



The ICAS Bulletin

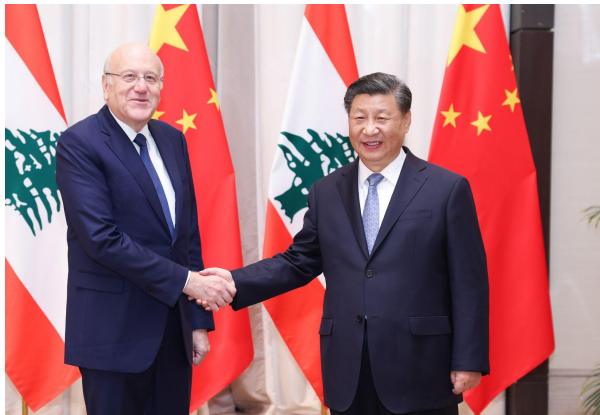
Institute for China America Studies

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

December 21, 2022

What's Going On? ↓

Looking Towards Strategic Competition From a Distance



Chinese President Xi Jinping meets with Lebanese Prime Minister Najib Mikati in Riyadh, Saudi Arabia on December 9, 2022. (Photo by Yao Dawei/Xinhua via Getty Images)

- The U.S. State Department announced the launch of the Office of China Coordination, informally known as 'China House', to counter competition with China. The Office of China Coordination looks to "ensure the U.S. government is able to responsibly manage our competition with the People's Republic of China," according to Secretary of State Antony Blinken.
- The U.S. State Department's under secretary for economic growth, energy and the environment is looking for the U.S. to push for more transparency on Chinese loans to African nations.
- The Chinese foreign ministry released a statement around Washington's U.S.-Africa Leaders Summit: "we firmly oppose using Africa as an arena for great power rivalry and using African strategy as a tool to limit and attack other countries' cooperation with Africa."
- Chinese President Xi Jinping traveled to Saudi Arabia looking to use rising tensions between Riyadh and Washington to China's advantage, ultimately looking to create a "comprehensive strategic partnership."
- The U.S. State Department is sending a high-level

New Controls on and Outcomes for Chinese Entities



A shipping container terminal at night. (Credit: Getty Images, Royalty Free)

- The Biden administration has placed 36 Chinese technology firms on a trading blacklist, which would prevent them from purchasing American components.
- For the first time in Chinese history, Beijing allowed for audit records to be taken outside of mainland China with U.S. regulators and the Public Company Accounting Oversight Board.
- Freight shipments from Asia to the U.S. fell 9% year-on-year in October, and freight on U.S.-bound ships from China fell more than 21% on the year; the lowest since May 2020.
- President Xi Jinping's recent trip to Saudi Arabia brought new trading agreements and a new comprehensive strategic partnership between China and Saudi Arabia. The partnership includes cooperation on hydrogen energy and coordination around Saudi Arabia's Vision 2030 and China's Belt and Road Initiative. China also promoted the use of the Chinese yuan as opposed to the U.S. dollar in global energy markets during the visit.
- The U.S. looks to impose sanctions against Russia and China, targeting over 170 Chinese entities for "illegal fishing in the Pacific."
- The Biden administration has said that Beijing will allow U.S. inspections of Chinese businesses in response to threats of trade blacklisting.

delegation to China to follow up on President Biden's recent talks with President Xi.
 - White House Indo-Pacific Coordinator Kurt Cambell released a statement saying that China seeks stabilized relations with the U.S. while facing "domestic challenges."

Associated News Sources:

- ["U.S. struggles to lure African nations over from China,"](#) *Nikkei Asia*, December 18 [Paywall]
- ["US to launch new diplomatic approach to China with 'China House,'"](#) *Al Jazeera*, December 16
- ["US to Push for Transparency on Chinese Loans to African Nations,"](#) *Bloomberg*, December 15 [Paywall]
- ["Don't make Africa a China-US battleground, Beijing says in countdown to Washington summit,"](#) *South China Morning Post*, December 13 [Paywall]
- ["With Xi's trip, China capitalizes on Saudi-U.S. rift,"](#) *Nikkei Asia*, December 10 [Paywall]
- ["Senior U.S. delegation to visit China in coming days,"](#) *Reuters*, December 10 [Paywall]
- ["U.S. Says China Seeks Stabilized Relations with Washington, in Short Term,"](#) *Voice of America*, December 8

- The Netherlands are planning new controls on the export of chipmaking equipment to China, looking to align their efforts with the U.S. in restricting Chinese access to advanced technologies.

