



The ICAS Bulletin

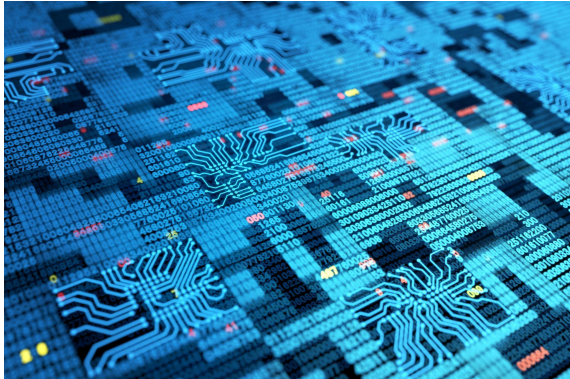
Institute for China America Studies

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

October 26, 2022

What's Going On? ↓

Renewed Semiconductor Chip Warfare



An image of a semiconductor code circuit. (Source: Getty Images, Royalty-Free)

- China's key technology regulator, at the Ministry for Industry and Information Technology held emergency meetings with leading semiconductor companies, seeking to assess the damage and pledge support after Washington's chip restrictions.
- ASML, Europe's largest supplier to chip manufacturers, reported better-than-expected Q3 sales and profits with record new bookings despite market turmoil.
- Chip-tool maker Lam Research warned that it expects to lose as much as \$2.5 billion in sales next year due to new sweeping export controls imposed by the U.S. on China.
- During the 20th Party Congress, President Xi stressed the need for China to bring about "self-reliance and strength in science and technology" amid escalating U.S. controls.
- The Biden Administration's recent sanctions on Chinese semiconductors also restricts U.S. individuals from working to support China's chip development.
- The U.S. Department of Commerce granted Samsung a one-year exemption from the U.S. curb on China's chip industry. Allowing Samsung to continue receiving items needed to maintain chip production in China.
- The Chairman of Taiwanese tech manufacturer Pegatron said the recent export controls demonstrate Washington's "determination to decouple" the U.S. tech industry from China, with the tech world bearing the consequences.

Vocal Statements & Stressed Diplomacy



Secretary Blinken spoke on China's unification plans at an event with former Secretary of State Condoleezza Rice (Source: U.S. State Department Flickr)

- The U.S. Secretary of State Blinken said that China is pursuing unification with Taiwan "on a much faster timeline," and Beijing could use coercion or force if unable to unify peacefully.
- Without mentioning any specific country in his speech during the 20th National Congress of the CPC, President Xi Jinping said China opposed unilateralism, protectionism, and bullying practices, sending indirect signals to Washington.
- President Xi Jinping warned "external forces" for soaring tensions in the Taiwan Strait in his speech opening the week-long CPC's 20th Party Congress. Though no specific country was mentioned, the remarks took aim at the U.S. to dissuade its support for Taiwan.
- President Joe Biden unveiled a national security strategy suggesting that Beijing has the intent and capability to reshape the international order.
- Following the release of a new national security strategy, China's Ministry of Foreign Affairs accused the White House of adopting an "outdated Cold War mentality and zero-sum mindset."
- Scott Kennedy, a China expert at the Center for Strategic and International Studies, is holding rare meetings with Chinese officials—the first of their kind since the start of the pandemic—during a month-long trip to China.

Associated News Sources:

[“China Summons Chip Firms for Emergency Talks After US Curbs,”](#) *Bloomberg*, October 20 [Paywall]
[“ASML shrugs off slowdown, U.S. China sanctions, reports strong Q3,”](#) *Reuters*, October 19 [Paywall]
[“Lam Research Adds to Nvidia, Applied Materials Warnings on Chip-Earnings Season,”](#) *The Wall Street Journal*, October 19 [Paywall]
[“Xi Jinping Urges Self-Reliance in Tech Amid Rivalry With U.S.,”](#) *The Wall Street Journal*, October 17 [Paywall]
[“Ban on US Talent at China Chip Firms Thwarts Xi’s Key Ambition,”](#) *Bloomberg*, October 17 [Paywall]
[“Samsung, TSMC Win Exemption From New U.S. Chip Restrictions on China,”](#) *The Wall Street Journal*, October 13 [Paywall]
[“Taiwanese exec warns of tech ‘casualties’ from U.S.-China row,”](#) *Nikkei Asia*, October 12 [Paywall]

