



# ICAS

Institute for China-America Studies

# BULLETIN

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

Q3 - 2023



# The ICAS Bulletin

## Institute for China America Studies

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

Released every other week, the ICAS Bulletin updates a global audience on American perspectives regarding the most important bilateral relationship in the world. Recent news trends in U.S.-China relations are succinctly summarized here alongside information about expert opinion publications, events at U.S.-based institutions, and recent updates on activities by ICAS. Established in 2015, the ICAS Bulletin is the longest-running project at ICAS.

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# The ICAS Bulletin

## Institute for China America Studies

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

July 5, 2023

#### What's Going On? ↓

##### High Level Diplomatic Interactions Adjust Bilateral Tension Levels



President Joe Biden greets Chinese Ambassador to the U.S. Xie Feng at the White House on June 30, 2023. (Source: Chinese Embassy in US)

- On June 30, U.S. President Joe Biden received the new Chinese Ambassador to the U.S. Xie Feng at the White House, becoming the latest high-level meeting between the two powers.
- U.S. Drug Enforcement Administration administrator Anne Milgram called on Mexico and China to put in further measures to combat the U.S. fentanyl crisis, and cited that a majority of the illegal opioid stems from supply chains in Mexico and China.
- China's spokesman for the Chinese Embassy in Washington stated that, if U.S. defense officials desire high-level meetings with Chinese counterparts, the U.S. should remove imposed unilateral sanctions on China.
- The U.S. Justice Department has called out a new Florida law, which prevents Chinese nationals from owning land, as unconstitutional.
- Following a recent visit from the U.S. Secretary of State Blinken to China, U.S. Secretary of the Treasury Janet Yellen plans to visit Beijing in early July in-order to hold high-level talks with her Chinese counterparts.

*Associated News Sources:*

["China Says New Ambassador to US Met Biden at White House."](#) Bloomberg, July 2 [Paywall]

##### More Economic Measures Enacted and Proposed from Fears of Competition



A Starbucks store in Beijing, China. (Source: Toby Oxborough via Flickr/Attribution-ShareAlike 2.0 Generic)

- U.S. microchip producers faced falling shares following a report from the Biden administration which is planning new curbs on the export of U.S. computing chips for artificial intelligence (AI) use to China.
- U.S. Central Intelligence Agency Director William Burns released a statement speaking out against the idea of decoupling from China, instead arguing that American companies should consider diversifying their supply chains.
- Chinese premier Li Qiang has spoken out against the western push to decrease trade cooperation between western countries and China. Premier Qiang described the concept of de-risking as a "false proposition."
- Former U.S. President Trump's U.S. Trade Representative, Robert Lighthizer, has proposed unilateral raises on all Chinese imported goods in order to further combat the current bilateral trade competition.
- Chinese economic regulators summoned three American firms, which included Starbucks and Shake Shake, to be questioned on accusations of collecting excessive personal information.

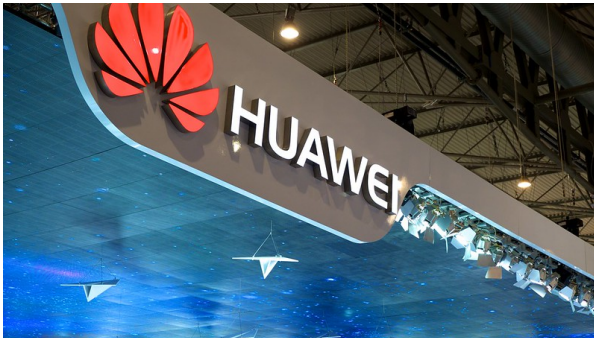
*Associated News Sources:*

["CIA's Burns: U.S. needs to de-risk and diversify away"](#)

["Drug agency chief calls on China and Mexico to help stem US fentanyl crisis,"](#) *The Guardian*, July 2  
["China Wants Sanctions Lifted as Condition for Military Talks With US,"](#) *Bloomberg*, June 29 [Paywall]  
["Justice Department says new Florida law restricting Chinese land ownership is unconstitutional,"](#) *Politico*, June 28  
["Yellen Plans July China Trip While US Preps Investment Curbs,"](#) *Bloomberg*, June 27 [Paywall]

[from China,"](#) *Reuters*, July 2  
["Chip stocks smacked as U.S. mulls fresh curbs on AI access to China,"](#) *Reuters*, June 28  
["China's premier says West's economic de-risking 'false proposition,'"](#) *The Business Standard*, June 27  
["Trump's Trade Chief Proposes New Tariffs on All Chinese Imports,"](#) *Bloomberg*, June 26 [Paywall]  
["Shanghai regulators summon Starbucks, Shake Shack citing excessive personal data collection,"](#) *Reuters*, June 21

## Private Technology Firms Working Around Obstacles



Huawei at Mobile World Congress 2015 in Barcelona, Spain. (Source: Kārlis Dambrāns via Flickr/Attribution-ShareAlike 2.0 Generic)

- Huawei's deputy chairwoman, Meng Wanzhou, showed-off the global prospects for Huawei's 5G mobile network during an international trade show in Shanghai despite Huawei's serious difficulties in navigating U.S. sanctions.
- U.S. semiconductor intellectual property provider SiFive will begin entering the Chinese market with much enthusiasm as their open-source chip architecture can give Chinese producers more room to maneuver around U.S. chip sanctions.
- Bytedance's TikTok has planned to open a new online retail store within the U.S. version of TikTok, with hopes to compete with other e-commerce giants such as Amazon, and Shien.
- The Biden administration has begun to raise concerns around new Chinese cloud computing firms such as Alibaba and Huawei that have gathered U.S. attention due to possible data security breaches.

*Associated News Sources:*

["Huawei's Meng Wanzhou beats the drum for global expansion of 5G mobile services as Chinese firms struggle with US sanctions,"](#) *South China Morning Post*, June 28 [Paywall]  
["Amid intensifying tech war, 1 US chip design firm sees opportunity in China,"](#) *South China Morning Post*, June 28 [Paywall]  
["TikTok is opening its own online U.S. store,"](#) *Semafor*,

## Presidential Comments Inflate Sour Attitudes and Ongoing Suspensions



President Joe Biden delivers remarks on his "Investing in America" agenda in North Carolina on Friday, June 9, 2023. (Source: The White House via Flickr)

- Multiple U.S. defense and intelligence agencies have had opportunities to analyze the retrieved debris from the suspected Chinese spy balloon, and have found that the balloon was full with American-produced technology.
- Following U.S. Secretary Blinken's trip to China, U.S. President Biden compared Chinese President Xi to a "dictator" and was met with extreme backlash from Chinese counterparts.
- Following Biden's remark made at a speech in North Carolina, U.S. Ambassador to China Nicholas Burns received an official diplomatic reprimand, called a *démarche*, from officials in Beijing.
- Despite the diplomatic reprimand for Nicholas Burns from Biden's comments on President Xi, Biden has reiterated that his comments will have no "real consequences" on the bilateral relationship. U.S. Secretary of State Antony Blinken has also supported Biden's comments on President Xi.
- The U.S. has tracked workers from the Chinese telecom companies of Huawei and ZTE in transiting to and from suspected Chinese spy centers in Cuba.

*Associated News Sources:*

["Chinese Balloon Used American Tech to Spy on Americans,"](#) *The Wall Street Journal*, June 29 [Paywall]  
["Blinken backs Biden after he called China's Xi a dictator,"](#) *Politico*, June 25  
["China reprimands US ambassador in Beijing amid fallout](#)



June 28

["China's Cloud Computing Firms Raise Concern for U.S.,"](#)  
*The New York Times*, June 21 [Paywall]

[from Biden's comments,"](#) *CNN News*, June 23

["Biden says his 'dictator' comment on Xi has no 'real consequence' on China ties,"](#) *CNBC News*, June 22

["China hits back after Biden calls Xi a 'dictator',"](#) *Reuters*, June 22

["U.S. Tracked Huawei, ZTE Workers at Suspected](#)

[Chinese Spy Sites in Cuba,"](#) *The Wall Street Journal*, June 21 [Paywall]

## U.S. and Taiwan Ties Deepen as Cross-Strait Relations Sour



Landscape photo of the Taipei cityscape at dusk. (Source: Jimmy Liao via Pexel)

- A U.S. delegation to Taiwan, led by the Wilson Center, expressed admiration for Taiwan's democratic principles and looked to expand cooperation with their counterparts.
- The U.S. State Department has approved the potential ammunition sales and logistical sales of two deals valued at a total of up to US\$440 million to Taiwan.
- U.S. Chairman of the Joint Chiefs of Staff, General Mark Milley, stated that there is still time to dissuade China from utilizing force to reunify Taiwan.
- Taiwanese President Tsai Ing-wen publically supported a new U.S. defense act for possessing a crucial role in maintaining Taiwanese security and defense capabilities.
- Within the recent high profile trip by U.S. Secretary of State Antony Blinken, a large amount of talks were surrounding the upcoming Taiwanese presidential election, and the election's possible effects on bilateral ties and cross-strait relations.

