The ICAS Bulletin Institute for China America Studies A Survey of Scholarship on U.S.-China Relations

December 1, 2021

What's Going On?

U.S. Security Pacts Challenged in the Asia-Pacific



Australian Defence Minister Peter Dutton meets with U.S. and U.K. delegates prior to the signing of ENNPIA (Source: Australian Ministry of Defence)

- On November 30, the U.S. completed ten days of joint naval drills in the Pacific with Japan, Canada, Australia, and Germany which Vice Admiral Karl Thomas said had an intention to "deter aggression from some nations that are showing burgeoning strength."

- On November 22, Australia signed the Exchange of Naval Nuclear Propulsion Information Agreement, or ENNPIA, a key component of the AUKUS pact which will enable the U.S. and U.K. to share nuclear propulsion information and technology with Australia. Rory Metcalf, the head of the National Security College at the Australia National University, argued that the deal signalled Canberra's "recognition of the challenge from China." - On November 18, Manila condemned the actions of three Chinese coast guard ships which it says blocked and used a water cannon on several resupply boats headed to the Philippine-occupied Thomas Shoal in the South China Sea. U.S. State Department spokesperson Ned Price accused China of an "escalation" and reminded China that any "armed attack on Philippine public vessels" would invoke the 1951 U.S.-Philippines mutual defense treaty.

Associated News Sources: <u>"Washington caps year of drills to deter China with</u>

U.S. Trade with Asia Gains Both Bridges and Barriers



USTR Katherine Tai meets with Japanese Chief Cabinet Secretary Hirokazu Matsuno during her Asian tour (Source: Office of the USTR via Twitter)

- On November 29, a report published by the University of Technology Sydney's Australia-China Relations Institute showed that exports from the U.S., Canada, and New Zealand to China increased in 2020 when Beijing issued tariffs on certain Australian goods.

- On November 24, the U.S. Department of Commerce added a dozen more Chinese companies to its trade blacklist, claiming that the named firms are aiding China's military modernization.

- On November 23, it was reported that the number of Automatic Identification System (AIS) signals from ships in Chinese waters has dropped by 1,400% since November 1 when China began enforcing its new data protection law in AIS stations, citing national security concerns.

- On November 16, USTR Katherine Tai and Commerce Secretary Gina Raimondo began a week of meetings with their counterparts in Japan, South Korea, and India. In Tokyo, USTR Tai stated that the U.S. needs to correct the course that it has taken to trade with the Asia-Pacific since withdrawing from the Trans-Pacific Partnership (TPP).

Associated News Sources:

<u>"US, allies 'biggest beneficiaries' of Australia's \$17b China</u> <u>trade row, report finds,"</u> *ABC NET*, November 29



10-day military exercise," <i>Reuters</i> , November 30 [Paywall] "AUKUS Agreement Shows Recognition of China's Military Power, Expert Says," USNI News, November 24 "Australia Signs Nuclear Propulsion Sharing Agreement with U.K., U.S.," USNI News, November 22 "South China Sea: US warns Beijing it will defend Philippines in event of attack," South China Morning Post, November 19 [Paywall]	"US adds a dozen Chinese companies to its trade blacklist," CNN, November 25 "China blocks access to shipping location data," Financial Times, November 23 [Paywall] "US trade representative admits need for 'course correction' in Asia," Financial Times, November 18 [Paywall] "US Moves to Bolster Asia Trade Ties in Bid to Counter
November 19 [Paywall]	"U.S. Moves to Bolster Asia Trade Ties in Bid to Counter
"Philippines tells China to 'back off' after South China Sea	<u>China's Influence,"</u> The Wall Street Journal, November 16
standoff," Reuters, November 18 [Paywall]	[Paywall]

China Frustrated by U.S. Engagement with Taiwan



The skyline of Taipei at sunset (Source: Getty Images)

On November 26, a delegation of five U.S. members of Congress met with Tsai Ing-wen to signal their support. In response, China condemned the trip and conducted naval and air drills in the Taiwan Strait the following day.
On November 24, in the days following the second annual 'US-Taiwan Economic Prosperity Partnership Dialogue,' Chinese foreign ministry spokesperson Zhao Lijian urged the U.S. in a phone call to cease further official contact with Taiwanese officials.