Associated News Sources:

[“China-Taiwan: Beijing speeding up plans for unification, Blinken says,”](#) *BBC*, October 18
[“Xi Jinping’s indirect message to the US in his Communist Party congress report,”](#) *South China Morning Post*, October 16 [Paywall]
[“Xi Jinping warns off US as he piles political and military pressure on Taiwan,”](#) *Financial Times*, October 16 [Paywall]
[“Biden warns U.S. faces ‘decisive decade’ in rivalry with China,”](#) *Nikkei Asia*, October 13 [Paywall]
[“China accuses US of ‘Cold War mentality’ after release of Biden national security strategy,”](#) *The Hill*, October 13
[“US will soon need to deter two major nuclear powers for first time, White House says,”](#) *The Guardian*, October 12
[“US expert on China aims to ‘crack open’ echo chambers, renew relations,”](#) *South China Morning Post*, October 10 [Paywall]

New Trade Initiatives and Barriers



China intends to begin importing corn from Brazil to be less dependent on American and Ukrainian sources. (Source: Imageo photo by Daniel Althoff)

- The Executive Secretary of Taipei’s cabinet-level Office of Trade Negotiations, Hsiao Chen-jung, indicated that he hopes to sign some provisions of Washington’s proposed 11-point bilateral trade deal before the end of the year.
- Several food industry firms have received Brazil’s approval to begin exporting corn to China in December, part of Beijing’s drive to reduce its dependence on the U.S. and Ukraine for the grain.
- The Office of the U.S. Trade Representative is seeking comments from stakeholders on the effectiveness of extant tariffs on Chinese merchandise from the Trump era.
- An investigation by *The Washington Post* revealed that several American inputs are finding their way into China’s hypersonic missile development efforts.
- U.K. spy chief Jeremy Fleming said that China’s domination of the tech sphere is “not inevitable,” but that it is a “sliding doors moment” that necessitates action.
- A report by the International Institute of Strategic Studies (IISS) revealed that China is centrally coordinating efforts to apply 6G technology for military purposes, while the U.S. is relying on lower-levels of command.

Military Relations Stay on High Alert



Chief of Naval Operations Adm. Michael M. Gilday speaks at a briefing about the Navy’s response to COVID-19. (Source: DoD photo by Lisa Ferdinando)

- Admiral Mike Gilday, head of the US Navy, warned at an Atlantic Council event that the U.S. should prepare for the possibility of a Chinese invasion of Taiwan before 2024.
- On the sidelines of the 20th Party Congress, China’s Defense Minister and Chairman of the Central Military Commission both stressed the need for China to be on high alert and prepared for a confrontation with the U.S.
- 130 U.S. lawmakers sent a letter earlier this month to the Government Accountability Office asking the GAO to launch an investigation into the security implications of Chinese investment in American farmland.
- National Security Advisor Jake Sullivan told a crowd at Georgetown University’s Walsh School of Foreign Service that a major focus of the new National Security Strategy is to directly support allies “on the frontlines of the PRC’s coercion...to make sovereign decisions in line with their interests and values, free from external pressure.”
- Maj. Gen. Todd Wasmund explained that the U.S. Army’s 2nd Security Force Assistance Brigade is training militaries throughout Africa in an effort to counter “China and Russia[s]” efforts and influence on the continent.

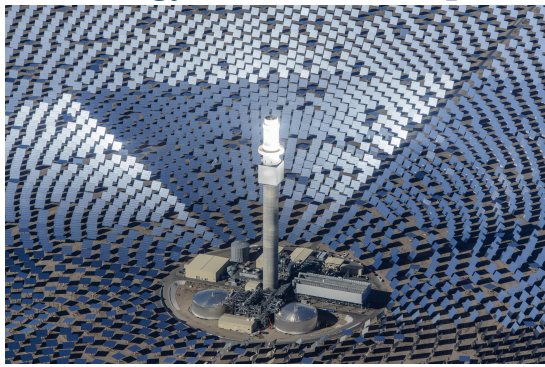
Associated News Sources:

