



# The ICAS Bulletin

## Institute for China America Studies

### A Survey of Scholarship on U.S.-China Relations

September 28, 2022

#### What's Going On? ↓

##### Speculations on and Appeals to U.S. and Chinese Militaries



Royal Australian Navy submarine HMAS Rankin seen during the AUSINDEX 21 biennial maritime exercise on September 5, 2021 in Darwin, Australia. (Source: POIS Yuri Ramsey/Australian Defense Force via Getty Images)

- Wang Qun, Beijing's permanent envoy at the United Nations, urged UN nuclear watchdogs not to back Australia's acquisition of nuclear-powered submarines through the AUKUS pact, calling the deal "a blatant, irresponsible act of nuclear proliferation."
- On September 20, a U.S. Congress-funded think tank said the U.S. is in talks to renew a defense compact to maintain a vital military buffer with Pacific island states.
- CIA Deputy Director David Cohen recently said that Chinese President Xi Jinping has ordered the PLA to develop the ability to seize control of Taiwan by 2027.
- Lt. Gen. Chance Saltzman spoke recently on the need for the U.S. to establish a constellation of widely distributed satellites in order to prevent adversaries from being able to take out vital communication systems in one blow.
- U.S. maritime experts are calling on the Biden administration to increase investment in domestic shipbuilding, calling for a "Ships Act" comparable to the recently enacted "Chips Act" that supports the return of chip manufacturing to U.S. soil.
- A report published by the U.S.-China Commission shows that U.S. military leaders are focusing on Chinese-owned ports in Latin America and the Caribbean that "could benefit its military."

##### Renewal of Tightening of Trade Ties and Tensions



President Joe Biden signs copies of his State of the Union address, Tuesday, March 1, 2022, in the Treaty Room of the White House. (Source: Official White House Photo by Adam Schultz via Flickr)

- Chinese manufacturing companies have begun establishing industrial parks in Mexico in order to circumvent U.S. tariffs and shorten supply lines to the American market.
- On September 15, U.S. President Biden signed an executive order directing the Committee on Foreign Investment to sharpen its focus on foreign transactions that involve personal data and advanced technologies; a move that appears aimed at national security risks that the U.S. sees in China.
- Chinese President Xi pledged to safeguard supply chain security during a government forum attended by delegates from Qualcomm and Boeing in Hangzhou.
- Brent Neiman, counselor to U.S. Treasury Secretary Janet Yellen, spoke out against Beijing's international lending practices. He said that China's delays to restructure debt to low and middle income countries have inflicted "suffering" and threaten to undermine multilateral efforts to lower these burdens on countries.
- The U.S. Federal Communications Commission named Chinese telecom companies Pacific Networks Corp, ComNet LLC, and China Unicom as threats to U.S. national security due to them being subject to the Chinese government's exploitation, influence, and control.

*Associated News Sources:*

["US military leaders warn China could militarize the ports it owns in Latin America,"](#) *Fox News*, September 22  
["China to Develop Ability to Seize Taiwan by 2027: US Intel,"](#) *The Defense Post*, September 21  
["Pacific islands a key U.S. military buffer to China's ambitions, report says,"](#) *Reuters*, September 20 [Paywall]  
["China slams 'double standards' of Aukus nuclear subs deal,"](#) *South China Morning Post*, September 20 [Paywall]  
["U.S. needs satellite constellation to counter China: next space chief,"](#) *Nikkei Asia*, September 16 [Paywall]  
["As China Expands Its Fleets, US Analysts Call for Catch-up Efforts,"](#) *VOA*, September 13

*Associated News Sources:*

["Xi vows to protect global supply chain amid US-China decoupling risk,"](#) *South China Morning Post*, September 20 [Paywall]  
["US Treasury official to take aim at China's 'unconventional' debt practices,"](#) *South China Morning Post*, September 20 [Paywall]  
["U.S. agency adds China Unicom, Pacific Networks to national security threat list,"](#) *Reuters*, September 20 [Paywall]  
["Joe Biden orders tighter scrutiny on foreign investments in move seen to target China,"](#) *South China Morning Post*, September 15 [Paywall]  
["Chinese Manufacturers Get Around US Tariffs With Some Help From Mexico,"](#) *Bloomberg*, September 13 [Paywall]

## Suspensions and Warnings in Technology and Space Relations



*Electric vehicle charging point at kerbside, London, UK - stock photo (Source: Getty Images, Royalty-Free)*

- During a U.S. auto show in Detroit, Chinese Ambassador Qin Gang warned against U.S. attempts to cut China out of electric vehicle supply chains, arguing that the interests of the world's two biggest economies are "intertwined."
- Xiaoxing Xi, a naturalized U.S. citizen and world-renowned expert in the field of superconductivity, who in 2015 was falsely accused of being an economic spy for China, returned to court to urge a panel of federal judges to reinstate his lawsuit against the U.S. government.
- On September 14, during a Senate committee hearing on social media's impact, TikTok's Chief Operating Officer Vanessa Pappas addressed questions on the app's links to the Chinese Communist Party. The app's Beijing-based owner ByteDance and the Chinese government have remained silent on this issue.
- At the International Astronautical Congress in Paris, NASA Administrator Bill Nelson said that the possibility of cooperating with China in space is "up to China" and added that there is a lack of needed transparency on the Chinese side.