*Associated News Sources:*

["US delegation eyes closer cooperation with Taiwan,"](#)  
*Taipei Times*, July 1

["US State Department OKs two possible military sales to Taiwan,"](#) *Reuters*, June 30

["Chinese Army Invasion of Taiwan Not a Given, US General Says,"](#) *Voice of America*, June 30

["Taiwan's Tsai Ing-wen hails US NDAA defence act for 'vital' role in Indo-Pacific security,"](#) *South China Morning Post*, June 28 [Paywall]

["China Tries to Gain U.S. Cooperation Over Upcoming Taiwan Elections,"](#) *The Wall Street Journal*, June 25 [Paywall]

## - In Other News -



Shandong Airlines flight is approaching the Chongqing Jiangbei International Airport in a clear sky in October 2022. (Source: Rancheng Zhu via Unsplash)

["U.S., China Start Talking Again, With Global Economic Order at Stake,"](#) *The Wall Street Journal*, July 2 [Paywall]

["Treasury secretary to make first trip to China seeking better relations,"](#) *The Washington Post*, July 2 [Paywall]

["Boeing says about 90% of China 737 MAX jets have resumed commercial operations,"](#) *Reuters*, June 28

["Don't see why not': China envoy on backing Ukraine's '91 borders,"](#) *Al Jazeera*, June 27

["Intelligence report says US split on Covid-19 origins,"](#)  
*BBC News*, June 24

["Packages from China are surging into the United States. Some say \\$800 duty-free limit was a mistake,"](#) *AP News*, June 24

["Zambia agrees 'milestone' debt relief plan with China and other creditors,"](#) *The Financial Times*, June 23 [Paywall]

["America's Top Fast-Fashion Retailer Tries to Shed Its Chinese Image,"](#) *The Wall Street Journal*, June 22 [Paywall]

## What Are We Reading? ↓

- *The Wall Street Journal*: [“China Far Outranks the U.S in High-Speed Rail. Here’s Why”](#) (June 30, 2023) [Paywall]
- *Nikkei Asia*: [“Lanes of commerce between U.S. and China should be kept open”](#) by Ker Gibbs (June 30, 2023)
- The China Project: [“Why China’s Global South diplomacy is such a challenge for the United States”](#) by Cobus van Staden (June 30, 2023)
- Center for a New American Security: [“China Spy Station Revelation Is a Wake-Up Call to Rethink US Embargo on Cuba”](#) by Daniel Bonomo (June 29, 2023)
- *Financial Times*: [“How the US and Europe can beat China’s Belt and Road”](#) by Alan Beattie (June 29, 2023) [Paywall]
- *The Atlantic*: [“The End of Optimism in China”](#) by Micheal Schuman (June 29, 2023) [Paywall]
- *The Wall Street Journal*: [“For Nvidia and China, an AI Battle With Washington Bodes Ill”](#) by Jacky Wong (June 28, 2023) [Paywall]
- *Bloomberg*: [“Billionaires and Bureaucrats Mobilize China for AI Race With US”](#) by Jane Zhang and Sarah Zheng (June 28, 2023) [Paywall]
- *Quartz*: [“Oil and gas exports are complicating the US-China relationship”](#) by Mary Hui (June 28, 2023)
- *Foreign Affairs*: [“America, China, and the Virtue of Low Expectations”](#) by Ryan Hass (June 28, 2023) [Paywall]
- *Bloomberg*: [“AI Is the New Front Line in US-China Competition”](#) by Alan Crawford (June 28, 2023) [Paywall]
- *Nikkei Asia*: [“Why China keeps snubbing U.S. overtures for military dialogue”](#) by Hiroyuki Akita (June 27, 2023)
- *The Wall Street Journal*: [“Sequoia Made a Fortune Investing in the U.S. and China. Then It Had to Pick One.”](#) by Kate O’Keeffe (June 27, 2023) [Paywall]
- *Foreign Policy*: [“Washington’s Supposed Consensus on China Is an Illusion”](#) by Robert A. Manning (June 27, 2023) [Paywall]
- *The New York Times*: [“If Biden Wanted to Ease U.S.-China Tensions, Would Americans Let Him?”](#) by Ian Prasad Philbrick (June 27, 2023) [Paywall]
- The China Project: [“Chinese batteries find backdoor to the U.S.”](#) by Huiling Zhou (June 27, 2023)
- *Reuters*: [“The China-U.S. military chill: do they talk at all?”](#) by Greg Torode and Yew Lun Tian (June 27, 2023)
- *The New York Times*: [“Trapped in the Crossfire of the U.S.-China Rivalry”](#) by Peter S. Goodman (June 26, 2023) [Paywall]
- *The Wall Street Journal*: [“Nikki Haley: My Plan to Confront the Chinese Threat”](#) by Nikkei Haley (June 26, 2023) [Paywall]
- Office of the Director of National Intelligence: [“Potential Links Between the Wuhan Institute of Virology and the Origin of the COVID-19 Pandemic”](#) (June 2023)
- *The Washington Post*: [“China’s threat should be a major campaign issue. GOP, are you listening?”](#) by Hugh Hewitt (June 26, 2023) [Paywall]
- *Financial Times*: [“A first step in repairing US-China ties”](#) by The Editorial Board (June 24, 2023) [Paywall]
- *South China Morning Post*: [“Taiwan-Arizona ties: the history behind TSMC’s decision to build US\\$12 billion chip plant in southwestern US”](#) by Matt Haldane (June 24, 2023) [Paywall]
- *The Washington Post*: [“The U.S. and China are rivals — but can talk like adults”](#) by David Ignatius (June 22, 2023) [Paywall]
- Center for Strategic and International Studies: [“Micron Aggression: The Right Response to Beijing’s Ban on the U.S. Chipmaker”](#) by Matthew Reynolds (June 22, 2023)
- *Nikkei Asia*: [“After a decade, Xi floats ‘G2’ world with U.S. again”](#) by Katsuji Nakazawa (June 22, 2023)
- *The Wall Street Journal*: [“On the Menu for Narendra Modi U.S. Visit: Countering China”](#) by Sabrina Siddiqui (June 21, 2023) [Paywall]
- *AP News*: [“Cooperation or competition? China’s security industry sees the US, not AI, as the bigger threat”](#) by Dane Kang (June 21, 2023)
- *Reuters*: [“Blinken China’s trip likely to bring only temporary relief for tensions”](#) by David Brunnstrom, Yew Lun Tian and Martin Quin Pollard (June 21, 2023)

## What's Happening Around Town?

### - Past Events -

- ["Measurement Problems: China's GDP Growth Data and Potential Proxies": A Big Data China Event](#)  
July 5 hosted by Center for Strategic and International Studies
- [Analyzing China's Escalation after Taiwan President Tsai's Transit through the United States](#)  
June 29 hosted by Center for Strategic and International Studies
- [Distinguished Speaker Series: Dennis Wilder on Stabilizing U.S.-China Relations](#)  
June 28 hosted by Carnegie Endowment for International Peace
- [Thirteenth Annual South China Sea Conference](#)  
June 28 hosted by Center for Strategic and International Studies
- [Remarks and a Conversation with Amb. Nikki Haley on the Future of US-China Policy](#)  
June 27 hosted by American Enterprise Institute
- [Tech race with China: Toward a comprehensive strategy](#)  
June 27 hosted by Atlantic Council

### - Upcoming Events -

- [How to Reset the U.S.-China Relationship](#)  
July 7 hosted by *Foreign Policy*
- [Electric Vehicle Webinar 2023](#)  
July 11 hosted by The China Project
- [US-China Technology Competition: Decoupling and De-risking](#)  
July 12 hosted by International Institute for Strategic Studies
- [No Water, No Food – Glacier Loss Threats to US and Chinese Agriculture](#)  
July 13 hosted by Wilson Center

## What ICAS Is Up To

### ---Journal Article---

#### China and the United States in the South Pacific Ocean: Will Strategic Competition or Practical Cooperation Drive the Future Development

June 16, 2023  
Nong Hong

#### Abstract:

The South Pacific Ocean is emerging as an arena of U.S.-China strategic competition while the practices of the two countries in some areas suggest that the model of cooperation could benefit the regional States. It is hard to foresee whether competition or cooperation will drive the future development of the South Pacific or whether the two phenomena may co-exist. It is determined not only by policies taken by the two States themselves and their perspective engagements with both external stakeholders and regional States. Also, it is critical to understand how the regional states view the United States and China and how they are responding to U.S.-China competition.

[Learn More](#)

Asia-Pacific Journal  
of Ocean Law  
and Policy

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---Blue Carbon and Climate Change Program Commentary---

**Think and Plan Ahead for The Problem of Scrapped Lithium Batteries in Electric Vehicles**

*By Zhangchen Wang  
June 29, 2023*

With the promises of reducing carbon emissions and contributing to a greener future, the popularity of electric vehicles is continuously growing, and both the government and private companies are paying more attention to and putting more investment in it. However, as the market of electric vehicles keeps expanding, a topic that once did not attract much attention is also becoming urgent to be resolved: How can the scrapped lithium batteries of electric vehicles be recycled in the most effective way?

Electric vehicles have witnessed a remarkable surge in adoption worldwide. According to a [recent report](#) published by the International Energy Agency, one in every seven passenger cars sold globally in 2022 was an electric vehicle. At the same time, vehicle manufacturers and battery makers plan to invest [\\$860 billion by 2030](#) in electric vehicles. Indeed, the electric vehicle offers a cleaner and more efficient alternative to traditional internal combustion engine vehicles, and it is both increasingly and widely accepted by the broad market.

However, new challenges arise with very new development, and these challenges have an impact on society as a whole...

[Link to Full Post](#)

---Commentary---

**Track 2 dialogue can help improve Sino-US ties**

*By Wu Shicun  
June 18, 2023*

There have been some positive developments, of late, in Sino-US relations including meetings at different levels and between some Chinese and US government departments, which have raised hopes that bilateral tensions could be defused.

To begin with, Wang Yi, China's top diplomat, held in-depth talks with US National Security Advisor Jake Sullivan in Vienna, Austria, in May. Later that month, while attending the APEC Ministers Responsible for Trade meeting in the US, Minister of Commerce Wang Wentao met with US Commerce Secretary Gina Raimondo and US Trade Representative Katherine Tai. And early this month, Daniel Kritenbrink, US Assistant Secretary of State for East Asian and Pacific Affairs, and Sarah Beran, White House National Security Council's senior director for China, visited China and met with Foreign Ministry officials.

More important, the visit of Secretary of State Antony Blinken to China from Sunday to Monday could be a good omen for what till now appeared to be foundering China-US ties...

[Link to Full Post](#)

---Blog Post - Event Summary---

**Event Summary: Building a Networked Security Architecture in the Indo-Pacific with Ely Ratner**

*By Alec Caruana  
June 26, 2023*

On June 8, 2023, Dr. Ely Ratner, Assistant Secretary of Defense (ASD) for Indo-Pacific Security Affairs in the Biden administration, sat down with Lisa Curtis of the Center for a New American Security (CNAS) for a discussion on ['Building a Networked Security Architecture in the Indo-Pacific.'](#)...Throughout the event, Ratner shared with CNAS' Lisa Curtis three dominant themes which permeated the meetings that the Pentagon team held throughout the Indo-Pacific...

[Link to Full Post](#)



---ICAS In the News---



On Tuesday, June 27, 2023, Senior Fellow Sourabh Gupta [discussed](#) US-China relations in the context of Secretary Blinken's visit on *Asharq News'* Washington Report.

On Saturday, June 24, 2023, Senior Fellow Sourabh Gupta [discussed](#) Secretary Blinken's Visit and US-China Relations on *Alhurra's* Decision Capital, DC.

