and its continuous intrusions into Taiwan's Air Defense Identification Zone (ADIZ) may have forced Taipei to decline Beijing's offer. The Chinese government not only regards Taiwan's aspiration to join the WHA as furthering the goal of Taiwanese independence but also criticizes donations of vaccines to Taiwan by Japan and the U.S. as a tool for political gain and self-interest. China successfully interfered with Taiwan's direct negotiations with Germany for the purchaser of vaccines from BioNTech-Pfizer.⁶ The DPP

government was eventually forced to agree to a donation arrangement from three Taiwanese business and benevolent conglomerates, TSMC, Foxconn and the Tzu Chi Buddhist Foundation, to purchase vaccines via Shanghai Fosun Pharmaceutical Group, the agent of the BioNTech-Pfizer Vaccine for Greater China.

Both China and the United States are engaged in vaccine diplomacy, but Beijing's vigorous propaganda has raises doubts within the international community.⁷ The PRC has linked vaccine exports to the "Health Silk Road" and the "Belt and Road," and overemphasized publicity from the very beginning. Although the United States undoubtedly also has political considerations, they principal aim in that respect is mainly to reshape the United States' global leadership. President Biden issued a statement in early June 2021 stating that the U.S. is "sharing these doses [of vaccine] not to secure favors or extract concessions" but to "save lives and to lead the world in bringing an end to the pandemic." Different from China's effort, the U.S. has turned its campaign into an international coalition with democratic partners to coordinate a multilateral effort, including through the G7. Although the United States has had a slow start in vaccine aid, it is a global leader in biomedicine, and its vaccines are more reliable and have become the choice of rich countries. The U.S. and the European Union are counted together, and if India begins exporting again after its horrendous spike in cases earlier this year, democratic countries will inevitably exceed the total supply from China.

The Biden administration needs to set standards for vaccine exports, such as balancing Chinese vaccine exports to strategically important locations in the United States' backyard (the Western hemisphere). The United States has a few ways to assist its delivery of vaccines to other countries. For example, it could cooperate with other Quad countries, such as Australia and Japan, to assist India in jointly manufacturing and distributing 1 billion vaccine doses in the Indo-Pacific.⁸ Together with G7 members,

Raymond Zhong & Christopher F. Schuetze, "Taiwan Wants German Vaccines. China May Be Standing in Its Way," *New York Times*, June 16, 2021, p. B1.

^{7.} Ben Smith, "When Covid Hit, China Was Ready to Tell Its Version of the Story," *New York Times*, May 10, 2021, p. B1.

^{8.} Kevin Rudd, "Why the Quad Alarms China," *Foreign Affairs*, August 6, 2021, <https://www.foreignaffairs.com/articles/united-states/2021-08-06/why-quad-alarms-china>.

the U.S. has led an ambitious campaign to provide vaccines through the COVAX mechanism. In February 2021, President Biden committed to contributing US\$4 billion to COVAX and later proposed to let more countries produce U.S.-developed vaccines overseas. President Xi followed up in May 2021, saying that China would provide US\$3 billion in international aid to developing countries in the next three years. As most economies within the developing and developed world suffered from the COVID-19 pandemic, China and the U.S. may lead an international campaign on Debt Service Suspension Initiative (DSSI) for all official or private creditors to implement a moratorium on debt collection. In late June 2021, USAID said it would provide at least US\$1.5 billion in humanitarian assistance in response to the COVID-19 pandemic, including emergency relief, strengthening of the health system, vaccine preparation and delivery, improvement of public health education, and protection of medical care personnel and facilities.



Figure 3. The U.S. Government's Donation of 2.5 Million COVID-19 Vaccine Arrives in Taiwan

Source: EAP Bureau, "The U.S. government's donation of 2.5 million COVID-19 vaccine doses has arrived in Taiwan," June 20, 2021, *Twitter*, ">https://twitter.com/USAsiaPacific/stat-us/1406583049278590976/photo/1>.