Associated News Sources:

- ["US puts 3 dozen more Chinese companies on trade blacklist,"](#) *Associated Press*, December 16
- ["US regulators complete inspection of US-listed Chinese firms' audit records, reducing delisting risks"](#) *South China Morning Post*, December 15 [Paywall]
- ["China pushes to boost role of yuan in global energy markets as Xi Jinping wraps up Saudi Arabia visit,"](#) *South China Morning Post*, December 10 [Paywall]
- ["U.S.-bound container traffic from China plunges as ASEAN share rises,"](#) *Nikkei Asia*, December 9 [Paywall]
- ["When China and Saudi Arabia meet, nothing matters more than oil,"](#) *CNN*, December 9
- ["U.S. plans sanctions on Russia, China - officials,"](#) *Reuters*, December 8 [Paywall]
- ["Beijing allows US export-control checks on Chinese tech companies,"](#) *Financial Times*, December 7 [Paywall]
- ["Netherlands Plans Curbs on China Tech Exports in Deal With US,"](#) *Bloomberg*, December 7 [Paywall]

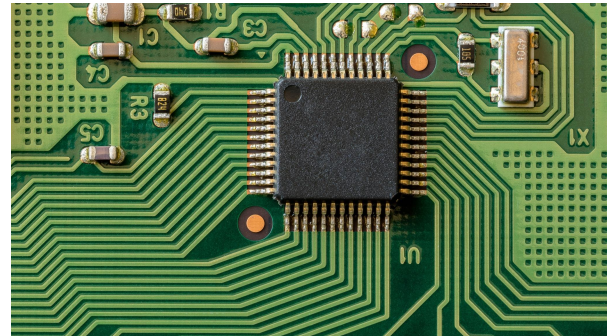
Changes in Regional Influence Amid Rising Tensions and Interactions



USS Stethem arrives in Sydney, Australia to promote green energy initiatives. (U.S. Navy photo by Chief Mass Communication Specialist Hendrick Simoes/Released, U.S. Navy via Flickr)

- The Chinese foreign ministry has officially stated that the recent U.S. sanctions on two senior Chinese officials over accused human rights abuses around Tibet are illegal and have harmed bilateral relations.
- During a visit from a senior U.S. delegation to China, led by Assistant Secretary of State Daniel Krittenbrink and Senior Director for China Laura Rosenberger, Beijing has pledged to "properly handle" differences with the U.S. around Taiwan.
- The U.S. has expanded a ban on commercial exports of U.S. technologies that it believes aids Chinese military and hypersonic development programs as well as enables human rights violations.

Bilateral Semiconductor Industries Face New Restrictions



A zoomed-in image of a chip board. (Credit: Getty Images, Royalty Free)

- Ford Motor Co. and China's Contemporary Amperex Technology Co. are looking to build a manufacturing plant in Michigan to take advantage of new tax benefits while stepping around U.S.-China tensions.
- Chinese Foreign Minister Wang Yi has urged Seoul to oppose U.S. export controls of advanced technologies to China during a meeting with South Korean counterpart Park Jin.
- The Chinese government is working on a US\$143 billion support package for the Chinese semiconductor industry to counter U.S. moves in the vital field.
- China has begun a formal dispute against the U.S. at the World Trade Organization over recent semiconductor export curbs from the Biden administration. The Chinese

- The U.S. government placed sanctions on and froze the U.S. assets of senior Chinese government officials in Tibet around alleged torture of Tibetans and against Chinese entities for “illegal fishing operations.”
- The U.S. Department of State has signed off on more than US\$425 million in spare aircraft parts to support Taiwan’s fleet. Soon after, the U.S. House of Representatives passed the National Defense Authorization Act, allocating US\$10 billion for Taiwan over the next five years.
- The Chinese Defense Ministry has challenged the U.S. China security report, explaining that it condemns the first use of nuclear weapons “at any time and under any circumstances.”
- The U.S. will increase the presence of U.S. forces in Australia, including bomber and fighter jets according to the U.S. Defense Secretary Lloyd Austin. Secretary Austin also looked to “invite Japan to integrate into our force posture initiatives in Australia.”