On Thursday, June 22, 2023, Senior Fellow Sourabh Gupta [discussed](#) Prime Minister Modi's state visit and US-India relations on *CGTN America's* The Heat.

- "This is an important visit, I won't say that it is a transformative visit but the deliverables coming out of the visit are very substantial. U.S.-India relations for the past decade or two have been moving on a good path of course politically at the macro level but their deepest progress has been in their defense cooperation area, this meeting has set a standard or a new starting point if one would say as Mr. Modi himself would say a new chapter in broadening that defense relationship into a defense industrial cooperation relationship, and so thereby lock down that defense cooperation in a much more significant way."
- "Over and above the defense technological cooperation and deepening, there has also been for the first time a real effort to deepen the critical and emerging technologies or advanced technologies cooperation. Now how far this will go, will depend frankly on India if it can get its act right on this front. Manufacturing has not been a strength in India and so there are limits to how much this cooperation can be realized, but the aim is to bring science and technology cooperation in and broaden it out in terms of as you saw in the area of semiconductors, but also in the area of other important deliverables."

On Tuesday, June 20, 2023, Senior Fellow Sourabh Gupta [discussed](#) US-China relations and the Blinken visit to Beijing on *CGTN's World Insight*.

- "I would say that there is a good deal of hope that we should have in the relationship going forward. The important thing is that there have been good intentions. You know, when President Xi and President Biden, they had a virtual meeting November 2021, they expressed good intentions, they made important assurances and commitments to each other, which were repeated and expanded upon. The hope was that that would provide a foundation for further movement forward, to frame the outlines."
- "The point is that events have been interfering and the politics has also come and interfered with the process. So, of course, this is useful, and it's useful even if we don't have traction in the short run; these are useful commitments to make even in the longer run...I see a horizon for progress..."



# The ICAS Bulletin

## Institute for China America Studies

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

July 19, 2023

#### What's Going On? ↓

##### Secretary Yellen's Visit Sustains Hope for the Bilateral Relationship



Janet Yellen meets with Chinese Premier Li Qiang in Beijing on July 7, 2023.  
(Source/Credit: Janet Yellen official Twitter account @SecYellen)

- U.S. Secretary of the Treasury Janet Yellen successfully completed her multiple-day trip to Beijing on July 9, 2023. Secretary Yellen praised the progress of stabilizing bilateral ties between the U.S. and China. Secretary Yellen also stated that the U.S. would be clear about future restrictions moving forward, which will not have a "fundamental impact" on China.
- Additionally, during her visit to Beijing Secretary Yellen urged China to become more involved in supporting international climate institutions, stressing the importance of increasing green finance and climate initiatives.
- Later in an interview with *Bloomberg*, Secretary Yellen said that, while "slow growth in China can have some negative spillovers" in the U.S., she does not expect a recession.
- Despite Secretary Yellen's visit being hailed as successful by analysts, Chinese netizens labeled economics Yellen met with as being "radical feminists" and traitors.
- Secretary Yellen reaffirmed that the U.S. would "firmly" oppose export controls enacted by China on gallium and germanium, both of which are used to produce electronics and semiconductors.

*Associated News Sources:*

##### Bilateral Accusation and Questioning Persists



An image of the Microsoft offices in Haidian District, Beijing (Source: Skyler Standridge/Institute for China-America Studies)

- The U.S. House Select Committee on the Chinese Communist Party sent a letter to the University of California, Berkeley requesting information about the Tsinghua-Berkeley Shenzhen Institute; a collaborative research institute set up in 2014.
- The Chinese Foreign Ministry office in Hong Kong has denounced the Biden administration's extension of the 'national emergency' in Hong Kong, which revokes some special privileges and prevents sensitive technologies from being exported to the city.
- A U.S. Navy patrol plane flew through the Taiwan Strait and was monitored by Chinese PLA fighter jets during the third day of Chinese military exercises south of Taiwan.
- China has made accusations that the U.S. was "ganging up" with allies and making China accept a 2016 ruling over claims in the South China Sea; the ruling from the Permanent Court of Arbitration in The Hague stating that nearly all of the Chinese claims to the area lack validity.
- According to Microsoft, Chinese hackers were able to breach and gain access to government email accounts, reportedly targeting certain governmental organizations and employees.
- The Chinese government has issued a warning to citizens traveling to the U.S. to beware of "entrapment" by

["Yellen Says US Investment Curbs Won't 'Fundamentally' Hurt China."](#) Bloomberg, July 17 [Paywall]  
["Yellen Says China Slowdown Risks Spillovers But No US Recession."](#) Bloomberg, July 17 [Paywall]  
["Recent US diplomacy push aimed at China meant to soften blow of coming hi-tech export limits: analysts,"](#) South China Morning Post, July 13 [Paywall]  
["Janet Yellen Hails Progress in Stabilizing Rocky U.S.-China Ties,"](#) The Washington Post, July 9 [Paywall]  
["Chinese women economists called 'traitors' online for meeting with Yellen,"](#) Reuters, July 10  
["Janet Yellen urges China to boost funding to tackle climate crisis,"](#) The Guardian, July 8

American law enforcement agencies, stating that citizens should be more "vigilant and beware of falling into U.S. snares and arrest entrapment."

Associated News Sources:

["House Committee Targets U.C. Berkeley Program for China Ties,"](#) The New York Times, July 17 [Paywall]  
["US Navy plane flies through Taiwan Strait, China carries out more drills,"](#) Reuters, July 13  
["Chinese foreign ministry's arm in Hong Kong slams United States for renewing city's 'emergency status',"](#) South China Morning Post, July 12 [Paywall]  
["China blasts US for forcing it to accept South China Sea ruling,"](#) Reuters, July 12  
["Chinese Hackers Breached Government Email Accounts, Microsoft Says,"](#) The New York Times, July 11 [Paywall]  
["China Warns Its Citizens on 'Entrapment' by US Law Enforcement,"](#) Bloomberg, July 10 [Paywall]

## Changes in the Bilateral Economic Framework Continue



McDonalds signage located in New York City's Chinatown District. (Source/Credit: Skyler Standridge/Institute for China-America Studies)

- The Carlyle Group and Tristar Capital are looking to incur US\$4 billion in funding to buy back their stakes in McDonald's Corp operations within Hong Kong and Mainland China, the exit from the firms would end their six year long ownership of the Chinese operations.
- Tesla has begun to lay off employees at their Chinese battery plant in Shanghai, after the current volatile price war for electric cars in China has begun to show signs of cooling.
- The U.S. Public Company Accounting Oversight Board (PCAOB) has begun to lead investigations of routine checks of Wall Street-listed Chinese companies and their audits in Hong Kong.
- Meta CEO Mark Zuckerberg has come under fire in China after his company announced plans to partner with Tencent to market new Quest VR devices, with the controversy stemming from his previous failures to enter the Chinese market and accusing Chinese rival companies of intellectual property theft.

## Increases in Number of Officials Returning to High Level Talks



Special Presidential Envoy for Climate John Kerry meeting with his Chinese counterpart Xie Zhenhua on July 17, 2023. (Source/Credit: Special Presidential Envoy John Kerry's official twitter: @ClimateEnvoy)

- U.S. Presidential Envoy for Climate John Kerry, conducted the first major climate talk with Chinese counterparts in over a year. Kerry stated that the U.S. would take "big steps that will send a signal to the world" noting that "it is vital that we come together to take action."
- U.S. Secretary of State Antony Blinken finished "candid and constructive" discussions with Chinese diplomat Wang Yi, the meeting discussed a variety of topics including managing competition and maintaining peace and stability across the Taiwan Strait. The meeting came despite new allegations that Chinese hackers infiltrated senior US officials' email accounts.
- The Chinese government has encouraged the U.S. to lift "unilateral" sanctions on Chinese enterprises, and has encouraged the possible visit from U.S. Secretary of Commerce Gina Raimondo.



- Tesla has begun to increase deliveries within China, as concerns over consumer demand and supply chain worries begin to cool and as interest increases in the largest electric vehicle market.
- U.S.-based Moderna Inc. has plans to announce their first investments in China, despite increased bilateral tensions and restrictions on U.S. firms. The investments may include multiple projects with a total investment amount of US\$1 billion.

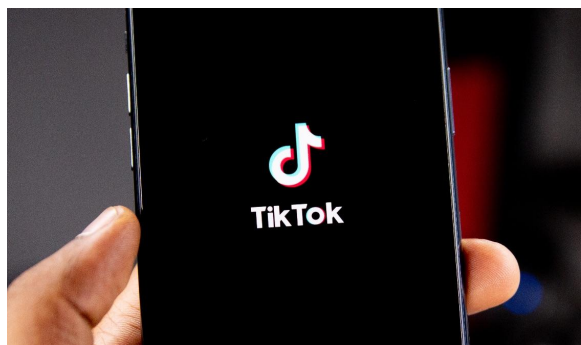
*Associated News Sources:*

["McDonald's China owners Carlyle, Tristar plan \\$4 billion exit, Bloomberg reports," Reuters, July 13](#)  
["Tesla Starts to Lay Off Some Battery Workers at China Plant," Bloomberg, July 7 \[Paywall\]](#)  
["US starts new round of audit inspections on China firms - source," Reuters, July 7](#)  
["Zuckerberg Under Fire in China After Report of Quest Sale Talks," Bloomberg, July 5 \[Paywall\]](#)  
["Tesla Regains China Momentum as Clouds Over EV Sector Disperse," Bloomberg, July 5 \[Paywall\]](#)  
["Moderna Set to Invest \\$1 Billion in China, Yicai Reports," Bloomberg, July 4 \[Paywall\]](#)

*Associated News Sources:*

["US-China Climate Talks Reopen With Vow to Take 'Big Steps'," Bloomberg, July 17 \[Paywall\]](#)  
["Kerry Says U.S. and China Must Set Aside Politics to Tackle Climate Change," The New York Times, July 17 \[Paywall\]](#)  
["Blinken, Wang meet again for talks aimed at managing U.S.-China competition," Reuters, July 14](#)  
["Looming U.S. Investment Restrictions on China Threaten Diplomatic Outreach," The New York Times, July 13 \[Paywall\]](#)  
["Blinken Meets China's Top Diplomat as Email Hack Roils Ties Anew," Bloomberg, July 13 \[Paywall\]](#)  
["China renews call for US to lift sanctions; 'open' to Raimondo visit," Reuters, July 13](#)  
["John Kerry to Visit China to Restart Climate Negotiations," The New York Times, July 6 \[Paywall\]](#)

## Ongoing Export Curbs and New Restrictions



Person holding an iPhone running TikTok. (Source/Credit: Solen Feyissa via Unsplash)

- On July 16, U.S. Senate Majority Leader Chuck Schumer announced that he will be supporting a bipartisan amendment this week to sanction China over its alleged role in producing fentanyl, a synthetic opioid.
- Members of congress are debating whether to add changes to a current bill which would clarify the impact of authorizing the Biden administration to ban Chinese-owned TikTok, according to the members of the Senate Intelligence Committee.
- U.S. critics have been protesting the increasing involvement from U.S. technology giants within the Indo-Pacific Trade Talks, as critics say the tech firms are using the agreement to mitigate domestic regulation and antitrust laws.