- On November 23, the Biden administration included Taiwan in a list of governments invited to its December 9-10 'Summit for Democracy,' prompting anger from Beijing.

- On November 23, Taipei's Defense Ministry requested a budget increase of \$9bn over the next five years to respond to China's rapid military modernization.

Associated News Sources:

"Taiwan sends jets after 27 Chinese planes enter buffer zone," Military Times, November 28 "U.S. lawmakers visit Taiwan; China conducts military patrols," Politico, November 26 "Beijing calls on Washington to stop further dialogue with Taipei on supply chain resilience, semiconductors," South China Morning Post, November 24 [Paywall] "U.S. invites Taiwan to its democracy summit; China angered," Reuters, November 23 [Paywall]

Beijing Winter Olympics Turn Increasingly Political



A woman walks by a billboard in Beijing showing the mascots for the 2022 Winter Olympics (Source: Photo by Kevin Frayer/Getty Images)

- On November 29, the CPC-backed Global Times reported that China has no plans to invite U.S. officials to the upcoming 2022 Winter Olympics in Beijing, citing the U.S.' politicization of the games with statements "link[ing] their officials' attendance with so-called human rights issues." - On November 19, UN Human Rights Office official Liz Throssel urged China to provide proof of tennis star Peng Shuai's whereabouts, who had not been seen in public since November 2 when she accused former Vice Premier Zhang Gaoli of sexual assault. The UN statement followed concern from around the world and a threat from Steve Simon, the head of the Women's Tennis Association, to pull business from China if Peng's location is not verified. - On November 18, it was reported that the Marriott hotel in Prague cited "political neutrality" as its reason for declining to the Uyghur World Congress.

- On November 18, President Biden fielded a question regarding a diplomatic boycott of the upcoming Olympic games, in response to allegations of human rights abuses in Xinjiang, by saying it's "something we're considering."

Associated News Sources:

"China Won't Invite U.S. Politicians to Olympics, Report Says," Bloomberg, November 29 "Peng Shuai: UN calls for proof of Chinese tennis star's whereabouts; WTA chairman willing to pull out of China," CNN, November 20