["Taiwan hopeful of 'early harvest' in US trade talks amid China tensions,"](#) *South China Morning Post*, October 18
["American technology boosts China's hypersonic missile program,"](#) *The Washington Post*, October 17 [Paywall]
["China Set to Import Brazilian Corn in Challenge to US Supply,"](#) *Bloomberg*, October 12 [Paywall]
["US Seeks Public Comment on Review of Trump-Era China Tariffs,"](#) *Bloomberg*, October 12 [Paywall]
["U.K. spy chief says world in 'sliding doors moment' on China tech,"](#) *Nikkei Asia*, October 11 [Paywall]
["US, China already gunning for 6G military supremacy,"](#) *Asia Times*, October 10

Associated News Sources:

["US Navy chief warns China could invade Taiwan before 2024,"](#) *Financial Times*, October 20 [Paywall]
["China's top military brass vow to be on high alert and ready for war,"](#) *South China Morning Post*, October 19
["Chinese purchases of land near U.S., Japan bases spark warnings,"](#) *Nikkei Asia*, October 18 [Paywall]
["New National Security Strategy Supports Allies Against Chinese 'Coercion,' Says NSC Advisor Sullivan,"](#) *USNI News*, October 12
["US Army brigade in Africa seeks to ward off Chinese, Russian influence,"](#) *Defense News*, October 11

Reassignments & Rearrangements in Technology and Data Companies



The Crescent Dunes Solar Energy Facility in Tonopah, Nevada. (Source: U.S. Department of Energy, Photo by Julianne Boden via Flickr)

- China's largest electric-vehicle battery maker, Contemporary Amperex Technology Limited (CATL), announced that it will be the main supplier for a \$1.2 billion solar energy storage project outside of Las Vegas.
- Several former U.S. national security officials concluded that the proposed agreement between TikTok and the U.S. Justice Department would still inevitably expose some personal data of users to potential hackers and spies in China even if the data is insulated from Chinese employees of TikTok's parent company ByteDance.
- Apple supplier Foxconn announced that it is expanding its electric vehicle development efforts in Thailand, Taiwan, and the U.S., diversifying away from its flagship, China-based iPhone assembly business.

Associated News Sources:

["China's CATL to supply batteries to 'record-breaking' solar storage project near Las Vegas, US,"](#) *South China Morning Post*, October 18 [Paywall]
["TikTok Deal Likely to Leave US Data Leaking to China,"](#) *Bloomberg*, October 18 [Paywall]
["Foxconn to expand EV production in Thailand and U.S.,"](#) *Nikkei Asia*, October 18 [Paywall]

- In Other News -



A quarter featuring Chinese-American actress Anna May Wong entered circulation this Monday. (Burwell and Burwell Photography/U.S. Mint)

["Exclusive: Former U.S. military pilot who worked in China arrested in Australia, faces extradition,"](#) *Reuters*, October 25 [Paywall]
["Microsoft powers up search for Chinese gaming hits in race against Sony,"](#) *Reuters*, October 25 [Paywall]
["U.S. charges 7 in alleged plot to repatriate U.S. resident to China,"](#) *Reuters*, October 20 [Paywall]
["Who is Anna May Wong, the first Asian American on U.S. currency?,"](#) *The Washington Post*, October 19 [Paywall]
["China's Biggest Airlines Plan More International Flights at Last,"](#) *Bloomberg*, October 18 [Paywall]
["India surpasses China in sending students to U.S.,"](#) *Nikkei Asia*, October 18
["Top Republican blocks Biden's 'China House',"](#) *Politico*, October 11