## - In Other News -



A photo of the Smithsonian Castle in Washington, D.C. (Source/Credit: LunchboxLarry via Flickr/ Attribution 2.0 Generic (CC BY 2.0))

["Taiwan election candidate risks China's anger with planned US trip," Financial Times, July 17 \[Paywall\]](#)  
["Biden administration warns Beijing against 'brazen coercion' in response to Taiwan VP visit," Politico, July 17](#)  
["Xi Jinping's foreign minister has vanished from public view. His prolonged absence is driving intense speculation," CNN, July 17](#)  
["US expected to get around China's export controls on gallium, an essential component for American military radar tech," South China Morning Post, July 17 \[Paywall\]](#)  
["Smithsonian abruptly cancels Asian American literary festival," The Washington Post, July 14 \[Paywall\]](#)  
["Biden's Energy Funds Fall Behind Schedule Over China Scrutiny," Bloomberg, July 14 \[Paywall\]](#)  
["Elon Musk says China is 'on team humanity', willing to work with US on existential AI threats," South China](#)



- The Biden administration has made statements opposing China's new restrictions on the export of germanium and gallium, with the U.S. Commerce Department said that "these actions underscore the need to diversify supply chains."

- Former Chinese Vice Commerce Minister Wei Jianguo told *China Daily* that if countries continue to add pressure to China's technology industry, they should expect countermeasures to escalate. His statements came just as China enacted new controls on gallium and germanium before Secretary Yellen's visit. Analysts have also predicted that Secretary Yellen's visit, as well as other visits to Beijing by top U.S. diplomats, were aimed to soften the blow of the incoming export limits from China.

- The Biden administration has announced plans to place restrictions on Chinese organizations' access to U.S. cloud-computing services.

*Associated News Sources:*

["US Senate leader Schumer wants to sanction China over fentanyl," Reuters, July 16](#)

["TikTok crackdown bill may need changes, US senator says," Reuters, July 11](#)

["Tech Giants Play Too Big a Role in US Indo-Pacific Trade Talks, Critics Say," Bloomberg, July 10 \[Paywall\]](#)

["US exporters snub de-risking to give China another shot - but they're finding a new obstacle," South China Morning Post, July 8 \[Paywall\]](#)

["Tech war: US opposes China's metal export controls, saying they justify supply chain moves," South China Morning Post, July 7 \[Paywall\]](#)

["US says it opposes export controls by China on metals, will consult allies," Reuters, July 6](#)

["China's chipmaking export curbs 'just a start'. Beijing adviser warns before Yellen visit," Reuters, July 6](#)

["U.S. Looks to Restrict China's Access to Cloud Computing to Protect Advanced Technology," The Wall Street Journal, July 4 \[Paywall\]](#)

*Morning Post*, July 13 [Paywall]

["NATO removes Tokyo office mention from joint communique," Nikkei Asia, July 11 \[Paywall\]](#)

["Foreign ministers from Asean, key partners to meet in Jakarta this week," The Strait Times, July 10 \[Paywall\]](#)

["European firms look for footing in China-U.S. spat, French execs say," Reuters, July 10](#)

["NATO's New Focus on China Creates Internal Tension About Mission Creep," The Wall Street Journal, July 8 \[Paywall\]](#)

## What Are We Reading? ↓

- *Reuters*: [“China-US climate progress could hinge on curbing of methane”](#) by Valerie Volcovici and David Stanway (July 17, 2023)
- *The Wire China*: [“Q&A: Kurt Campbell on Talking to China Again”](#) by Bob Davis (July 16, 2023)
- *The New York Times*: [“The U.S. and China Are Restarting Climate Talks: Here’s Where Things Stand”](#) by Lisa Friedman (July 15, 2023) [Paywall]
- *Foreign Affairs*: [“The Upside of U.S.-Chinese Competition: How Institutional Balancing Promotes Stability in Asia”](#) by Kai He (July 14, 2023) [Paywall]
- *The China Project*: [“Cultural boon or abomination? American-Chinese food arrives in Beijing”](#) by Zhao Yuanyuan (July 13, 2023)
- *Foreign Policy*: [“Chinese Scientists Are Leaving the United States”](#) by Christina Lu and Anusha Rathi (July 13, 2023) [Paywall]
- *Nikkei Asia*: [“U.S. big tech won’t shake its China addiction”](#) by Akito Tanaka and Grace Li (July 12, 2023)
- *The New York Times*: [“‘An Act of War’: Inside America’s Silicon Blockade Against China”](#) by Alex W. Palmer (July 12, 2023) [Paywall]
- *Nikkei Asia*: [“US, China should continue talks to avoid tit-for-tat measures”](#) (July 12, 2023)
- *Foreign Affairs*: [“The Myth of Neutrality”](#) by Richard Fontaine (July 12, 2023) [Paywall]
- *South China Morning Post*: [“Tilting towards Washington, has India’s time over China come?”](#) by Shi Jiangtao (July 11, 2023) [Paywall]
- *The Wall Street Journal*: [“Bidenomics: Chinese Capitalism With American Characteristics”](#) by Scott Hodge (July 11, 2023) [Paywall]
- *The Wall Street Journal*: [“Despite Yellen, U.S.-China Decoupling Has Momentum of Its Own”](#) by Nathaniel Taplin (July 10, 2023) [Paywall]
- *The New York Times*: [“Biden Bets High-Level Diplomacy Can Cool Fiery Relations With China”](#) by Edward Wong, Keith Bradsher and Alan Rappeport (July 10, 2023) [Paywall]
- *The Messenger*: [“China Puts Out Welcome Mat for Some Americans, Keeps Door Shut for Others”](#) by Lili Pike (July 10, 2023)
- *Reuters*: [“In China, the Era of Western Carmakers Is Over”](#) by Yuko Kubota and Selina Cheng
- *The Washington Post*: [“Will China overtake the U.S. on AI? Probably not. Here’s why.”](#) by Meaghan Tobin (July 9, 2023) [Paywall]
- *The New York Times*: [“China and the U.S., Still Adversaries, Are Talking. That’s a Start.”](#) by Alan Rappeport and Keith Bradsher (July 9, 2023) [Paywall]
- *The New York Times*: [“One Reason the U.S. Can’t Quit China? Chips.”](#) by Ana Swanson (July 8, 2023) [Paywall]
- *The Wall Street Journal*: [“China Controls Minerals That Run the World—and It Just Fired a Warning Shot at U.S.”](#) by Jon Emont (July 7, 2023) [Paywall]
- *The New York Times*: [“The Contentious U.S.-China Relationship, by the Numbers”](#) by Ana Swanson (July 7, 2023) [Paywall]
- *The Washington Post*: [“How America can exploit China’s brain drain”](#) by Catherine Rampell (July 6, 2023) [Paywall]
- *Bloomberg*: [“The US Is Building Factories Again, But Who Will Work There?”](#) by Mackenzie Hawkins and Reade Pickert (July 6, 2023) [Paywall]
- *Bloomberg*: [“China Should Welcome Yellen With Open Arms”](#) by Minxin Pei (July 4, 2023) [Paywall]
- *The Economic Times*: [“In its tech war with America, China brings out the big guns”](#) by The Editorial Board (July 4, 2023) [Paywall]

## What's Happening Around Town?

### - Past Events -

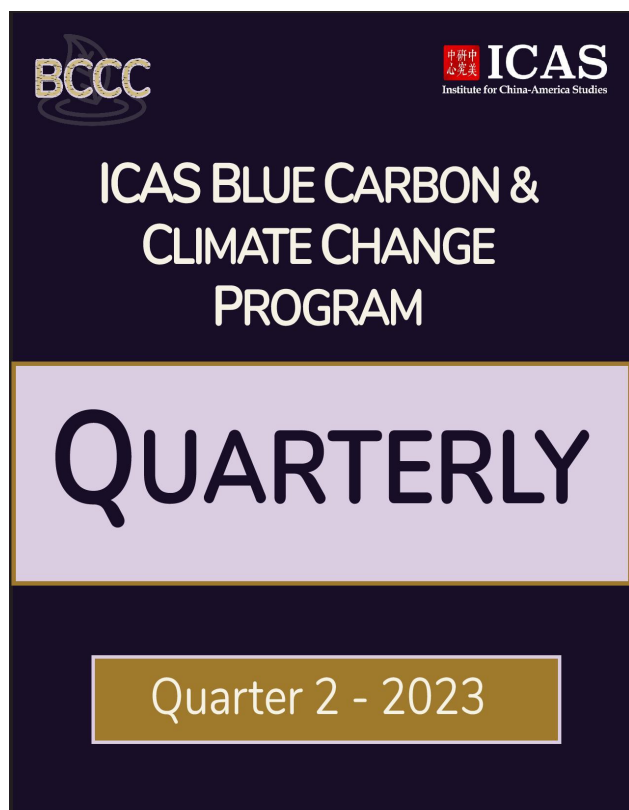
- [Has China Peaked? A Debate.](#)  
July 14 hosted by *Foreign Policy*
- [Risky Business: Growing Peril for American Companies in China](#)  
July 13 hosted by House Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party
- [No Water, No Food – Glacier Loss Threats to US and Chinese Agriculture](#)  
July 13 hosted by Wilson Center
- [The Effects of Geopolitics and Data Regulations on MNCs' China Outlook](#)  
July 12 hosted by The US-China Business Council
- [US-China Technology Competition: Decoupling and De-risking](#)  
July 12 hosted by International Institute for Strategic Studies
- [Electric Vehicle Webinar 2023](#)  
July 11 hosted by The China Project
- [Chinese Law and US-China Relations: A Conversation with Professor Jerome Cohen](#)  
July 10 hosted by The US-China Business Council
- [How to Reset the U.S.-China Relationship](#)  
July 7 hosted by *Foreign Policy*

### - Upcoming Events -

- [How to Reset the U.S.-China Relationship](#)  
July 20 hosted by *Foreign Policy*
- [China's "Transnational Repression" against Americans' First Amendment Freedoms](#)  
July 20 hosted by Hudson Institute
- [A Conversation on the Indo-Pacific Economic Framework with Secretary of Commerce Gina Raimondo](#)  
July 25 hosted by Wilson Center
- [Us-China Proximate Military Operations In The Maritime, Air, And Space Domains](#)  
July 26 hosted by Brookings
- [Library & Archives Summer Workshop 2023 | Modern China and Taiwan](#)  
July 31 hosted by Hoover Institution

## What ICAS Is Up To

---BCCC Quarterly Release---



Released the first week of every new quarter, the BCCC Quarterly is a magazine-style newsletter that records the most important trends and developments regarding blue carbon and climate change policies and regulations in China, the U.S., and other regions, as well as international regimes such as the United Nations. It also includes two special sections — the ‘Theme of the Quarter’ and the ‘Blue Carbon Country Profile’ — that aim to bring a fresh element to each issue.