III. Beijing Supports Biden's Proposal of Exempting Vaccine Patents

The Biden administration proposed to exempt the vaccine patent rights through the World Trade Organization (WTO) General Council mechanism in May 2021. U.S. Trade Representative Katherine Tai mentioned that in the face of a global health crisis, special measures were needed to end the pandemic as soon as possible. In 2020, India and South Africa proposed to exempt vaccines from the Trade-Related Aspects of Intellectual Property Rights (TRIPS) under the WTO framework, but to no avail. The group that supports patent exemption emphasized that exempting patents is a temporary strategy that only targets the COVID-19 pandemic. Generic pharmaceutical companies have many years of experience in providing high-quality vaccines and medicines around the world, and it is not humane to consider the return on investment by pharmaceutical companies alone, not to mention the urgent need for vaccines in the world at this time.

Tedros Adhanom Ghebreyesus, Secretary-General of the WHO, was pleased to see the U.S. express its support for the patent exemption, saying this was a major moment in the fight against the COVID-19 pandemic. Italy, Spain, Austria, the African Union, and WTO Secretary-General Ngozi Okonjo-Iweala have all expressed support for Biden's decision. Spanish Prime Minister Pedro Sánchez presented a report at the European Union summit held in Porto, Portugal, stating that the process of suspending intellectual property rights will take time and that pharmaceutical companies should be flexible in terms of voluntary licensing. Those who support the abandonment of vaccine patent protection argue that relaxation of restrictions can encourage low-cost generic vaccine production and help poor countries to obtain vaccines more easily.

The cabinet members of the Biden administration have different opinions. Commerce Secretary Gina Raimondo and Chief Science Officer for COVID-19 Response David Kessler have argued that the move would jeopardize American innovation competitiveness and the interests of pharmaceutical companies, while creating an opportunity for countries that want to undermine the leading position of American biomedicine. Other opponents say that abandoning patent protection will undermine incentives for the development of new therapies. U.S. Pfizer CEO Albert Bourla stated that it is impossible for other overseas manufacturing plants to produce vaccines using messenger ribonucleic acid (mRNA) technology, adding that intellectual property rights are not a major obstacle to vaccine production, and that building more factories would have a counterproductive effect.⁹ Moderna and Pfizer Pharmaceuticals also oppose the exemption, but have promised to produce more vaccines. They also revealed their willingness not to enforce vaccine patent rights as the pandemic continues.

Patent exemption does not mean immediate mass production. The United Kingdom, Japan, Switzerland and other countries have expressed reluctance to transfer patents. In addition, the United States, the European Union, the United Kingdom, and Japan have not yet opened up the pipelines through which India and South Africa can legally produce the coronavirus vaccine on their own. Once they decide to take that action, it could counterbalance Chinese vaccine efforts across different regions. The European Union relaxed its restrictions after the Biden administration switched to a patent exemption, and consequently it might be prepared to adopt a pragmatic attitude to discussing plans to respond to the ongoing pandemic, and to encourage all vaccineproducing countries to export and avoid disrupting the supply chain. In contrast with parts of the West's reserved opinion on patent exemption for fear of a wave of fake vaccines, China and Russia have different considerations.

Gao Feng, a spokesperson for the Chinese Ministry of Commerce, stated at a regular press conference in May 2021 that the WTO can play an active role in supporting the proposal of the vaccine's intellectual property rights exemption and entering the negotiation stage of the text. Beijing proclaimed the norm that all countries should work together to overcome the pandemic as soon as possible. In June 2021, Chinese foreign minister Wang Yi again declared Chinese support for waiving intellectual property rights on COVID-19 vaccines. "China," he said, "will promote its vaccine companies in transferring technologies to other developing countries and carrying out joint production, so as to expand vaccine accessibility and affordability."¹⁰ Russian President Vladimir Putin also supports the idea of abandoning patents. China

^{9.} Pfizer, "An Open Letter from Albert Bourla to Pfizer Employees," August 27, 2021, Accessed, *Pfizer*, ">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_opposes_the_trips_intellectual_property_waiver_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_vaccines>">https://www.pfizer_for_covid_19_

^{10.} Ministry of Foreign Affairs, PRC, "Wang Yi: China to Strengthen Vaccine Cooperation with Developing Countries," June 6, 2021, *Ministry of Foreign Affairs*, PRC, https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1881656.shtml>.

and Russia each have lower-grade vaccines, which are not only used domestically but also supplied to the outside world. Naturally, they are happy to see the U.S. patent exemption and hope to narrow the gap of competitiveness in bioscience with the U.S. and European countries.