## The Eyes of the World on Cross-Border Diplomatic Engagements



*Aerial view of the Hong Kong skyline (Source: Unsplash)*

- An international team of lawyers working for jailed Hong Kong media tycoon Jimmy Lai are calling on the European Union, the UK and the U.S. to pressure Hong Kong and China and make his upcoming national security trial a greater foreign policy priority.
- Washington has announced Gregory May will be the United States' new consul general for Hong Kong and Macau. May's knowledge of the Chinese government and his Mandarin skills are expected to prevent further political tensions across the wider Chinese region.
- U.S. diplomatic offices in China are vetting local employees, requiring them to disclose private and personal information. According to former employees, staff were pressured to provide the information or risk losing their jobs.
- U.S. Special Presidential Envoy for Climate John Kerry stressed that Beijing could resume the negotiations and high-level dialogues that were put on ice in the wake of House Speaker Nancy Pelosi's visit to Taiwan.
- U.S. President Joe Biden has again stated that the U.S. may defend Taiwan in the event of military action by



- According to Boeing's Chief Executive Dave Calhoun and Chief Financial Officer Brian West, Boeing will begin to remarket some 737 MAX jets earmarked for Chinese customers as it "can't defer that decision forever" while political tensions between the U.S. and China continue to complicate deliveries.

*Associated News Sources:*

["TikTok Seen Moving Toward U.S. Security Deal, but Hurdles Remain,"](#) *The New York Times*, September 26 [Paywall]

["NASA chief says cooperation with China in space is up to China,"](#) *Space.com*, September 20

["China's Envoy to US Warns Against Cutting Nation Out of EV Chain,"](#) *Bloomberg*, September 15 [Paywall]

["A Chinese Spy Wanted GE's Secrets, But the US Got China's Instead,"](#) *Bloomberg*, September 15 [Paywall]

["Boeing plans to remarket some 737 MAX jets earmarked for Chinese airlines,"](#) *Reuters*, September 15 [Paywall]

["TikTok won't commit to stopping US data flows to China,"](#) *CNN*, September 14

["Temple professor falsely accused of spying for China urges court to revive his suit against the FBI,"](#) *The Philadelphia Inquirer*, September 14

China, which signals a more distinct "strategic clarity." These reiterated commitments have improved the United States' unofficial relations with Taipei but are seen by the Chinese government as undermining the "One China" principle.

- In an interview, Undersecretary of State for Economic Growth, Energy, and the Environment Jose Fernandez said that the U.S. is not interested in decoupling its economy from China's but only wants to ensure a fair competition.

*Associated News Sources:*

["U.S.-China decoupling not Washington's goal: diplomat,"](#) *Nikkei Asia*, September 22 [Paywall]

["US Moves Toward 'Strategic Clarity' Reveal Old Rifts in China-US Relations,"](#) *The Diplomat*, September 22

["Kerry Sees Prospect for Thaw in Frozen US-China Climate Talks,"](#) *Bloomberg*, September 20 [Paywall]

["US embassy vetting of Chinese staff 'arrogant and aggressive',"](#) *South China Morning Post*, September 20 [Paywall]

["New US consul general for Hong Kong Gregory May arrives in city,"](#) *South China Morning Post*, September 16 [Paywall]

["Jimmy Lai's Global Legal Team Urges US to Pressure China at UN,"](#) *Bloomberg*, September 14 [Paywall]

## U.S.-China 'Boomerangs' on Taiwan Persist



*The skyline of Taipei, Taiwan. (Source: Unsplash)*

- On September 19, China filed a formal complaint with the U.S. in response to U.S. President Biden's comments that the U.S. would defend Taiwan from an invasion.

- In a meeting on September 26 in Tokyo, Prime Minister Fumio Kishida and Vice President Harris reportedly condemned China's actions in the Taiwan Strait.

- China, in response to Boeing Defense and Raytheon's role in the United States' latest arms sales to Taiwan, will be imposing sanctions on their chief executives.