The Theme of the Quarter was written by ICAS Research Assistant Intern Skyler Standridge and was written on Electric Vehicle Popularization.

The Blue Carbon Country Profile of Quarter 2, 2023, on Indonesia, was written by ICAS BCCC Research Assistant Zhangchen Wang.

[View the Full 2023 Q2 BCCC Quarterly](#)

[Explore the ICAS Blue Carbon & Climate Change Program](#)

[Learn More About the 2023 Quarter 2 Publication](#)

---L.E.A.D. Project Legislative Brief---

### 118th Congress on the Move on China in its First Few Months

July 12, 2023

By Yilun Zhang and Amanda Jin

When the 118th Congress convened on January 3, 2023, there was solid bipartisan consensus in Congress and in Washington to primarily view the U.S.-China relationship through the lens of strategic competition. Despite the fact that the Biden administration’s approach on China has been through multiple phases of development, the eventual framework of “invest, align, and compete” defined the general trajectory of the U.S.-China relationship. The 118th Congress has inherited where the 117th Congress ended on China—with the then-Speaker of the House Nancy Pelosi visiting Taiwan and stirring up an intensive bilateral diplomatic and security showdown as well as the passage of the “China competition bill,” formally referred to as the Strategic Competition Act of 2021. Therefore, the 118th Congress wasted no time beginning their search to develop America’s new approach to outcompete China.

Within this consensus to outcompete China, congressional leadership encouraged many lawmakers to not only make China a legislative priority, but also to look beyond the traditional areas and typical means to enhance American leadership. Soon after the midterm election, held in November 2022, then-Minority Leader, now-Speaker of the House Kevin McCarthy announced plans to establish a [special committee on China](#), calling for and successfully receiving bipartisan support to prioritize China as a long-term challenge of American leadership and interests. In the Senate, key lawmakers in both parties similarly highlighted the [U.S.-China strategic competition](#) and named China as a [legislative priority](#). Notably, the strategic competition with China has become a rare case of bipartisan and bicameral unison at a time when lawmakers regularly clash over other issues such as debts and budgets.



This rise in attention is evident from a numerical standpoint alone. From January to April 2023, the 118th Congress introduced more than 250 bills related to China; a clear increase compared to the 130 introduced over the first four months of the 117th Congress. With a shared understanding of China's importance and Congress' strategic objective on China, lawmakers have been more active than ever on issues ranging from trade, national security and sanctions to human rights, democratic values, Taiwan, and China's global influence.

[View the L.E.A.D. Legislative Brief](#)

[Read L.E.A.D. Executive Directory Counterpart](#)

[Learn More About the L.E.A.D. Project](#)

### ---Academic Engagement---

#### **Executive Director Dr. Nong Hong speaks at the 2023 DILA-KOREA and ICIS Roundtable on East Asian States' Potential Leadership**

June 15, 2023

On June 15, 2023 [JST], ICAS Executive Director & Senior Fellow Dr. Nong Hong participated as a panelist in the 2023 DILA-KOREA and ICIS Roundtable, which focused this year on 'East Asian States' Potential Leadership'. Dr. Hong spoke virtually in Session 1: East Asia and Geopolitical Competition in the Indo-Pacific Region.

[Learn More About the Conference & View the Full Agenda](#)

### ---Commentary---

#### **Settling robust US–China guardrails after Blinken's and Yellen's China visits**

By Sourabh Gupta

July 27, 2023

In June 2023, four months after a [wayward surveillance balloon](#) blew his impending visit off course, US Secretary of State Antony Blinken visited Beijing to set about erecting the 'guardrails' US President Joe Biden and Chinese President Xi Jinping envisaged in Bali in November 2022. He was followed in early July by Treasury Secretary Janet Yellen. The United States and China may be close to stabilising their rocky relationship — an opportunity they must not pass up.

The Biden administration's [strategy on China](#) has been to invest in domestic competitiveness, align efforts with a network of allies and partners and, harnessing these assets, compete with China. The administration has also sought to isolate China via the Summit for Democracy, Quad and Indo-Pacific Economic Framework, and through bodies such as the G7. Having incentivised or leaned on allies to [chip away](#) at their relationships with China, Washington now seeks to establish a 'floor' under its own working relations with Beijing...

[Link to Full Post](#)

### ---ICAS In the News---

On Friday, July 7, 2023, Senior Fellow Sourabh Gupta [discussed](#) Treasury Secretary Yellen's visit to Beijing on CGTN's World Insight.

- "The expectation is that the ties will warm up and that the lines of communications and the channels of communication will be depend and that this will be a stepping stone for greater understanding between the two sides and hopefully that there will be more deliverables down the way particularly with the meeting with President Xi and the meeting with President Biden hopefully taking place in San Francisco at the end of the year."
- "I think that it is a third goal which can be fundamentally moved forward I think there is a congruence of views on both sides with regard to the macroeconomic issues be it with regard to enhancing the lending capacity of the multilateral development banks towards say climate change as well as working



together in terms of reducing debt distress in some of the poorer countries on those issues. There's views that are of exactly conjoined for the two sides it's not harmonious but there is space for the two sides to construct bargains."

- "She (Secretary Yellen) is very good, and if she had been in the Obama Administration she would have made a terrific treasury secretary, but, remember that just one week after her speech at John Hopkins Mr Sullivan gave a very important speech also at Brookings which was titled "Foreign And Trade Policy for the Middle Class" and it has five pillars; modern industrial policy, we've seen that in the chips and in the inflation reduction act which as to exclude China, Cooperation with Like Minded Partners; essential a means to isolate China, he talked about moving away from Traditional Trade Agreements to New International Partnerships which isolate China, he talked in terms of technology protection which was also directed at China. The only pillar that he talked about China in an area of congruence was in terms of repurposing the multilateral development banks and tackling climate change."

On Thursday, July 6, 2023, Senior Fellow Sourabh Gupta was [quoted](#) in the *Associated Press* on Treasury Secretary Yellen's impending visit to Beijing

- "Sourabh Gupta, a senior Asia-Pacific international relations policy specialist at the Institute for China-America Studies in Washington, said the U.S. argument that targeted restrictions are coming from a national security standpoint and not an economic competitiveness one isn't expected to convince the Chinese government but may provide further assurances that more communication between the countries is desired."
- "It does help create a certain reassurance that at least the U.S. is looking for a good relationship..."

On Wednesday, July 5, 2023, Research Associate Jessica Martin was [quoted](#) in *International Business Times* on U.S. participation in the World Artificial Intelligence Conference.

- "Given how several of these same firms were 'strategic partners' at past WAICs, and how the content, participation list, speakers and such were likely determined by the hosts (who are Chinese government ministries), the decline in U.S. company sponsorships for the WAIC indicates, at the very least, a wariness by these Chinese government ministries in allowing U.S. companies to be on the same level as their own domestic companies,"
- "The decline could also be potentially rooted in U.S. companies rejecting opportunities to be sponsors, perhaps out of concerns for security or public image, but that appears to be less likely given how several of these companies' CEOs have already made public efforts to travel to China and meet with Chinese leaders over the last few weeks,"
- "Real trust takes time to build but is easily lost; both in politics and in industry. International conferences can be used to both gain and lose that trust, and government policies can block that path, both directly and indirectly,"

On Wednesday, July 5, 2023, Senior Fellow Sourabh Gupta was [quoted](#) in the *South China Morning Post* on Xi Jinping's Global Civilization Initiative and soft power.

- "The aim seemingly here is to suggest that China's rise will not follow the beaten path of the Western powers, and that Beijing cherishes and advocates for the diversity of world civilisations. It is not so much an anti-Western message as it is a non-Western message to those interested in lending an ear,"
- "The GCI narrative will not sway countries markedly one way or the other. The civilisational dialogue theme is a tried-and-tested one and runs up against a certain [low] ceiling in terms of its resonance."
- "Westerners have neither the curiosity nor the inclination to parse these highly conceptual utterances, especially beyond economic policy measures, and I doubt they will provide a platform for engagement and contestation in a 'narrative war'."



# The ICAS Bulletin

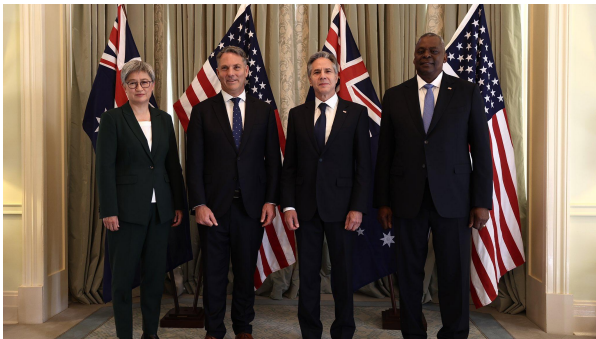
## Institute for China America Studies

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

August 2, 2023

#### What's Going On?

##### Rising Tensions Create New Concerns For Bilateral Cooperation



U.S. Secretary of State Antony Blinken and Defense Secretary Lloyd Austin alongside Australian Senator Penny Wang and Deputy Prime Minister Richard Marles on July 29, 2023. (Source/Credit: @SenatorWong via Twitter)

- Pew Research released the results of a recent poll asking Americans which country they believe to be the greatest threat to the U.S.; 50% of the participants named China.
- U.S. and European officials are growing increasingly concerned about China's push into producing older-generation semiconductors, which have not been sanctioned, following the White House's implementation of controls over the industry making newer models.
- Analysts believe that, under China's current business standards, China should be able to enter into the trans-Pacific trade pact, but due to political turmoil it is preventing them from entering.
- U.S. Treasury Undersecretary Jay Shambaugh reaffirmed the Biden administration's unwavering plans to utilize targeted actions against China to defend human rights, and U.S. and allied security interests.
- U.S. Secretary of State Antony Blinken has continued to urge the Chinese government to seek methods with North Korea to rein in their hostile nuclear program, saying that if China continues to not take action to decrease North Korean aggression, the U.S. will take action. Meanwhile, analysts predict several potential geopolitical shifts in East Asia related to China's decision on North Korea.