What Are We Reading? ↓

- *The New York Times*: [“Biden Just Clobbered China’s Chip Industry”](#) by Farhad Manjoo (October 20, 2022) [Paywall]
- *The Wall Street Journal*: [“China’s Military Is Catching Up to the U.S. Is It Ready for Battle?”](#) by Alastair Gale (October 20, 2022) [Paywall]
- Pew Research Center: [“Few Americans see a third Xi term as a major problem for the U.S.; other concerns about China have grown”](#) by Laura Silver, Christine Huang, and Laura Clancy (October 19, 2022)
- *The New York Times*: [“America and China Don’t Need to Knock Each Other Out to Win”](#) by Jessica Chen Weiss (October 19, 2022) [Paywall]
- *The Washington Post*: [“It’s time to stop calling Xi Jinping the ‘president’ of China”](#) by Katherine Wilhem (October 19, 2022) [Paywall]
- *The Financial Times*: [“Containing China is Biden’s explicit goal”](#) by Edward Luce (October 19, 2022) [Paywall]
- *The Wall Street Journal*: [“Why Another Xi Jinping Term Might Be in U.S.’s Interest”](#) by Greg Ip (October 19, 2022) [Paywall]
- *Asia Times*: [“Chip war policy hurting US firms more than China”](#) by Scott Foster (October 17, 2022)
- *The New York Times*: [“Three Things Americans Should Learn From Xi’s China”](#) by Farah Stockman (October 16, 2022) [Paywall]
- *The Wall Street Journal*: [“The U.S. Isn’t Ready to Face China on the Battlefield”](#) by Seth G. Jones (October 16, 2022) [Paywall]
- Big Data China: [“The China Shock: Reevaluating the Debate”](#) by Scott Kennedy and Ilaria Mazzocco (October 14, 2022)
- *The New York Times*: [“When Trade Becomes a Weapon”](#) by Paul Kruger (October 13, 2022) [Paywall]
- *The National Interest*: [“How Biden’s New National Security Strategy Gets China Wrong”](#) by Michael D. Swaine and Jake Werner (October 13, 2022) [Paywall]
- *Foreign Affairs*: [“How to Avoid a War Over Taiwan”](#) by Thomas J. Christensen, M. Taylor Fravel, Bonnie S. Glaser, Andrew J. Nathan, and Jessica Chen Weiss (October 13, 2022) [Paywall]
- Center for a New American Security: [“CNAS Responds: Analyzing the 2022 National Security Strategy”](#) by Richard Fontaine, Lisa Curtis, Emily Kilcrease, Katherine L. Kuzminski, Jonathan Lord, Martijn Rasser, Jacob Stokes, Joshua Fitt, and Hannah Kelley (October 13, 2022)
- *Foreign Policy*: [“What Xi’s First Decade Tells Us About the Next”](#) by Jo Inge Bekkevold (October 13, 2022) [Paywall]
- *The New York Times*: [“With New Crackdown, Biden Wages Global Campaign on Chinese Technology”](#) by Ana Swanson and Edward Wong (October 13, 2022) [Paywall]
- *Politico*: [“Bipartisan POLITICO panel: No post-Party Congress thaw in U.S.-China relations”](#) by Phelim Kine (October 13, 2022)
- *Reuters*: [“China faces its ‘Sputnik’ moment as US export curbs deal a blow to its chip ambitions”](#) by Josh Horwitz (October 13, 2022) [Paywall]
- Carnegie Endowment for International Peace: [“Engaging China on Strategic Stability and Mutual Vulnerability”](#) by George Perkovich (October 12, 2022)
- *Foreign Policy*: [“Biden Is Now All-In on Taking Out China”](#) by Jon Bateman (October 12, 2022) [Paywall]
- *Wired*: [“US Chip Sanctions ‘Kneecap’ China’s Tech Industry”](#) by Will Knight (October 12, 2022)
- *South China Morning Post*: [“US struck a blow against China’s chip ambitions, but the war is far from won”](#) by Mark Magnier (October 12, 2022) [Paywall]
- *Newsweek*: [“To Win Against China, the U.S. Must Bide its Time”](#) by Todd Stein (October 12, 2022)
- *Foreign Policy*: [“Biden Is Now All-In on Taking Out China”](#) by Jon Bateman (October 12, 2022) [Paywall]
- *Time*: [“Why Protecting Taiwan Really Matters to the U.S.”](#) by Eldbridge A Colby (October 11, 2022) [Paywall]