Associated News Sources:

[“U.S. widens ban on military and surveillance tech sales to China,”](#) *The Washington Post*, December 15 [Paywall]

[“US Sanctions: China slams US sanctions over alleged rights abuses in Tibet,”](#) *The Times of India*, December 12

[“China-US relations: Beijing vows to ‘properly handle’ differences over Taiwan,”](#) *South China Morning Post*, December 12 [Paywall]

[“US sanctions China-based firms over illegal fishing practices,”](#) *Al Jazeera*, December 9

[“US House Passes National Defense Authorization Act, Including \\$10B for Taiwan,”](#) *Voice of America*, December 9

[“China blasts US report, reiterates ‘no 1st use’ nuke policy,”](#) *Associated Press*, December 6

[“With eye on China, US to boost military forces in Australia--and ‘invite’ Japan to join in,”](#) *CNN*, December 6

[“US approves \\$425 million in arms sales to Taiwan,”](#) *Associated Press*, December 6

Ministry of Commerce accused the U.S. of abusing export control measures and obstructing normal international trade operations. The formal dispute and increased tensions in the U.S.-Chinese semiconductor sector came despite initial signs of relief and cooling in recent weeks.

- Google Inc. has refused to replace searches for a Hong Kong protest song with the Chinese national anthem; an action causing Hong Kong’s security chief to express “great regret.”
- Japan has agreed, in principle, with the U.S. and allies to join in on tightening exports of advanced chip making machinery to China.
- Chinese newspapers attacked the investment by the Taiwan Semiconductor Manufacturing Company in Arizona as a “dark turn” in the global semiconductor sector.

Associated News Sources:

[“Ford, China’s CATL Mull Workaround for New US Battery Plant With US-Chinese Tensions High,”](#) *Bloomberg*, December 15 [Paywall]

[“China urges Seoul to oppose US controls on chip exports, resist ‘unilateral bullying,’”](#) *South China Morning Post*, December 13 [Paywall]

[“Exclusive: China readying \\$143 billion package for its chip firms in face of U.S. curbs,”](#) *Reuters*, December 13 [Paywall]

[“China brings WTO case against U.S. and its sweeping chip export curbs as tech tensions escalate,”](#) *CNBC*, December 13

[“Google refused Hong Kong request over protest anthem - HK official,”](#) *Reuters*, December 12 [Paywall]

[“Japan to Join US Effort to Tighten Chip Exports to China,”](#) *Bloomberg*, December 12 [Paywall]

[“Chinese media calls TSMC’s Arizona fab a ‘dark turn’ for the global chip industry,”](#) *South China Morning Post*, December 9 [Paywall]

[“Tech war: China’s embattled semiconductor sector sees first signs of relief from US sanctions,”](#) *South China Morning Post*, December 7 [Paywall]

TikTok and Chinese Media Companies Face U.S. Lawmaker Bans



Chinese flag behind ByteDance's TikTok app logo.
(Source: Solen Feyissa via Flickr)

- The U.S. Senate has unanimously passed bipartisan legislation to ban social media app TikTok from U.S. government devices under perceived information-security risks from the app.
- U.S. lawmakers introduced a bipartisan bill to sanction Chinese tech company Huawei and other Chinese 5G companies, looking to restrict them from U.S. banks. U.S. lawmakers claim that Huawei and other Chinese 5G companies engage in economic espionage against the U.S.
- U.S. Senator Marco Rubio announced a separate bipartisan ban on ByteDance's TikTok, seeking to ban it from public app stores in the U.S. under the "Anti-Social CCP Act." Two other Senators sent a letter to the Biden administration asking for transparency in negotiations.
- Taiwan's Ministry of Digital Affairs has restricted Chinese TikTok and other apps, claiming they are "harmful products against national information security."
- The U.S. states of Texas, Maryland, South Dakota, South Carolina, and Nebraska have banned TikTok on government devices.