##### New Technology Controls Plague Bilateral Trade



A drone from Chinese-owned brand DJI flying with a mountain backdrop. (Source/Credit: Sébastien Bourguet via Unsplash)

- Chinese technology companies are struggling to combat the increasing import restrictions placed on them from the U.S. and allies, and as a result are facing economic and production challenges.
- U.S. microchip manufacturer Intel has decided to increase its business in China by opening a new innovation hub located in Shenzhen.
- The Biden administration is planning to further limit U.S. technological investments in mainland China with new controls set to be released in mid-August.
- The U.S. government is looking to hunt down and remove Chinese spyware that they believe to be located within power infrastructure that feeds power to U.S. military bases both within the U.S. and abroad.
- On July 26, the United States' FBI released warnings about Chinese companies stealing U.S.-developed AI technologies, and utilizing them for their own gains.
- U.S. Secretary of Commerce Gina Raimondo stated that the Biden administration's new restrictions on Chinese imports and exports will result in loss of revenue for some U.S. firms, but that the administration believes the controls to be "worth it."
- TikTok has begun to plan a new aspect of the app to include e-commerce and selling Chinese-produced goods

- Secretary Blinken visited the Indo-Pacific to open a new Tongo embassy and to reaffirm U.S. connections to allied partners New Zealand and Australia as Chinese influence continues to rise in the region.
- The U.S. State Department has endorsed a report by the special rapporteur of human rights, stating that China has been exporting arms to Myanmar's military which was subsequently used to assist and arm the 2021 coup.
- The Chinese government has agreed to use countermeasures following CIA Director William Burns' statement that the agency was rebuilding spy networks within mainland China.
- The Chinese spy balloon that flew over the U.S. in February has exposed serious shortcomings within the surveillance defense system according to General Glen VanHerck, head of NORAD.
- U.S. Ambassador to China Nicholas Burns, along with hundreds of thousands of U.S. government emails, fell victim to high-profile hacking from Chinese hackers who accessed email accounts and private documents.
- Recent U.S. visits to China have come under scrutiny following the review of the Chinese balloon incident from congressional officials.

*Associated News Sources:*

["Biggest hurdles to China entry into trans-Pacific trade pact are political," Reuters, July 31](#)

["US, Europe Are Growing Alarmed by China's Rush Into Legacy Chips," Bloomberg, July 21 \[Paywall\]](#)

["Half of Americans polled see China as the biggest threat to the U.S., says Pew Research," CNBC News, July 27](#)

["US willing to take 'targeted' actions against China for national security, Treasury official says," Reuters, July 27](#)

["As US urges China to rein in North Korea, Beijing's reluctance to act could backfire, analysts say," South China Morning Post, July 26 \[Paywall\]](#)

["US Dismisses China's Rejection of UN Accusations of Arms Transfers to Myanmar," VOA News, July 25](#)

["China vows countermeasures after CIA chief William Burns says agency is working to rebuild spy network," South China Morning Post, July 24 \[Paywall\]](#)

["If China fails to intervene in North Korea, US will take action, says Antony Blinken," South China Morning Post, July 22 \[Paywall\]](#)

["Chinese spy balloon exposed gaps in U.S. ability to detect threats, NORAD commander says," NBC News, July 21](#)

["U.S. Ambassador to China Hacked in China-Linked Spying Operation," The Wall Street Journal, July 20 \[Paywall\]](#)

["US diplomacy push after Chinese balloon incident comes under bipartisan fire at House panel," South China Morning Post, July 19 \[Paywall\]](#)

- to American consumers, which will look to compete with the United States-based Amazon company.
- The Chinese government enacted new export curbs on drone equipment in-order to safeguard Chinese national interests.
- High-level officials from large American microchip manufacturing companies encouraged the U.S. government to study the impact of current China import and export controls before enacting new ones.
- On July 17, the CEOs from Intel, Qualcomm, and Nvidia met with Secretary of State Antony Blinken to lobby for less export restrictions on AI microchips going to China.
- U.S. Secretary of Transportation Pete Buttigieg has raised concerns over Chinese autonomous vehicle companies in the U.S., and security concerns following lawmaker statements looking to increase restrictions on their products and software.
- Following the announcement of new Chinese regulations surrounding data laws and restrictions on storing data onshore, Morgan Stanley moved more than 200 technology experts out of China.
- The Biden administration is planning new investment limits on Chinese technology companies that would include China's semiconductor, quantum-computing, and artificial intelligence research.

*Associated News Sources:*

["China's Tech Distress Grows as U.S. Chip Sanctions Bite," The Wall Street Journal, July 31 \[Paywall\]](#)

["Intel's new Chinese chip innovation centre is a collaboration with a Shenzhen district, deepening ties amid US scrutiny," South China Morning Post, July 31 \[Paywall\]](#)

["Biden plans to sign order curbing US tech investments in China by mid-August, Bloomberg reports," Reuters, July 29](#)

["U.S. Hunts Chinese Malware That Could Disrupt American Military Operations," The New York Times, July 29 \[Paywall\]](#)

["FBI Warns About China Theft of US AI Technology," VOA News, July 28](#)

["US commerce chief says China export controls will hit companies' revenue," Reuters, July 27](#)

["TikTok Wants to Sell Made-in-China Goods to Americans," The Wall Street Journal, July 26 \[Paywall\]](#)

["Chip CEOs Urge US to Study Impact of China Curbs and Take Pause," Bloomberg, July 21 \[Paywall\]](#)

["US Tech Leaders Aim for Fewer Export Curbs on AI Chips for China," VOA News, July 20](#)

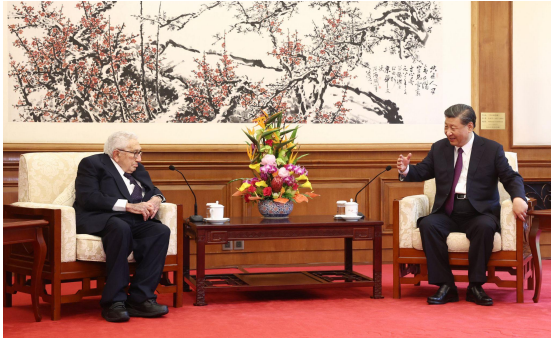
["Chinese autonomous vehicle tech raises concerns, US transportation chief says," Reuters, July 21](#)

["Morgan Stanley Moves 200 Tech Experts From China on Data Law," Bloomberg, July 18 \[Paywall\]](#)

["US Plans Narrow China Tech Investment Limits, Likely by 2024," Bloomberg, July 17 \[Paywall\]](#)



## Diplomatic Efforts are Showcased from Additional High Profile Visits



China's President Xi Jinping (R) speaks with former US secretary of state Henry Kissinger during a meeting in Beijing on July 20, 2023. (Photo by CNS / AFP) / China OUT (Photo by -/CNS/AFP via Getty Images)

- Following the removal of Qin Gang from the Minister of Foreign Affairs post, President Xi Jinping reappointed former Chinese Foreign Minister Wang Yi as the primary person to represent China on the diplomatic world stage. Minister Yi retains a long standing relationship with many current Biden administration officials.
- Secretary Blinken visited the Indo-Pacific to open a new Tongo embassy and to reaffirm U.S. connections to allied partners New Zealand and Australia as Chinese influence continues to rise in the region.
- During a CNN released July 23, U.S. Secretary of State Antony Blinken emphasized his desires to strengthen "lines of communication" and increase stability within the U.S.-China relationship.
- Current White House officials expressed regret regarding Henry Kissinger's successful ability to obtain audiences with China's top ranking officials during his visit despite current Biden administration officials being sidelined. Most notably, Mr. Kissinger received a private audience with Chinese President Xi Jinping and Chinese defense minister Li Shangfu.
- Chinese Foreign Minister Wang Yi applauded Kissinger's visit to Beijing and recommended the United States to employ more "Kissinger-style" China policies.
- U.S. Special Presidential Envoy for Climate John Kerry visited Beijing to increase bilateral cooperation on climate goals, which included a meeting with the Chinese Vice President Han Zheng.
- After Chinese Premier Li Qiang met with U.S. special envoy John Kerry, Chinese President Xi Jinping warned the U.S. that China will commit to its own strategies to reduce carbon emissions rather than following in the path of other nations.

*Associated News Sources:*

["Qin Gang: China foreign minister's removal sparks speculation."](#) BBC News, July 26

## Bilateral Trade Faces New Challenges as Dedollarization Resurfaces



U.S. Dollars and Chinese Yuan lying side by side.  
(Source: Eric Prouzet via Unsplash)

- The U.S. Department of Defense is looking to issue a first-time contract for U.S. or Canadian suppliers to produce gallium. China will soon begin limiting exports on the high-value metal, which is vitally used in microchips and military equipment.
- Chinese state-owned banking institutions were reported seen selling their U.S. dollars to purchase Chinese yuan in offshore and domestic spot markets.
- Chinese RMB has successfully exceeded the U.S. dollar for the number of cross-border transactions from China, topping 49%, with analysts citing more yuan-based trading with partners and a more open capital market.
- The Chinese government has sent notices to law firms asking them to use less volatile language when advising on business risks in China and offshore listing documents, warning that failing to do so may risk their approval for IPOs.
- 2024 Republican Presidential Candidate Nikki Haley recommended American companies have a 'plan B' and American businesses to begin to see China as a security threat rather than an economic competitor.
- The U.S. House Select Committee on the Chinese Communist Party sent a formal letter to Ford regarding their current battery production partnership with Chinese CATL over the companies suspected use of forced labor to make their batteries.
- TSMC (Taiwan Semiconductor Manufacturing Company) has delayed their estimated opening date for their U.S. chip production plant to 2025 due to skilled labor shortages.
- Fast fashion retailers Temu and Shien have entered into a joint lawsuit over U.S. antitrust laws, as both look to dominate the U.S. fast-fashion market. The companies are currently in legal battles in Chicago and Boston federal courts. The two retailers have also attempted to better remove themselves from possible Chinese trade controls by moving their headquarters and distancing themselves from their original Chinese companies.