Figure 4. China Foreign Minister Wang Yi and Indonesian President's Special Envoy Luhut Binsar Pandjaitan Co-chaired the China-Indonesia High-level Dialogue

Source: Ministry of Foreign Affairs, PRC, "Wang Yi: China to Strengthen Vaccine Cooperation with Developing Countries."

The PRC's appeal focuses on the unfair distribution of vaccines around the world. For example, 70% of vaccines are allocated to regions with only 30% of the global population. In low-income countries, less than 1% of the people are vaccinated. Many medical workers and high-risk groups do not even have access to vaccination. Beijing also understands that patent exemption is only the first step in removing barriers to supply. The second and third steps require the transfer of production technology and substantial investment to increase production capacity. Beijing believes that through the WTO, it is difficult to quickly solve the problem of insufficient vaccines due to protracted timescales. After all member states have agreed to provide a certain degree of patent exemption, the WTO may begin to discuss which vaccine patents will be loosened. Although the EU may continue to have reservations, the Biden administration's position could encourage many other countries to follow suit. The PRC will stand for the position of the vast number of developing countries and strive to break the gap caused by discriminatory vaccine distribution.

Having announced support for waiving intellectual property rights on COVID-19 vaccines, China has promoted its vaccine companies by transferring technologies to other developing countries and carrying out joint production in order to expand vaccine accessibility and affordability. China has encouraged more clinical trials of Chinese vaccines in Latin America, has supported Indonesia in building a regional vaccine production center, and jointly promoted the equitable distribution of vaccines worldwide, especially in developing countries. In addition to donating and exporting vaccines, the PRC has cooperated with more than 10 countries to develop and produce vaccines, including Egypt, Morocco, and Algeria in Africa, Indonesia, Malaysia, the UAE, Pakistan, Bangladesh in Asia, Turkey, Serbia, and Hungary in Europe, and Argentina, Brazil, and Mexico in Latin America. Among them, Indonesia, the UAE, and Brazil are the three largest partners with annual targets of manufacturing 250, 200 and 100 million doses respectively.¹¹ In early August 2021, Beijing conducted the first meeting of vaccine manufacturing partners of China and Russia to demonstrate solidarity in making vaccines a global public good, and concluded that "The World Trade Organization (WTO) should press ahead with discussions on the waiver of intellectual property rights on COVID-19 vaccines."12

Khairulanwar Zaini, "China's Vaccine Diplomacy in Southeast Asia - A Mixed Record," *ISEAS Perspective*, June 24, 2021, https://www.iseas.edu.sg/wp-content/uploads/2021/06/ ISEAS_Perspective_2021_86.pdf>.

^{12.} Ministry of Foreign Affairs, PRC, "Wang Yi Hosts the First Meeting of the International Forum on COVID-19 Vaccine Cooperation," August 5, 2021, *Ministry of Foreign Affairs*, PRC, https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1897844.shtml>.



Figure 5. China Hosts the First Meeting of the International Forum on COVID-19 Vaccine Cooperation on August 6, 2021

Source: MFA-SL, "The First International Forum on COVID-19 Vaccine Cooperation," August 6, 2021, *Twitter*, https://twitter.com/MFA_SriLanka/status/1423663413813596166/photo/2>.

IV. U.S. and China Fight Tit-for-Tat on Virus Traceability

On May 26, 2021, President Biden ordered the U.S. intelligence agencies to "double their efforts" to identify the source of the COVID-19 virus, and to complete it within 90 days. Two theories were examined: that the virus was accidentally leaked from the WIV laboratory, and that the virus originated outside the laboratory and jumped from animals to humans. The Wuhan laboratory is the focus of much speculation. President Biden's approach is actually the position advocated by his predecessor, Donald Trump, and some scientific groups.¹³ There may be new evidence yet to be confirmed, but Biden's approach is obviously in response to demands from the Republican Party and health experts, and to pressure the PRC to be more transparent

^{13.} William J. Broad, "U.S. Experts Press Calls for China to Allow Deeper Inquiries into the Pandemic's Origins," *New York Times*, May 30, 2021, https://www.nytimes.com/live/2021/05/30/world/covid-vaccine-coronavirus-mask>.

as to the true origins of the outbreak.