"Taiwan revamps military training for reserves amid China pressure." Al Jazeera, November 23"Exclusive: Marriott refused to host Uyghur conference, citing 'political neutrality." Axios, November 18 "Biden Says U.S. 'Considering' Partial Boycott of Beijing Olympics," Bloomberg, November 18 [Paywall]U.S., China Compete over Technology- In Other News - "As U.S. Hunts for Chinese Spies, University Scientists Warn of Backlash," The New York Times, November 28 [Paywall] "China's investments in Europe plunge amid coronavirus, squeeze on foreign buyers," South China Morning Post, November 24 [Paywall] "African nations mend and make do as China tightens Bel an adom," Reuters, November 24 [Paywall] "How Hunter Biden's Firm Helped Secure Cobalt for the Chinaes," The New York Times, November 20 [Paywall] "China and U.S. Quietly Released Captive Citizens Before Summit," The New York Times, November 19 [Paywall] "China and U.S. Ouietly Released Captive Citizens Before Summit," The New York Times, November 19 [Paywall] "China U.S. Ouietly Released Captive Citizens Before Summit," The New York Times, November 19 [Paywall] "China U.S. Ouietly Released Captive Citizens Before Summit," The New York Times, November 19 [Paywall]	ICAS Bulletin (December 1, 2021) - 3	
"As U.S. Hunts for Chinese Spies, University Scientists Warn of Backlash," The New York Times, November 28 [Paywall] "China's investments in Europe plunge amid coronavirus, squeeze on foreign buyers," South China Morning Post, November 24 [Paywall] "African nations mend and make do as China tightens Belt and Road," Reuters, November 24 [Paywall] "How Hunter Biden's Firm Helped Secure Cobalt for the Chinese," The New York Times, November 20 [Paywall] "China and U.S. Ouietly Released Captive Citizens Before Summit," The New York Times, November 19 [Paywall] "China-US duel to be multilateral trade champions and		citing 'political neutrality'," Axios, November 18 "Biden Says U.S. 'Considering' Partial Boycott of Beijing
Warn of Backlash," The New York Times, November 28[Paywall]"China's investments in Europe plunge amid coronavirus, squeeze on foreign buyers," South China Morning Post, November 24 [Paywall]"African nations mend and make do as China tightens Belt and Road," Reuters, November 24 [Paywall]"How Hunter Biden's Firm Helped Secure Cobalt for the 	U.S., China Compete over Technology	- In Other News -
 On November 24, eight Chinese technology companies were included in the Department of Commerce's list of additions to its entity list, alleging that they were assisting in acquiring U.S. intellectual property applicable to the Chinese military's quantum computing efforts. On November 18, the U.Sblacklisted Huawei Technologies Co. launched a new 'availability zone' for its cloud services less dependent on semiconductors and less susceptible to U.S. sanctions. On November 17, the Congressional leadership de-linked the Innovation and Competition Act, a bill sponsored by Senate Majority Leader Chuck Schumer which would provide \$250b in funding to compete with China in emerging technologies, from the National Defense Authorization Act for Fiscal Year 2022. The move came after some members of Congress objected to Schumer's attempt to unilaterally link spending on technology competition to a must-pass defense budget authorization. 	 A sociated News Sources: "Us restricts trade with a dozen more Chinese technology 	"As U.S. Hunts for Chinese Spies, University Scientists Warn of Backlash," The New York Times, November 28 [Paywall] "China's investments in Europe plunge amid coronavirus, squeeze on foreign buyers," South China Morning Post, November 24 [Paywall] "African nations mend and make do as China tightens Belt and Road," Reuters, November 24 [Paywall] "How Hunter Biden's Firm Helped Secure Cobalt for the Chinese," The New York Times, November 20 [Paywall] "China and U.S. Quietly Released Captive Citizens Before Summit," The New York Times, November 19 [Paywall] "China-US duel to be multilateral trade champions and CPTPP in keen focus at Singapore forum," South China Morning Post, November 18 [Paywall] "China, U.S. agree to ease restrictions on journalists,"



What Are We Reading?

- The Diplomat: <u>"Europe and the US: From Divergence to Convergence on China?</u>" by Plamen Tonchev (November 30, 2021) [Paywall]
- The New York Times: <u>"As China Speeds Up Nuclear Arms Race, the U.S. Wants to Talk"</u> by David E. Sanger and William J. Broad (November 28, 2021) [Paywall]
- POLITICO: <u>"China blowback looms for Schumer's Innovation and Competition Act"</u> by Phelim Kine and Gavin Bade (November 28, 2021)
- Australian Financial Review: <u>"Why there are no grand alliances in Asia</u>" by Evan Laksmana (November 26, 2021)
- Voice of America News: <u>"State Department Official Discusses Chip Shortage, Taiwan Talks, 5G 'Trusted Network</u>" by Nike Ching (November 24, 2021)
- Financial Times: <u>"The US and China are already at war. But which kind?"</u> by Gillian Tett (November 24, 2021) [Paywall]
- South China Morning Post: <u>"How Aukus' failure to consult Asia dooms it to disappointment"</u> by Bunn Nagara (November 22, 2021) [Paywall]
- South China Morning Post: "US-China phase-one trade deal gets a reality check after nearly two years" by Ji Siqi (November 21, 2021) [Paywall]
- *CNN*: <u>"Asia's quiet militarization threatens to turn the region into a powder keg</u>" by Ben Westcott and Eric Cheung (November 21, 2021)
- Al Jazeera: <u>"After Biden-Xi summit, what next for US-China trade war?</u>" by Michele Koh Morollo (November 18, 2021)
- War on the Rocks: <u>"Taiwan's Defense Plans are Going Off the Rails</u>" by Michael Hunzeker (November 18, 2021)
- The New York Times: <u>"Taiwan, Trade, Tech and More: A Tense Era in U.S.-China Ties"</u> by Raymond Zhong (November 17, 2021) [Paywall]
- Foreign Policy: <u>"U.S.-China Trade Talks Should Prioritize Opening Up China's Internet</u>" by Jianli Yang and Lianchao Han (November 16, 2021) [Paywall]