["US-China ties loom large as Blinken readies a rapid Asia-Pacific return with tour of Tonga, New Zealand, Australia,"](#) *South China Morning Post*, July 25 [Paywall]  
["China's New Foreign Minister Wang Yi Has Longstanding Ties With US Counterparts,"](#) *Bloomberg*, July 25 [Paywall]  
["Blinken says US is 'working to put some stability' into relationship with China,"](#) *CNN News*, July 23  
["White House regrets Kissinger had better access in Beijing than current US officials,"](#) *Reuters*, July 21  
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["US, China to work 'intensively' on climate issues in weeks ahead,"](#) *Al Jazeera*, July 19  
["Kerry Meets China Vice President After Xi Sends Climate Warning,"](#) *Bloomberg*, July 18 [Paywall]  
["Kissinger Meets Top Officials in China and Gets a Warm Greeting,"](#) *The New York Times*, July 18 [Paywall]  
["Xi Says China to Decide Its Own Path to Reduce Carbon Emissions,"](#) *Bloomberg*, July 18 [Paywall]

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["China-Founded Rivals Shein and Temu Ramp Up War for American Shoppers,"](#) *The Wall Street Journal*, July 30 [Paywall]  
["Pentagon Seeks Supply of Chip-Mineral Gallium After China Curbs Exports,"](#) *Bloomberg*, July 26 [Paywall]  
["China state banks seen selling US dollars to prop up yuan -sources,"](#) *Reuters*, July 25  
["Yuan exceeds dollar in China's bilateral trade for first time,"](#) *Nikkei Asia*, July 24 [Paywall]  
["Exclusive: Beijing pushes for toning down of China risks in IPO prospectuses,"](#) *Reuters*, July 24  
["Nikki Haley: 'Every company needs to have a Plan B' on China,"](#) *CNBC News*, July 24  
["Lawmakers Challenge Ford and Chinese Battery Partner Over Forced Labor,"](#) *The New York Times*, July 21 [Paywall]  
["TSMC delays U.S. chip plant start to 2025 due to labor shortages,"](#) *Nikkei Asia*, July 20  
["Fast-fashion retailer Temu sues rival Shein over US antitrust law,"](#) *Reuters*, July 18

## Taiwanese Presidential Frontrunner Causes New Worries



Taiwanese Vice President William Lai speaking on May 18, 2023.  
 (Source/Credit: Taiwan Presidential Office via Flickr, Creative Commons Attribution 2.0 Generic)

- The United States has announced a new US\$345 million package to increase their military support for Taiwan. The package includes draws from American stockpiles, including man-portable air defense systems, and surveillance technologies. In response, the Chinese government has accused the U.S. of making Taiwan an "ammunition depot" and has claimed the new funding and resources will not create any deterrent in China's will to unify the island.
- Taiwan's Vice President, William Lai, an increasingly likely candidate for the January Taiwanese presidential elections, has planned to make stops in the U.S. during his planned visit to Paraguay.
- The Chinese government has accused William Lai of, "betraying the totality of the Chinese nation," in a written op-ed from the Chinese embassy in D.C. The op-ed additionally stated that William Lai would "sell out

## - In Other News -



Xiao Qi Ji's first birthday party at the National Zoo in Washington, D.C. on August 21, 2021. (Source/Credit: Angela N via Flickr, Creative Commons Attribution 2.0 Generic)

["China Cancels TEDx Event Over Foreign Influence Concerns,"](#) *Bloomberg*, July 31 [Paywall]  
["Meloni, Biden Eye Deeper Ties as Italy Weighs Pivot From China,"](#) *Bloomberg*, July 27 [Paywall]  
["Blinken criticises China's 'problematic behaviour' during visit to Tonga,"](#) *Reuters*, July 26  
["U.S. Woos Pacific Nation Where China Has Stamped Its Mark,"](#) *The Wall Street Journal*, July 25 [Paywall]  
["Western sanctions and distrust draw China, Russia closer in the Arctic,"](#) *South China Morning Post*, July 25 [Paywall]  
["France's Macron Tours South Pacific Where US-China Rivalry is Intensifying,"](#) *VOA News*, July 24  
["U.S. Weighs Potential Deal With China on Fentanyl,"](#) *The Wall Street Journal*, July 24 [Paywall]  
["Six Bubble Tea Chains Plan IPOs in Bet on China Consumer Revival,"](#) *Bloomberg*, July 24 [Paywall]  
["Mutual distrust': the message in the US funding cut for China's Wuhan Institute of Virology,"](#) *South China Morning*



Taiwan to the U.S.” and related him to an American patron.  
 - The director of the American Institute in Taiwan, Sandra Oudkirk, stated that the U.S. hopes there are no Chinese provocative actions following William Lai’s visits to the U.S.

*Associated News Sources:*

[“US announces \\$345 million military aid package for Taiwan,” AP News, July 30](#)  
[“China says US military aid to Taiwan will not deter its will to unify the island,” AP News, July 30](#)  
[“China accuses U.S. of turning Taiwan into ‘powder keg’ after White House announces new military aid package,” CNBC News, July 30](#)  
[“New Taiwan weapons package to be announced soon, US officials say,” Reuters, July 28](#)  
[“Taiwan VP’s US Transit to Test Already Tense China-US Ties,” VOA News, July 22](#)  
[“Beijing says Taiwan presidential hopeful William Lai will sell out the island to the US,” South China Morning Post, July 19 \[Paywall\]](#)  
[“US hopes China won’t take ‘provocative’ action over transit stops by Taiwan VP,” Reuters, July 19](#)  
[“Taiwan presidential candidate plans US stop, drawing China’s ire,” Al Jazeera, July 17](#)

*Post, July 23 [Paywall]*  
[“The Smithsonian’s Pandas Are \(Probably\) Celebrating Their Last Birthdays in D.C.,” DCist, July 21](#)  
[“U.S. Bans Students From China’s Military-Linked Universities. Its Ally Japan Welcomes Them.,” The Wall Street Journal, July 21 \[Paywall\]](#)  
[“China says US is dumping critical chemical into domestic market, undercutting industry,” South China Morning Post, July 21 \[Paywall\]](#)  
[“US chip curbs are scaring venture capital firms from Chinese AI start-ups, but not us, says BlueRun Ventures China,” South China Morning Post, July 21 \[Paywall\]](#)  
[“Xi Turns to Former Philippine Leader as Marcos Embraces US,” Bloomberg, July 19 \[Paywall\]](#)  
[“Florida ban on property purchases by citizens of China and some other countries is challenged,” AP News, July 19](#)

## What Are We Reading? ↓

- *Reuters*: [“Biggest hurdles to China entry into trans-Pacific trade pact are political”](#) by Lucy Craymer and Joe Cash (July 31, 2023)
- *The Wire China*: [“What the Qin Gang Episode Tells Us”](#) by Victor Shih (July 30, 2023) [Paywall]
- Center for Strategic & International Studies: [Analyzing China’s Escalation after Taiwan President Tsai’s Transit through the United States](#) by Bobby Lin, et. al. (July 29, 2023)
- *The Washington Post*: [“It takes two to tango. But does China want to dance?”](#) by Fareed Zakaria (July 27, 2023) [Paywall]
- *CNBC News*: [“What Qin Gang’s disappearance means for U.S.-China relations”](#) by Evelyn Cheng (July 27, 2023)
- *The Washington Post*: [“U.S. and China battle for influence in Pacific island nations”](#) by By Michael Birnbaum and Rachel Pannett (July 26, 2023) [Paywall]
- Council on Foreign Relations: [“Qin Gang’s Removal Puts the Focus on Xi Jinping’s Leadership”](#) by Ian Johnson (July 26, 2023)
- *Foreign Affairs*: [“Why America Forgets—and China Remembers—the Korean War”](#) by Mike Gallagher and Aaron MacLean (July 26, 2023) [Paywall]
- *Nikkei Asia*: [“Analysis: Did rocky China-U.S. ties doom Qin Gang as foreign minister?”](#) by Katsuji Nakazawa (July 26, 2023) [Paywall]
- *The New York Times*: [“The Ongoing Mystery of Covid’s Origin”](#) by David Guzman (July 25, 2023) [Paywall]

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- Center for a New American Security: [“U.S.-China Competition and Military AI”](#) by Jacob Stokes, Alexander Sullivan and Noah Greene (July 25, 2023)
- *The Hill*: [“After 50 years and 100 trips to China, Kissinger should visit democratic Taiwan”](#) by Joseph Bosco (July 25, 2023)
- Center for a New American Security: [“Technology Competition: A Battle for Brains”](#) by Sam Howell (July 24, 2023)
- *The Wall Street Journal*: [“Chinese Money Flees the Western World”](#) by Stella Yifan Xie and Jason Douglas (July 24, 2023) [Paywall]
- *Foreign Affairs*: [“The Illusion of Great-Power Competition”](#) by Jude Blanchette and Christopher Johnstone (July 24, 2023) [Paywall]
- *The Washington Post*: [“Pro-China influence campaign infiltrates U.S. news websites”](#) by Cate Cadell, Tim Starks, and David DiMolfetta (July 24, 2023) [Paywall]
- *Bloomberg*: [“What Comes Next as China’s Tech Crackdown Winds Down”](#) by Zheping Huang, Jane Zhang, and Sarah Zheng (July 23, 2023) [Paywall]
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- *Foreign Policy*: [“The Real Consequences of U.S.-China Decoupling”](#) by FP Contributors (July 23, 2023) [Paywall]
- *South China Morning Post*: [“Where in the world is Qin Gang, and why it matters to US-China diplomacy”](#) by Mark Maginer (July 22, 2023) [Paywall]
- *POLITICO*: [“Why Kissinger Went to China — Again”](#) by Daniel W. Drenzer (July 21, 2023)
- *The Wall Street Journal*: [“Untangling the U.S. From China’s Economy Is Messy”](#) by Andrew Duehren (July 21, 2023) [Paywall]
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- The China Project: [“What the U.S. looked like to an early 20th-century Chinese diplomat”](#) by Paul French (July 20, 2023)
- *The Economist*: [“Can academic joint ventures between China and the West survive?”](#) (July 20, 2023) [Paywall]
- Center for a New American Security: [“Biden Needs to Deal with China’s Ever-Closer Ties to Iran”](#) by Arona Baigal and Kiana Alirezaie (July 19, 2023)
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- *The New York Times*: [“U.S. and China on Climate: How the World’s Two Largest Polluters Stack Up”](#) by Lisa Friedman (July 19, 2023) [Paywall]
- *The Washington Post*: [“Washington and Beijing are talking again. Good.”](#) by The Editorial Board (July 19, 2023) [Paywall]
- *CNN Business*: [“Shein and Temu’s battle for US bargain shoppers is getting nasty”](#) by Michelle Toh (July 19, 2023)
- Hoover Institution: [“Silicon Triangle: The United States, Taiwan, China, and Global Semiconductor Security”](#) by Larry Diamond, Adm. James O. Ellis Jr., USN (Ret.), and Orville Schell (July 18, 2023)
- *Financial Times*: [“The old approach to US-China relations no longer works”](#) by Stephen Roach (July 18, 2023) [Paywall]
- *The Wall Street Journal*: [“The U.S. Can Help Ukraine and Deter China”](#) by Michael Allen and Connor Pfeiffer (July 18, 2023) [Paywall]
- *Foreign Affairs*: [“The Treacherous Silicon Triangle”](#) by Larry Diamond, Jim Ellis, and Orville Schell (July 17, 2023) [Paywall]
- *South China Morning Post*: [“US chip war on China weaponises interdependence, but the outcome is far from certain”](#) by Andrew Sheng (July 15, 2023) [Paywall]
- IISS: [“Asia-Pacific Regional Security Assessment 2023”](#) (June 2023)