Xavier Becerra, Secretary of the U.S. Department of Health and Human Services, urged the WHO to ensure that Phase 2 of the COVID origins study be carried out "with terms of reference that are transparent, science-based, and give international experts the independence to fully assess the source of the virus and the early days of the outbreak."¹⁴ If China does not provide more information on the Wuhan laboratory, such as the research contents, the medical records of the staff at the institute, and whether the virus had spread in Wuhan before the first wave of confirmed cases, it will be very difficult for the U.S. intelligence community to conduct a thorough investigation.

In February 2021, although the WHO investigation stated that it was "extremely unlikely" the virus had leaked from the Wuhan laboratory, many critics countered that the investigation did not obtain full access to the channels needed to understand the source of the virus. Biden said the investigations conducted by the U.S. will have "closer to a clear conclusion" on the virus, and that the report will be published. Leaders of the G7 have expressed support for President Biden in ordering U.S. intelligence agencies to further investigate the origin of the coronavirus. In a joint communiqué in June 2021, they "call[ed] for a timely, transparent, expert-led, and science-based WHO-convened Phase 2 COVID-19 Origins study including, as recommended by the experts' report, in China."¹⁵ They also argued that in the WHO investigation, the earliest reports of animal-to-human transmission or the location of the first outbreak of large-scale infections remained inconclusive. In addition to G7 members, Australia, Israel and some European Union countries have also publicly expressed support for Biden's decision.

^{14.} Eduardo Baptista, "US Calls for Transparent Look into Coronavirus Origins," *South China Morning Post*, May 25, 2021, https://www.scmp.com/news/china/science/article/3134817/us-calls-transparent-look-coronavirus-origins.

^{15.} European Council, "Carbis Bay G7 Summit Communique," June 2021, *European Council*, https://www.consilium.europa.eu/media/50361/carbis-bay-g7-summit-communique.pdf>.



Figure 6. China Says Investigators from the WHO Had Unfettered Access for Their Study

Source: Eduardo Baptista, "US Calls for Transparent Look into Coronavirus Origins."

The PRC has adopted several possible countermeasures against restarting the virus traceability investigation. Beijing has criticized the United States for deliberately creating new disputes in Sino-American relations, arguing that this was a smear campaign against the PRC. An editorial in China's *Global Times* argued that "Biden himself has less decision-making power than Trump," and that his administration's ability to deal with difficult issues "is much weaker than the Trump administration's." Other editorials in the *Global Times* mocked Biden's approach to seeking new intelligence, saying that no matter what the result is, it will "presume" that the virus came from the Wuhan Institute of Virology. The newspaper ridiculed U.S. intelligence agencies as "having a long record of fabricating lies for political purposes," and said that China needs "to be tough with Washington" and "to make sure that whatever Washington says is in vain, and let the world see its rhetoric as a joke."¹⁶ Beijing

^{16.} "US Intelligence Investigation of Coronavirus Origins Exposes its Four 'Achilles Heels': Global Times Editorial," *Global Times*, June 3, 2021, https://www.globaltimes.cn/page/202105/1224896.shtml;

believes that Biden's decision is, at best, a political decision. Chinese Ministry of Foreign Affairs spokesman Zhao Lijian said at a regular press conference on May 27 that "a laboratory origin of the pandemic was considered to be extremely unlikely" according to the "authoritative, formal, and scientific conclusion" of the World Health Organization joint investigation team.

PRC officials have stated that the WHO has completed its part of the virus traceability study, and that the focus of subsequent work should be shifted to other countries. Wang Wenbin, another spokesperson for the Chinese Ministry of Foreign Affairs, criticized the U.S. for its groundless accusations against WHO experts on the traceability research. Beijing argues that U.S. actions have severely disrupted and undermined international traceability research cooperation, creating obstacles for fighting the epidemic and saving lives. Beijing's versions of the possible origins of the virus include the spread through imported frozen food or escape from a U.S. Army lab at Fort Detrick, in Frederick, Maryland. The most often heard version is that the virus was brought into Wuhan by U.S. military athletes who participated in the Military World Games in October 2019. Beijing mentions that tracing work should involve many countries and places around the world, and for the U.S. military base at Fort Detrick and a laboratory at University of North Carolina in particular, to be opened for the Phase 2 investigation.¹⁷

As the Biden administration restarted investigations into whether the virus leaked from the Wuhan laboratory, Representative Michael McCaul of the Republican Party (Texas) led an investigation team concluding in early August 2021 that "the preponderance of evidence suggests SARS-CoV-2 was accidentally released from a Wuhan Institute of Virology laboratory sometime prior to September 12, 2019."¹⁸

[&]quot;China Needs to Play Tough with US on Virus Origins Tracing: Global Times Editorial," *Global Times*, July 25, 2021, https://www.globaltimes.cn/page/202107/1229604.shtml.