What's Happening Around Town?

<u>- Past Events -</u>

- <u>East Asia Strategy Forum (EASF 2021)</u> November 17-18 hosted by Institute for Peace & Diplomacy
- <u>China's Power: Up for Debate 2021</u> November 19-22 hosted by Center for Strategic and International Studies
- <u>The 14th Polar Law Symposium 2021</u> November 21-23 co-hosted by Polar Cooperation Research Centre, Polar Law Institute, University of Lapland, and University of the Arctic
- Indo-Pacific Empire: China, America and the Contest for the World's Pivotal Region with Rory Medcalf November 22 hosted by Center for a New American Security
- AUKUS: A Model for Other US Allies and Partners?
 November 23 hosted by Hudson Institute

- Upcoming Events -

- Between a Rock and a Hard Place: How Should South Korea Manage its Relations with the United States and China?
- December 1 hosted by Korea Economic Institute
 <u>360/StratCom 2021</u>
- December 6-8 hosted by Atlantic Council
 Artificial intelligence: Can we go from chaos to cooperation?
 December 7 hosted by American Enterprise Institute
- <u>China Conference: United States 2021</u>
 December 7-9 hosted by South China Morning
 Post
- <u>60th Anniversary Celebration</u>
 December 8 hosted by Hudson Institute
- <u>China's economic outlook after Evergrande</u> December 10 hosted by American Enterprise Institute



What ICAS Is Up To

--- ICAS Events and Co-sponsored Events---



2021 ICAS Annual Conference Thursday, December 9, 2021 9:00am - 1:00pm EST (GMT -5)

Come join us virtually on Thursday, December 9 for our 2021 ICAS Annual Conference when more than a dozen esteemed panelists will discuss the prospects for U.S.-China relations under the Biden administration!

The event will feature two discussion panels and a keynote dialogue between:

- Xu Xueyuan Deputy Chief of Mission & Minister, Embassy of the People's Republic of China in the United States, and
- Susan Thornton Senior Fellow, Paul Tsai China Center, Yale Law School

Learn more about the exact starting times of panels and information about our expert speakers on the event page: https://chinaus-icas.org/event/2021-annual-conference/

---ICAS Event Summary---

Symposium on Global Maritime Cooperation and Ocean Governance 2021 Monday-Tuesday, November 8-9, 2021

On November 8-9 [EDT], the hybrid-style 2021 Symposium on Global Maritime Cooperation and Ocean Governance (GMCOG) was held both in Hainan and online. The event included seven sessions and a series of keynote addresses from regional leaders and experts in their field.

Session 5: Ocean Governance Practices in the Arctic discussed the various ocean governance practices in the Arctic. The session was moderated by Professor Gordon Houlden, Director Emeritus of the China Institute at the University of Alberta Canada, and involved the following speakers: Dr. Aldo Chircop, Professor of Law at the Schulich School of Law, Dalhousie University; Dr. Nong Hong, Executive Director and Senior Research Fellow, Institute for China-America Studies; Dr. Suzanne Lalonde, Professor of Public International Law and International Law of the Sea, University of Montreal; Dr. Bai Jiayu, Professor at the School of Law, Nankai University; and Ms. Sakiko Hataya, Research Fellow at the Ocean Policy Research Institute, Sasakawa Peace Foundation.