What's Happening Around Town? ↓

- Past Events -

- [Home and Abroad Public Forum: China and U.S.-China Relations](#)
October 25 hosted by the Council on Foreign Relations
- [Unpacking the 20th Party Congress](#)
October 24 hosted by Center for Strategic and International Studies
- [Deciphering China's 20th Party Congress](#)
October 24 hosted by Foreign Policy
- [China's 20th Party Congress: Outlook and Implications](#)
October 19 hosted by East-West Center
- [Chinese Imports and American Jobs: A Reassessment: A Big Data China Event](#)
October 14 hosted by Center for Strategic and International Studies

- Upcoming Events -

- [After the 20th Party Congress: What's next for China and the world?](#)
October 26 hosted by TheChinaProject
- [A New Era: Domestic and Global Impacts of China's 20th Party Congress](#)
October 26 hosted by US-China Business Council
- [Special Event | A Conversation with Under Secretary of Commerce Alan F. Estevez](#)
October 27 hosted by Center for a New American Security
- [What to Watch for at COP27](#)
November 1 hosted by Carnegie Endowment for International Peace
- [China's Power: Up for Debate](#)
November 17 hosted by Center for Strategic and International Studies

What ICAS Is Up To

---ICAS 2022 Annual Conference---

ICAS
Institute for China-America Studies

2022 Annual Conference
After the U.S. Midterms and the 20th Party Congress:
What Will 2023 Hold for U.S.-China Relations?

Wednesday, November 2, 2022
9am-1pm (EDT) (GMT -4)
Hybrid (Washington, DC & Virtual)

9:00 am	Introduction HONG Nong, Executive Director, Institute for China-America Studies
9:05 am	Opening Remarks WU Shicun, Chairman of the Advisory Board, Institute for China-America Studies
9:10 am	Keynote Dialogue JING Quan, Minister, Embassy of the People's Republic of China in the United States Susan THORNTON, Senior Fellow, Paul Tsai China Center, Yale Law School Moderator: Gordon HOULDEN, Director Emeritus, China Institute, University of Alberta
9:55 am	- Coffee Break -
10:00 am	Panel I: U.S.-China Strategic Rivalry in the Biden Era Michael SWAINE, Director, East Asia Program, Quincy Institute for Responsible Statecraft DA Wei, Director, Center for International Security and Strategy, Tsinghua University Dennis WILDER, Senior Fellow, Initiative for U.S.-China Dialogue on Global Issues, Georgetown University HUANG Jing, Dean, Institute of International and Regional Studies, Beijing Language and Culture University Moderator: Gordon HOULDEN, Director Emeritus, China Institute, University of Alberta
11:30 am	- Coffee Break -
11:35 am	Panel II: U.S.-China Trade and Technology Decoupling Paul TRIOLO, Senior Vice President for China and Technology Policy Lead, Albright Stonebridge Group HUANG Yukon, Senior Fellow, Carnegie Endowment for International Peace William REINSCH, Senior Advisor, Center for Strategic & International Studies Denis SIMON, Professor, Fuqua School of Business, Duke University Moderator: LIU Yawei, Senior Advisor on China, The Carter Center
12:55 pm	Closing Remarks HONG Nong, Executive Director, Institute for China-America Studies

In Collaboration With:

For media and other inquiries, email Jessica Martin at jessicamartin@chinaus-icas.org

RSVP: <https://us06web.zoom.us/join/register/WN-IFTeVbftRC6zalUWLEM4IA>

After the U.S. Midterms and the 20th Party Congress: What Will 2023 Hold for U.S.-China Relations?
 Wednesday, November 2, 2022
 9:00am - 1:00pm EDT

The U.S.-China relationship continues to limp from pillar to post, even as the midpoint of the Biden administration's term in office is fast approaching. The hoped-for détente between the two sides has been slow to arrive. President Biden has spent the better part of the past two years 'investing, aligning and competing' at home and abroad, attempting to shape the strategic environment around China. Pursuing avenues of cooperation with Beijing has been an afterthought, at best. For President Xi Jinping, his second term in office has encountered controversy from a foreign relations standpoint. The U.S.-China trade war kicked into full gear a few months after his 19th Party Congress investiture. Coping with the impacts of the Covid-19 pandemic and the effects of Washington's technology embargoes, rather than a second round of win-win 'reform and opening up' exchanges with the United States, have been the defining features of his second term. Russia's attack on Ukraine, furthermore, has added grist to the democracies v. autocracies framing of great power relations by the Biden administration.