- The U.S. Senate Foreign Relations committee recently approved a \$4.5 billion bill that would significantly increase American defense support for Taiwan. In

## - In Other News -



*Arleigh Burke-class guided-missile destroyer USS Higgins (DDG 76) conducts a replenishment-at-sea with Nimitz-class aircraft carrier USS Carl Vinson (CVN 70). (Source: U.S. Navy photo by Mass Communication Specialist Seaman Isaiah Williams via Flickr)*

["U.S.-China Tensions Fuel Outflow of Chinese Scientists From U.S. Universities,"](#) *The Wall Street Journal*, September 27 [Paywall]

["How is Xinjiang still shipping millions of goods to US after 'forced labour' law came into effect?,"](#) *South China Morning Post*, September 25 [Paywall]

["Wall Street Banks Prep for Grim China Scenarios Over Taiwan,"](#) *Bloomberg*, September 25 [Paywall]

["US must alter course in how it deals with China or face inevitable conflict, foreign minister says,"](#) *South China Morning Post*, September 23 [Paywall]

response, China accused the U.S. of violating the “One China” principle and meddling in their domestic affairs.  
- As military tension between Beijing and Taipei increases, Taiwan is lobbying for the U.S. to take sanctions beyond measures already taken and further restrict trade and investment with China in sensitive technologies like computer chips and telecoms equipment.

*Associated News Sources:*

[“US Harris, Japan's Kishida condemn China's actions in Taiwan Strait,”](#) Channel News Asia, September 26  
[“China files formal protest over Biden’s comments on defending Taiwan,”](#) The Straits Times, September 20  
[“U.S. forces would defend Taiwan against Chinese attack, Biden says,”](#) NBC News, September 20  
[“China plans sanctions on CEOs of Boeing Defense, Raytheon over Taiwan sales,”](#) Reuters, September 16 [Paywall]  
[“China slams US Senate bill supporting Taiwan's defense,”](#) ABC News, September 15  
[“US considers China sanctions to deter Taiwan action,”](#) Al Jazeera, September 14  
[“US’s Taiwan security bill spurs debate on level of support for Taipei,”](#) Financial Times, September 13 [Paywall]

[“US Agency Broke Into China’s Telecom Networks, State Media Says,”](#) Bloomberg, September 22 [Paywall]  
[“Chinese military tracks US, Canadian warships’ transit through Taiwan Strait,”](#) South China Morning Post, September 21 [Paywall]  
[“Scientists at America’s top nuclear lab were recruited by China to design missiles and drones, report says,”](#) NBC News, September 21  
[“Senators ask for review of Apple’s plan to use Chinese chips,”](#) The Washington Post, September 21 [Paywall]  
[“US bank chiefs warn of China exit if Taiwan is attacked,”](#) Financial Times, September 21 [Paywall]  
[“China Biotech Rout Shows Growing Pain From US Decoupling Drive,”](#) Bloomberg, September 13 [Paywall]  
[“New Chip Restrictions on China are Hitting US Companies Too,”](#) Bloomberg, September 13 [Paywall]

## What Are We Reading?

- Asia Society Policy Institute: [“Decoding the 20th Party Congress”](#) (September 2022)
- The Atlantic: [“China’s Mistakes Can Be America’s Gain”](#) by Michael Schuman (September 26, 2022)
- The Washington Post: [“Biden has a big climate win at home. Global success still depends on China.”](#) by Michael Birnbaum, Steven Mufson and Tyler Pager (September 23, 2022)
- Politico: [“Biden’s Pacific Island summit tests U.S. regional credibility”](#) by Phelim Kine (September 22, 2022)
- Foreign Policy: [“Who’s Winning the U.S.-China Trade War? No One”](#) by Michael Hirsh (September 21, 2022)
- U.S.- China Economic and Security Review Commission: [“LOGINK: Risks from China's Promotion of a Global Logistics Management Platform”](#) (September 20, 2022)
- Financial Times: [“America needs a proper risk strategy for its relations with China”](#) by Rana Foonohar (September 19, 2022) [Paywall]
- Nikkei Asia: [“U.S.-China accounting deal will merely mark a short truce”](#) by Andrew Collier (September 19, 2022) [Paywall]
- Foreign Affairs: [“How to Build a Better Order”](#) by Dani Rodrik and Stephen M. Walt (September 16, 2022) [Paywall]
- The New York Times: [“This Might Not Be a Cold War, but It Feels Like One”](#) by Jane Perlez (September 14, 2022) [Paywall]
- Heritage Foundation: [“China's Nuclear Expansion and its Implications for U.S. Strategy and Security”](#) by Patty-Jane Geller (September 14, 2022)
- The New York Times: [“China Is Running Covert Operations That Could Seriously Overwhelm Us”](#) by Nigel Inkster (September 14, 2022) [Paywall]
- Bloomberg: [“The Holes in America’s China-Style Industrial Policy”](#) by Anjani Trivedi (September 13, 2022) [Paywall]
- Bloomberg: [“A US-China Battle on the Moon Is Possible, and Avoidable”](#) by Adam Minter (September 13, 2022) [Paywall]