Associated News Sources:

- ["Republicans Press Biden Officials for Answers on TikTok Security Concerns,"](#) *The Wall Street Journal*, December 20 [Paywall]
- ["Senate passes legislation to ban TikTok from US government devices,"](#) *CNN*, December 15
- ["U.S. lawmakers introduce bill to restrict Huawei's access to banks,"](#) *Reuters*, December 14 [Paywall]
- ["U.S. lawmakers unveil bipartisan bid to ban China's TikTok,"](#) *Reuters*, December 14 [Paywall]
- ["Taiwan joins US states in limiting TikTok as China's hit video app faces backlash,"](#) *South China Morning Post*, December 8 [Paywall]
- ["Growing number of states banning TikTok on government devices,"](#) *CBS News*, December 7
- ["National security concerns reportedly delay TikTok-U.S. deal,"](#) *CNBC*, December 7

- In Other News -



The castle at Shanghai Disneyland (Source: Jeremy Thompson via Flickr)

- ["Russia and China are sharing strategies to undermine Nato, says top US diplomat,"](#) *Financial Times*, December 20 [Paywall]
- ["U.S. State Dept says toll of COVID in China a concern for the world,"](#) *Reuters*, December 19 [Paywall]
- ["A Visit Inside China's Desert Rocket Base,"](#) *The New York Times*, December 16 [Paywall]
- ["China's technology, research talent pool large, but 'not strong enough', lags behind US,"](#) *South China Morning Post*, December 16 [Paywall]
- ["In U.S. Bid to Blunt China's Pacific Sway, Postal Service Has a Say,"](#) *The Wall Street Journal*, December 12 [Paywall]
- ["Most adults in America and China view other side as enemies or unfriendly, suggesting there may be a political pay-off in exploiting tensions,"](#) *Business Insider*, December 8 [Paywall]
- ["Shanghai Disneyland Reopens as Businesses in China Welcome Covid-Control Easing,"](#) *The Wall Street Journal*, December 8 [Paywall]
- ["US keeps eye on China's space activities for potential risks,"](#) *Associated Press*, December 8
- ["US manufacturers with ties to China applaud easing of Covid-19 restrictions,"](#) *South China Morning Post*, December 7 [Paywall]

What Are We Reading? ↓

- *Foreign Affairs*: [“How to Stop Chinese Coercion”](#) by Victor Cha (January/February 2023) [Paywall]
- *South China Morning Post*: [“As its vilification grows, Tiktok’s future in the US remains in limbo”](#) by Khushboo Razdan (December 21, 2022) [Paywall]
- *The Wall Street Journal*: [“Japan’s Weapons Buildup to Bolster U.S. Efforts to Counter China”](#) by Alastair Gale (December 20, 2022) [Paywall]
- *The New York Times*: [“The U.S. Needs to Change the Way It Does Business With China”](#) by Robert E. Lighthizer (December 18, 2022) [Paywall]
- *The Japan Times*: [“Biden’s China tech crackdown leaves Xi with few ways to hit back”](#) by Iain Marlow and Emily Birnbaum (December 17, 2022) [Paywall]
- *Bloomberg*: [“China Thinks 50 Years Ahead. Can the US?”](#) by James Stavridis (December 15, 2022)
- Center for A New American Security: [“Don’t Force Europe to Choose Between the United States and China”](#) by Carisa Nietzsche (December 14, 2022)
- *The New York Times*: [“The U.S. wants to counter China’s moves in Africa. But American officials try not to mention that”](#) by Edward Wong (December 14, 2022) [Paywall]
- *Politico*: [“China Dominates the Rare Earths Market. This U.S. Mine Is Trying to Change That.”](#) by Lara Seligman (December 14, 2022)
- *Reuters*: [“Analysis: China’s massive older chip tech buildup raises U.S. concern”](#) by Jane Lanhee Lee, Josh Horwitz and Alexandra Alper (December 13, 2022) [Paywall]
- *The New Yorker*: [“A Professor Who Challenges the Washington Consensus on China”](#) by Ian Johnson (December 13, 2022) [Paywall]
- *The New York Times*: [“Why America Is Getting Tough on Trade”](#) by Paul Krugman (December 12, 2022) [Paywall]
- *Politico*: [“The Fevered Anti-China Attitude in Washington Is Going to Backfire”](#) by Jon Bateman
- *The Wall Street Journal*: [“The Dangerous Downward Spiral of U.S.-China Relations”](#) by Susan L. Shirk (December 12, 2022) [Paywall]
- *The Wall Street Journal*: [“Rise of Open-Source Intelligence Tests U.S. Spies”](#) by Warren P. Strobel (December 11, 2022) [Paywall]
- U.S. Department of State: [“Assistant Secretary Krittenbrink’s Travel to the People’s Republic of China \(PRC\), the Republic of Korea, and Japan”](#) (December 10, 2022)
- *South China Morning Post*: [“After Biden-Macron talks, Beijing has ‘no need to be too worried’, analyst says”](#) by Kinling Lo (December 10, 2022) [Paywall]
- U.S. Embassy in China: [“Statement from U.S. Ambassador Nicholas Burns on International Human Rights Day 2022”](#) (December 9, 2022)
- *Politico*: [“Families of wrongfully detained Americans in China demand Griner-style prisoner swap”](#) by Phelim Kine
- Center for Strategic and International Studies: [“How U.S.-China Tensions Have Hurt American Science”](#) by Ilaria Mazzocco and Maya Mei (December 9, 2022)
- Center for Strategic and International Studies: [“Biden’s China Economic Strategy Takes Shape, but Tensions Remain”](#) by Matthew P. Goodman (December 9, 2022)
- TikTok: [“Strengthening how we protect and secure our platform in the US”](#) by Cormac Keenan (December 9, 2022)
- *The New York Times*: [“How Will China Turn Its Economy Back On? The World Is About to Find Out.”](#) by Keith Bradsher (December 8, 2022) [Paywall]
- *South China Morning Post*: [“China has options beyond Russia in navigating geopolitics of technology”](#) by John Z. Lee (December 8, 2022) [Paywall]
- Foreign Relations Committee: [“Chairman Menendez Announces Historic Inclusion of Taiwan Legislation in Annual Defense Bill”](#) (December 7, 2022)
- *Bloomberg*: [“Sorry, USA, \\$40 Billion Won’t Buy Chip Independence”](#) by Tim Culpan (December 7, 2022)