Link to Full Session 5 Summary:

https://chinaus-icas.org/event/symposium-on-global-maritime-cooperation-and-ocean-governance-2021/ Link to Session 5 Video: https://youtu.be/D0xgI15uQMU



U.S.-China Trade War: Still Going Nowhere By Sarah Hsu November 22, 2021

Although we don't hear about it every day, the U.S. and China remain locked in a trade war. U.S. tariffs on \$350 billion in Chinese products continue to impose additional costs on U.S. firms using Chinese-produced inputs and finished products as well as on consumers. Due to the COVID-19 pandemic, China has been unable to live up to its promises in the Phase One trade deal to purchase \$200 billion in U.S. agricultural and other products. Meetings between the Biden and Xi administrations have not resulted in any firm resolution to the trade war, so what can be said about the trajectory of the U.S.-China trade relationship?...

Link to Full Commentary: https://chinaus-icas.org/research/u-s-china-trade-war-still-going-nowhere/

---External Commentary---

A Vision of Action on Marine Plastic Debris in the Asia-Pacific By Song Runxi and Wu Lei November 19, 2021

On November 10, 2021, the U.S.-China unveiled a deal to strengthen cooperation on climate change, titled "U.S.-China Joint Glasgow Declaration on Enhancing Climate Action in the 2020s". The two sides, intending to cooperate on "key areas related to the circular economy, such as green design and renewable resource utilization," has the potential to bridge a new path for the two powers to reshape the future of plastic. Coincidentally, on November 9-10, 2021, at the Symposium on Global Maritime Cooperation and Ocean Governance 2021, scholars from the Asia-Pacific also highlighted the impacts and potential solutions to the marine plastic issue.

The Asia-Pacific region has trouble managing plastic pollution. Many countries in the region are both enormous producers and consumers of plastics, particularly China and the ASEAN member states. Plastic waste has accumulated in landfills, dumps, and the natural environment, which eventually finds its way to the sea, making it a major contributor to ocean pollution, the harming of marine life and fisheries, and a threat to human health. Professor Zou Xinqing from Nanjing University makes it clear that the risks to humans and ecosystems from microplastics are only just beginning to be understood, which means that current impact assessments are likely incomplete, leading to potentially irreversible consequences. Asian countries thus share a common need to combat marine plastic pollution while managing the same maritime zone...

Link to Full Commentary: https://chinaus-icas.org/research/a-vision-of-action-on-marine-plastic-debris-in-the-asia-pacific/



---ICAS In the News---



On Tuesday, **November 16, 2021**, Senior Fellow Sourabh Gupta discussed the expectations from the Biden-Xi meeting on CGTN America's China 24.

- Watch the Discussion: https://www.youtube.com/watch?v=O8Y7QIRtvtA

On Saturday, **November 20, 2021**, Senior Fellow Sourabh Gupta was quoted by the *South China Morning Post* on the Biden-Xi summit and the Chinese ambassador's response to America's rules-based demands.

Read the Quote: <u>https://www.scmp.com/news/china/diplomacy/article/3156801/top-chinese-envoy-hits-back-us-demands-follow-wh</u> <u>ite-house</u>

On Sunday, **November 21, 2021**, Senior Fellow Sourabh Gupta was quoted by the *South China Morning Post* on China's foreseeable response to the AUKUS alliance.

 Read the Quote: <u>https://www.scmp.com/news/china/article/3156858/chinas-answer-aukus-alliance-more-rhetoric-more-intimidation-</u> <u>tactics-and</u>

On Monday, **November 22, 2021**, Senior Fellow Sourabh Gupta was quoted by Xinhua on China-Russia relations in the context of the complexities of Russia's relationship with the U.S. and other Western nations.

- Read the Quote: http://www.news.cn/english/2021-11/22/c_1310325804.htm