## What's Happening Around Town?

### *- Past Events -*

- [Beijing's Plans to Decouple from the Dollar](#)  
September 22 hosted by Wilson Center
- [Ocean Nations: The 2nd Annual Indo-Pacific Islands Dialogue](#)  
September 18-19 hosted by Carnegie Endowment for International Peace

### *- Upcoming Events -*

- [What does the CHIPS Act mean for U.S.-China semiconductor competition?](#)  
October 6 hosted by USCBC
- [Chip War: The Fight for the World's Most Critical Technology](#)  
October 7 hosted by Hudson Institute
- [Dragon in the North: Assessing the Growing Chinese Threat to the Arctic Region](#)  
October 11 hosted by Hudson Institute

## What ICAS Is Up To

### ---Past ICAS Trade 'n Technology Program Event---

#### **20th Party Congress and U.S. Midterm Elections: Implications for U.S.-China Relations** *Tuesday, September 20, 2022*



On September 20, 2022, the Institute for China-America Studies (ICAS) hosted a virtual public event to discuss the upcoming 20th National Congress of the Communist Party of China as well as the November midterm elections in the United States. The event was titled “20th Party Congress and U.S. Midterm Elections: Implications for U.S.-China Relations.” Dr. Nong Hong, Executive Director and Senior Fellow at ICAS, delivered the opening remarks, speaking to the importance of the two political events on either side of the Pacific at a time when the hoped-for détente in bilateral relations has been slow to arrive. The discussion was moderated by Mr. Sourabh Gupta, Senior Fellow and Head of ICAS’ Trade n’ Technology program, and featured four speakers: Mr. Robert Daly, Director of the Kissinger Institute on China and the United

States at the Wilson Center, Dr. Yawei Liu, Senior Advisor, China Focus at the Carter Center, Mr. Rory Murphy, Vice President of Government Affairs at The U.S.-China Business Council, and Dr. Denis Simon, Professor of China Business and Technology & Senior Advisor to the President for China Affairs at Duke University.

[Learn More](#)



### ---ICAS Academic Engagement---



#### **Executive Director Nong Hong speaks at the ISA Women in the Law of the Sea Conference** *September 26-28, 2022 (New York, UTC-5) Hybrid (New York & Virtual)*

On Tuesday, September 27, ICAS Executive Director Nong Hong spoke at the International Seabed Authority's Women in the Law of the Sea Conference 2022. Her presentation focused on "Ocean governance in the South China Sea: with a focus on law, policy and management on marine environment protection" and is part of Session V: Protection of the marine environment.

[Learn More](#)

### ---ICAS Academic Engagement---

#### **Executive Director Nong Hong speaks at the International Symposium on "Ocean Governance, Environmental Rights and Sustainable Development in the Anthropocene"** *September 21-23, 2022 (Tianjin, UTC+8) Hybrid (Tianjin & Virtual)*

ICAS Executive Director Nong Hong participated as a panelist and moderator at the International Symposium on "Ocean Governance, Environmental Rights and Sustainable Development in the Anthropocene" held by Nankai University. She presented in Panel I: Polar Governance and Law in the Anthropocene on "China and the United States in the Arctic: Will Strategic Competition or Practical Cooperation Drive the Future Development."

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### ---ICAS In The News ---



On Saturday, September 17, 2022, Senior Fellow Sourabh Gupta [discussed](#) the Shanghai Cooperation Organization Summit on CGTN America's The Heat

- "I would not frame it as blocs, and this is where it boils down to what the SCO is, the SCO is not an anti-western body, it's a non-western body."

On Monday, September 19, 2022, Senior Fellow Sourabh Gupta was [quoted](#) by China Daily on the role of the Shanghai Cooperation Organization

- "I think it was important on this 20th anniversary when the SCO is beginning to do very well. Frankly, as one of the original founders of the Shanghai Cooperation Organization, China must be there and must be represented in person."
- "Chinese, Russian, Persian, Arab, Turkic, Indian, South Asian civilizations are all finding interest in being attached to the SCO. And where is a Western organization which can talk of this sort of breadth and dynamism?"

On Saturday, September 24, 2022, Senior Fellow Sourabh Gupta [commented](#) on the Solomon Islands' prime ministers address to the UN on South China Morning Post

- "There's criticism laid out and there's praise laid out for all except for China, where there is praise laid out but no criticism,"

On Sunday, September 25, 2022, Senior Fellow Sourabh Gupta [quoted](#) by South China Morning Post on Biden's commitment to defend Taiwan

- "It places him [Biden] even further away from official US policy which is to 'not support' Taiwanese independence,"