What's Happening Around Town?

- Past Events -

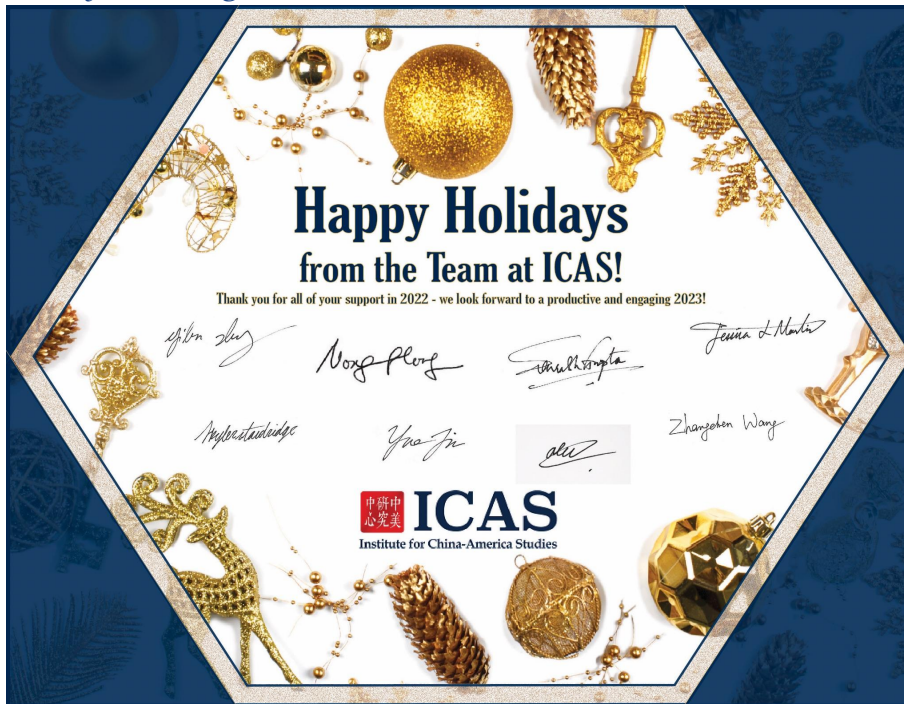
- [What to Expect From China in 2023](#)
December 15 hosted by *Foreign Policy*
- [After the 20th CCP National Congress & U.S. Elections: Whither China?](#)
December 14 hosted by China Research Center
- [The Outlook for Strategic Competition in the Semiconductor Industry](#)
December 12 hosted by Wilson Center