As President Xi begins his third term in office, what are the Chinese leadership's priorities vis-à-vis the United States and the Biden

administration likely to be? Is there any merit to the claim that there is an implicit 2027 timeline to bring Taiwan to heel? Will the two sides restore high-level mil-mil communications and maritime CBMs that have been suspended by Speaker Pelosi's visit? What does the composition of the new Politburo and Politburo Standing Committee signify to overseas observers from a political and policy standpoint? What is President Biden and President Xi expected to discuss if they gather for their first in-person meeting on the sidelines of the G20 Leaders Summit in Bali later this November.

In its first 20 months in office, the Biden administration has barely been interested in breaking bread with China on trade and economic matters. Will this pattern change following the midterm elections, given that China was not among the top 5 political topics leading into the midterms? Can a Phase Two trade and investment deal be consummated by the two sides that could place a floor under the rash of technology embargoes and supply chain decoupling initiatives introduced by Washington? How will the supply chain resilience-related initiatives alter the future structure of advanced manufacturing industries in the U.S. and the Asia-Pacific region? Will 2023 throw up fresh perspectives in this regard?

To listen to these and other answers to pressing U.S.-China questions discussed by experts in the field, tune in to the ICAS Annual Conference on November 2, 2022!

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---ICAS Report---**China and the United States in the Arctic: Exploring the Divergence and Convergence of Interests***By Nong Hong
October 20, 2022***Executive Summary:**

“The Arctic Ocean has an area of about 6.01 million square miles and makes up about 4.3% of the Earth’s oceans. The melting of Arctic sea ice has led to increased human activities in the Arctic and has heightened interest in and concerns about the region’s future. The supremacy of the military presence and security interests of the two Cold War-era superpowers – the former Soviet Union and the United States – have now been replaced by the multiple political interests of the eight North Pole states, dominated mainly by the military and security interests and naval capacity of Russia, Canada, the United States, Norway, and Denmark. The exclusivity of Arctic governance has also been challenged by the activities of states from outside the region who are taking a special interest in many aspects of the Arctic that focus on scientific research, shipping, and resource development. China is one of these outside states with growing interest in the Arctic.

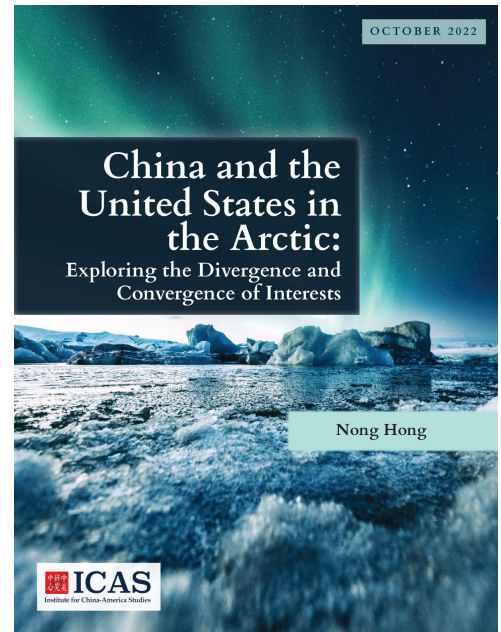
The emergence of the Arctic as a region of political and economic opportunity adds yet another dimension to U.S.-China relations. This report explores and compares the policy and influence of two states in the Arctic: The United States as a key Arctic littoral state and China as an Arctic stakeholder. Their respective policy and legislations, presence, and influence in this region, engagement with international and regional institutions will be unfolded in this report before yielding to a discussion on the divergence and convergence of interests between China and the United States in the Arctic. It can be concluded that there exists lots of divergence of interests between the two. Meanwhile, the Arctic is an arena where the U.S. and China, for the most part, enjoy converging interests, such as on issue areas that touch upon aspects of the law of the sea—be it conservation and climate change, marine scientific research, or construction of port and infrastructure facilities.