^{17.} Katerina Ang, "As U.S. Calls for focus on Covid Origins, China Repeats Speculation about U.S. Military Base," *Washington Post*, May 27, 2021, https://www.washingtonpost.com/world/2021/05/27/virus-china-fort-detrick/; Huang Lanlan & Zhang Hui, "With Records of 'Labcreated Coronaviruses' Incidents, Supervision Loopholes and Audacious Germ Researchers, What Really Happened in US' UNC Labs?" *Global Times*, August 9, 2021, https://www.globaltimes.cn/page/202108/1231868.shtml.

^{18.} Michael T. Mccaul, "The Origins of COVID-19: An Investigation of the Wuhan Institute of

As expected, Beijing immediately condemned the report as "totally based on concocted lies and distorted facts without providing any evidence." Beijing called the final report on COVID-19 virus origins conducted by U.S. intelligence agencies political instead of scientific. The PRC also cited the fact that 70 countries have voiced opposition to "politicizing origin tracing and emphasized the importance of upholding the joint China-WHO study report by sending letters to the WHO Director-General and issuing statements."¹⁹

Beijing has principally treated Australia and Canada as unfriendly countries that have expressed support for the Phase 2 investigation. The results of the investigation into the theory of the laboratory leak could lead to several setbacks for China, including the possibility of a further tarnished international image, lawsuits for compensation over the cost of the pandemic, international sanctions on Chinese government officials, and a boycott of the 2022 Beijing Winter Olympics. It could also have a detrimental impact on China's vaccine diplomacy. China will resolutely resist any suggestion of the Wuhan laboratory leak argument. The U.S. and the PRC could eventually adopt different interpretations of "accidental" leaks to allow both sides to de-escalate.

Virology," August 2021, *House Foreign Affairs Committee Report Minority Staff*, https://gop-foreignaffairs.house.gov/wp-content/uploads/2021/08/ORIGINS-OF-COVID-19-REPORT.pdf>.
19. "Chinese FM Slams Report by US Representative Mike McCaul on Wuhan Institute Virus Leak Theory," *Global Times*, August 3, 2021, https://www.globaltimes.cn/page/202108/1230484.shtml>.

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Figure 7. Wuhan Institute of Virology, CAS

Source: Wikipedia, "Wuhan Institute of Virology," December 2016, *Wikipedia*, <https://en.wikipedia. org/wiki/Wuhan_Institute_of_Virology>.

V. Conclusion

Through vaccine diplomacy, Beijing is aiming to dilute criticism for the origins and Chinese mismanagement by the outside world in the early stages of the pandemic. China attempted to seize the moment to exert its overseas influence at a time when the U.S. was hard hit by the pandemic coupled with political confusion and international alienation during the Trump administration. Beijing's vaccine diplomacy faced its real test when President Biden declared the U.S. policy of serving as the "arsenal of vaccines." It is too early to conclude that China's vaccine diplomacy has been as successful as Beijing has claimed, but China has initiated the creation of its own "vaccine bloc" as a response to the U.S.-led advanced vaccine bloc. China has endorsed the Biden administration's proposal to freeze patent rights for vaccines as it has sought to encourage a loosened mechanism for advanced technology intellectual property

rights. Of greatest concern to China is the investigation report into the origins of the coronavirus. On this matter, the PRC will use every way to block international condemnation of its management of the Wuhan Institute of Virology and its possible role in the emergence of the COVID pandemic.

Taiwan would like to see vaccine patent exemptions and has also supported investigations into the origins of the pandemic, although it has chosen not to do so publicly to avoid accusations by Beijing that it is colluding with the United States. The largest threat to Taiwan is still Chinese vaccine diplomacy toward Taiwan's Latin American allies. How to assist friendly nations in obtaining vaccines should be the focus of Taiwan's next move. Through India, a Quad member and designated manufacturing powerhouse, Taiwan could both strengthen its ties with New Delhi and secure its dwindling number of diplomatic allies. Vaccine distribution involves the logistics industry and Taiwan could think more about how to assist the U.S. in the delivery of vaccines.