- Upcoming Events -

- [The Future of U.S. & China: Moving Towards the Edge](#)
January 12 hosted by Asia Society
- [Opportunities for Enhanced Near-term U.S.-China Climate Action: Decarbonizing the Buildings Sector](#)
January 16 hosted by University of California Berkeley

What ICAS Is Up To

---ICAS Happy Holidays Message---



To our subscribers:

With the end of 2022 around the corner, the Team at ICAS would like to take a moment to thank all of our audience, viewers, readers and subscribers for their support in 2022! We especially thank all of our event speakers and partner institutions who helped make our 2022 lively, far-reaching, and filled with a variety of expert viewpoints.

We look forward to an even more productive and engaging 2023!

Best,
The Institute for China-America Studies
Washington, DC

[Watch a Short Presentation to Learn About This Year at ICAS \(January-October 2022\)](#)

---ICAS Commentary---

Devising a new Sino-US strategic framework

*By Sourabh Gupta
December 19, 2022*

China may be the United States' "most consequential geopolitical challenge", as per the Joe Biden administration's recent National Security Strategy, but it is also one of its most globally significant political and economic partners. It is welcome therefore that President Xi Jinping and President Joe Biden were able to initiate a new phase of strategic communication on the sidelines of the G20 Summit in Bali, Indonesia, last month.

In Bali, the two sides re-established a baseline of in-person, leader-led communication, resumed senior official-level dialogue channels, and provided a measure of strategic reassurance to the other side that lowered their respective levels of mistrust. By achieving the intended purpose of having in-depth communication and clarifying both strategic intentions as well as redlines, the two leaders' meeting has hopefully set a new direction, established a framework, and kicked off a process that will cement a "floor" under their all-important bilateral relationship framework in 2023...

[Link to Full Post](#)

---ICAS Commentary---

China's 'Common Prosperity' Pathway to Socialist Modernization

*By Sourabh Gupta
December 14, 2022*

Within two months of the conclusion of the 19th National Party Congress in October 2017, China's relationship with the United States was thrown into disarray. In December 2017, the Trump administration's U.S. National Security Strategy labeled China a revisionist rival and formally re-opened the door to great power competition. In Spring 2018, tariffs were unilaterally imposed on China's exports to the United States. In May 2019, sanctions on tech companies like Huawei landed. Even more recently, the United States enacted the draconian Advanced Computing and Semiconductors export control rule. President Xi alluded to these setbacks in his this year's 20th Party Congress address when he noted that China had been confronted with "external attempts to blackmail, contain, blockade, and exert maximum pressure."

It is a measure of the Chinese leadership's determination not to be distracted by this turn of events that the passage from high-speed growth to high-quality development—rather than geopolitical saber-rattling and security competition—continues to remain the overriding national focus. As President Xi noted in the 20th Party Congress address, to "build a modern socialist country in all respects, [China must] first and foremost, pursue high-quality development ... [and that] development [will be the] Party's top priority in governing and rejuvenating China." For those who may have expected China would be provoked into fixating on its geopolitical grievances rather than pursue its modernization-related interests, it seems like that phase has yet to come....

[Link to Full Post](#)

---ICAS In the News---

On Friday, December 16, 2022, Senior Fellow Sourabh Gupta was [interviewed](#) by *China Daily* on the U.S.-Africa Summit held in Washington.

- "Washington must look at Africa through the lenses of Africans themselves."
- "China's significant inroads and win-win ties with Africa is a key driver that has concentrated minds at the African desks within the US government. Up to a point, it is good that Washington feels the need to up its game in Africa because of China's presence on the continent."
- "But I would also admit that this is not the best way to approach the endeavor. Washington must work for the benefit of Africans as a matter of its enlightened long-term self-interest rather than as a matter of simply competing with another major power for the hearts and minds of Africans."