Given the current development in the Arctic region driven by the Ukraine conflict, the longstanding post-Cold War perception that the Arctic region would benefit from a disconnect from security concerns has lost its essence. Instead, the geopolitical importance of the Arctic region is coming back into focus with Russia’s full military escalation of Ukraine and the worrisome loss of the status quo in Arctic cooperation. The joint statement by seven states of the Arctic Council in March 2022 to pause participation in all meetings of the Arctic Council indicates grave impediments to international cooperation in the Arctic.

China and the United States should aim to achieve cooperative activities, particularly on research, which could play a useful role in stabilizing the troubled state of their current ties. The Ukraine conflict, while severing partnerships between researchers inside and outside of Russia across many fields of science, has a particularly profound impact on climate science in the Arctic, in which China and the United States could work together. China has the potential to be a strong partner for the United States if it can match up its own interests in the Arctic with the United States’ interests and, together, address questions that are important to both nations.”

Link to Report: <https://chinaus-icas.org/research/china-and-the-united-states-in-the-arctic/>

View & Share as a PDF: <https://chinaus-icas.org/wp-content/uploads/2022/10/China-US-Arctic-Report-10.2022-Final.pdf>



---ICAS Commentary---

Xi must walk his talk of reform and transformation

*By Sourabh Gupta
October 17, 2022*

Triumphal nationalism, risk aversion and stability at all costs won't take China to the promised land.

General Secretary Xi Jinping had a good first term in office capped by a splendid 19th Party Congress in October 2017.

At that congress, Xi was declared the “core” of the party’s all-important Central Committee, his “thought” (Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era) enshrined in the Constitution, his term limit as president abolished with no successor anointed and the four leading small groups chaired by him elevated to the level of party commissions.

A month later, Xi hosted a first-ever official dinner for a visiting American president inside the Forbidden City. But it has been more or less downhill ever since:

- China was labeled a revisionist rival in the December 2017 US National Security Strategy;
- The US-China trade war kicked into full gear in the spring of 2018;
- In May 2019, the US opened a technology denials front, which it has broadened exponentially with the recent export controls on advanced computing and chips;
- The Covid-19 pandemic put paid to in-person leader-level diplomacy and interrupted the new round of “reform and opening up”; and, now,
- Russia’s invasion of Ukraine has added grist to the Biden administration’s democracies versus autocracies framing of great power relations.

It may be tempting to blame external forces beyond the general secretary’s control for this turn of events. That would be accurate only up to a point. The roots of China’s current economic malaise and geopolitical predicament derive as much from within as without. And they stem from acts of both commission and omission during Xi’s two terms in office...

Link to Commentary: <https://chinaus-icas.org/research/xi-must-walk-his-talk-of-reform-and-transformation/>

This commentary was [originally released](#) on *Asia Times* on October 17, 2022.

---ICAS Commentary---

Why Russia’s Arctic agenda should be of more concern than China’s actions

*By Nong Hong
October 7, 2022*

With war stifling cooperation in the Arctic, including on critical climate change research, keeping the region separate from global security concerns is a challenge. China, for its part, does not see itself as a competitor in the Arctic, but Russia’s military build-up in the region is another, more worrying matter.

A recent [report](#) titled “China’s Strategy and Activities in the Arctic”, by the US-based Rand Corporation and Swedish Defence Research Agency, examines the potential implications of Chinese investment and activity in the Arctic. It points out that while China’s presence in the North American sections of the Arctic remains limited, the world should keep an eye on its relationship with Russia, which will create [uncertainties](#) in the region. A careful observation of China-Russia relations in the Arctic alongside recent developments in the region arising from the Ukraine conflict can shed further light on the factors that are causing uncertainty in Arctic affairs.

China has become an active participant in Arctic governance, joining international institutions and promoting bilateral relationships with Arctic states – [including Russia](#) – in such various fields as shipping, resource development and scientific research. In 2019, President Xi Jinping and Russian President Vladimir Putin signed a joint statement [vowing](#) to

strengthen global strategic stability and promote cooperation between the two countries in the Arctic area. On February 4, the eve of the Beijing Winter Olympics, Putin and Xi signed another joint statement which outlined plans for [deeper bilateral cooperation](#), including in Arctic affairs. China has invested in hydrocarbon projects in the Russian Arctic, as well as port infrastructure along the Northern Sea Route.

Despite these collaborations, Russia and China may have different long-term goals in the Arctic. While sharing some common desires, the two countries have a [complex relationship](#) that balances competition and cooperation, with lingering mistrust on both sides. Their Arctic endeavors will continue to be shaped by pragmatism, with a focus on mutual economic benefits rather than a strategic pact...

Link to Commentary:

<https://chinaus-icas.org/research/why-russias-arctic-agenda-should-be-of-more-concern-than-chinas-actions/>

This commentary was [originally published](#) in the *South China Morning Post* on October 7, 2022.

---ICAS In the News---



On Monday, October 17, 2022, Senior Fellow Sourabh Gupta was [interviewed](#) by South Korean radio program *Morning Wave in Busan* regarding recent U.S. chip restrictions against China.

- “These export controls effectively touch upon all inputs, tools, technologies, and software—domestic or foreign made—which goes into China’s advanced manufacturing ecosystem. It includes everybody, so long as you are providing an advanced technology product...which will be embedded in a product in China, it will impact you.”
- “China is very good at commercializing a lot of technologies, it’s not very good at producing and innovating technologies...at the advanced technology levels, if these inputs are denied to you, you will fall one generation backwards. China is going to fall effectively back to where it was in 2016 when it comes to semiconductor manufacturing.”
- “Many of these chips which have commercial applications also have military applications...a lot of the inputs that went into [China’s] hypersonic missile launched last year were not Chinese...National Security Advisor Sullivan has also talked about these technologies as ‘force multiplying technologies’ [which] should not be simply handed over [to China] by Western and other East Asian players.”

On Saturday, October 15, 2022, Senior Fellow Sourabh Gupta [discussed](#) the implications of impending global recession on China and the global south on *CGTN’s The Heat*.

- “China is unique in the context of the coming global recession. Many of the developed advanced economies and the developing economies are in the same boat in a sense that when the interest rates go up and if there is financial instability, they are going to have a difficult time. China’s primary concerns are lack of consumption...and the property market...but China can have a pathway to exiting COVID that can stimulate domestic consumption and jumpstart the economy.”
- “China is dependent on the international economy to export, but exports have not been such a major factor over the last decade in terms of driving China’s growth...Chinese leaders want to move away from this and make the economy more domestic consumption led, but COVID protocols [are an obstacle].”
- “[States in the Global South] will have to raise their interest rates also if the Federal Reserve [does so]. They’re currencies are going to weaken, there are going to be outflows of capital. What they need to do is work with multilateral institutions and work with aid donors to support vulnerable groups...there is ample money on the table but that money needs to be guided to the right places, and countries have to be careful not to be wasteful at this point in time.”

On Friday, October 14, 2022, Senior Fellow Sourabh Gupta [spoke](#) about China's 20th Party Congress on *TRT World*.

- "I think [Xi] thinks that China is at a very important transitional point, that it requires strong leadership and that he is the person to provide that leadership. Now there is a lot of disagreement on whether he has got that right and [if] China straying away from its collective leadership capability may actually be to China's detriment."
- "Yes, [Xi] is [closing off China] with regards to COVID...but I would say on foreign investment and on opening up economically to the world, that agenda still remains fairly open. It is in the space of civil society where I think he really is setting China back."
- "[Lifting people out of poverty] has actually been one of [Xi's] great successes. That's a point he harped on very early in his first term...he strained and went the extra distance in this regard. Yes, people have fallen back a bit into poverty [because of COVID] but not into abject, extreme poverty...therefore [rural development] has become a stepping stone now for what he calls a 'rural revitalization' program, which is not just about poverty alleviation but creating growth motors in rural areas."

On Friday, October 14, 2022, Senior Fellow Sourabh Gupta was [featured](#) in a *China Daily* video about Chinese infrastructure development efforts in Guizhou Province.

- "I would say that probably for me the most important takeaway is how China is rewriting the development literature and saying create solid public sector assets, but make them really good assets and people will protect them, people will cherish them, and people will use them as a basis to improve their own lives."