## What's Happening Around Town?

### - Past Events -

- [Book Launch: Beijing Rules: How China Weaponized Its Economy to Confront the World](#)  
August 1 hosted by Center for Strategic & International Studies
- [Library & Archives Summer Workshop 2023 | Modern China and Taiwan](#)  
July 31 hosted by Hoover Institution
- [US-China proximate military operations in the maritime, air, and space domains](#)  
July 26 hosted by Brookings
- [A Conversation on the Indo-Pacific Economic Framework with Secretary of Commerce Gina Raimondo](#)  
July 25 hosted by Wilson Center
- [Renewing America's Compacts in the Pacific: A Conversation with Ambassador Joseph Y. Yun](#)  
July 20 hosted by Heritage Foundation
- [How to Reset the U.S.-China Relationship](#)  
July 20 hosted by *Foreign Policy*
- [China's "Transnational Repression" against Americans' First Amendment Freedoms](#)  
July 20 hosted by Hudson Institute

### - Upcoming Events -

- [Securing American Competitiveness: The Importance of Critical Supply Chains in Strategic Rivalry with China](#)  
August 2 hosted by Hudson Institute
- [China's Future Naval Bases: New Empirical Data Points to Likely Places](#)  
August 15 hosted by The Heritage Foundation
- [De-Risk of the U.S.-China Relationship](#)  
August 16 hosted by United States Heartland China Association and University of Missouri-St. Louis
- [Ocean Nations: 3rd Annual Indo-Pacific Islands Dialogue](#)  
September 18 hosted by Carnegie Endowment for International Peace

## What ICAS Is Up To

### ---ICAS Blog Post---

#### **Event Summary: Dennis Wilder on Stabilizing U.S.-China Relations**

*By Amanda Jin  
July 19, 2023*

On June 28, 2023, [Paul Haenle](#), the Maurice R. Greenberg Director's Chair at the Carnegie Endowment for International Peace, sat down with [Dennis Wilder](#), a senior fellow for the Initiative for U.S.-China Dialogue on Global Issues at Georgetown University, to discuss [Mr. Wilder's opinion on stabilizing the U.S.-China relations](#). The discussion occurred shortly after U.S. Secretary of State Blinken concluded his visit to China and before U.S. Secretary of the Treasury Janet Yellen's trip to China. The event is the third of Carnegie China's Distinguished Speakers Series.

When asked about his thoughts on Secretary Blinken's visit to China, Wilder noted that the visit occurred at a time when both the United States and China felt that the relationship reached a point of "dangerous" downward spiraling. According to Wilder, both sides showed interest in setting the floor for stabilizing the bilateral relationship, but it is a thin, fragile floor and just a beginning step...

[Link to Full Post](#)



---ICAS Blog Post---

**Event Summary: How to Reset the U.S.-China Relationship, Foreign Policy**

By Jessica Martin

July 28, 2023

On July 20, 2023, Foreign Policy Editor-in-Chief Ravi Agrawal sat down with U.S. Democratic Congressman Ro Khanna live to discuss [“How to Reset the U.S.-China Relationship.” Ro Khanna](#), Representative in the U.S. House for the 17th District of California since 2017, is also a member of the Select Committee on the Strategic Competition between the United States and the Chinese Communist Party and serves on the House Armed Services Committee, among other positions. This 50-minute virtual interview was streamed live on the Foreign Policy website to subscribers. The full recording is available to Foreign Policy subscribers.

Throughout the event, Ravi Agrawal presented a series of questions to Rep. Ro Khanna, to which Rep. Khanna directly replied. The majority of the questions were directly inspired by recent events, such as Rep. Khanna’s public [remarks at Stanford’s Hoover Institution](#) in late April, the recent string of U.S. diplomatic visits to China by secretaries like Antony Blinken and Janet Yellen, and the state visit to Washington by India’s Prime Minister Narendra Modi happening that same week. Based on his consistent use of historical case studies as reference throughout the discussion, Rep. Khanna appears to be constantly analyzing the current issue of ‘resetting’ U.S.-China relations through the larger lens of historical precedent, searching for how the successful cases of the past can be applied to today...

[Link to Full Post](#)

---ICAS In the News---



On Thursday, July 27, 2023, Senior Fellow Sourabh Gupta [discussed](#) the recent UN report on the global public debt on CGTN America’s *The Heat*.

- “I think it is a case of arrested development, countries maintain huge sums of money in terms of their interest payments that they cannot invest in their own countries, coming back to that question of colonialism that you just talked about, that itself sought to offer us development where countries were not able to did not have agency over their own destinies, and in a sense this sort of debt crisis is also limiting countries in terms of the agency that they have to develop themselves. It can have long lasting consequences as we know I mean young healthy children and well educated children are fundamental to the long-term trajectory of a country’s economic potential and if folks can’t go to school because they have to pay off debt it is a very serious matter. Frankly, what we need to be looking at are things like write-offs out here, not just restructuring but really write-offs and this brings and focuses the discussion on important areas which I don’t think get talked about enough.”

On Thursday, July 27, 2023, Senior Fellow Sourabh Gupta [discussed](#) China’s first half economic data and economic prospects ahead on CGTN’s *The Point*.

- “Their not particularly fair assessments, it’s a glass half full a glass half empty situation and they’ve been making the pessimistic assumption that there are certain headwinds that China is facing cyclical headwinds and larger broader structural reforms that are necessary. I think that China has enormous potential for growth, frankly, it’s seen in the like of its larger modernization program. I think we’re just about two thirds the distance to China’s modernization and there is about three decades more to go.”



# The ICAS Bulletin

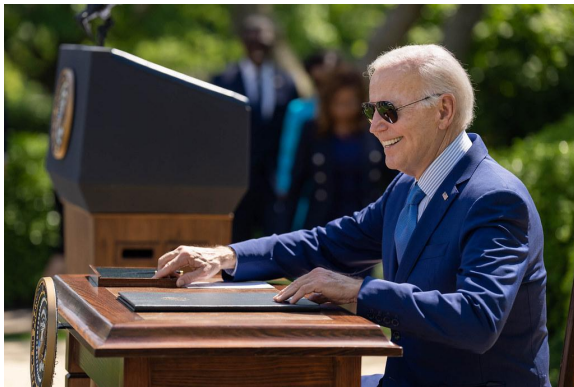
## Institute for China America Studies

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

August 16, 2023

#### What's Going On? ↓

##### New White House Order Drives Questions in Technology Fields



President Joe Biden signs an Executive Order "Revitalizing Our Nation's Commitment to Environmental Justice for All", Friday, April 21, 2023, in the Rose Garden of the White House.

(Official White House Photo by Adam Schultz, Public Domain)

- On August 9, U.S. President Joe Biden signed an executive order on "Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern."
- The order, regarded by many as two years in the making, largely aims at restricting investment in China in high-tech industries, especially those of semiconductor chips, quantum computing, artificial intelligence, and other technologies with potential military applications. It has been described as aiming to "protect national security and prevent U.S. capital and expertise from aiding China's military modernization."
- Alongside the executive order, the U.S. Department of Treasury released an accompanying 46-page "advanced notice of proposed rule-making," which firms and stakeholders have 45 days to comment on.
- On August 10, the Chinese Foreign Ministry released a statement that it has "serious concerns" regarding the executive order and "reserves the right to take measures" in response. The Foreign Ministry also demanded Washington "immediately revoke its erroneous decision"

##### Other Parties in Play Amidst Tensions Between Washington and Beijing



Taiwanese Vice President Lai Ching-te's delegation to the inauguration of President Santiago Peña Palacios of the Republic of Paraguay arrives at New York on a transit stop en route to Paraguay on August 13, 2023.

(Source: Taiwan Presidential Office/Handout)

- On August 15, Taipei said it has not seen large-scale military exercises or actions from the PLA, which they had openly prepared for after China condemned Taiwanese Vice President William Lai's brief stopover in the U.S. on his way to Paraguay.
- Taiwan's Vice President Lai said during his transit through the U.S. on August 13 that Taiwan will never back down in the face of growing threats from China.
- China condemned Taiwan Vice President William Lai's transit through the U.S., with Beijing calling him a separatist and "troublemaker through and through" and stating that China will take strong steps to defend its sovereignty.
- While the United Arab Emirates remains an ally of the U.S., its leader's increasing visits to both Russia and China, new joint military exercises with China, and inflows of Russian oil, money and gold are drawing heavy questions on its alliance status with the U.S.
- On August 7, U.S. President Biden signed legislation to implement the U.S. and Taiwan's "21st Century" trade initiative, noting that he would pay attention to sections

and accused the Biden administration of reaching for “technology hegemony.”

- Several observers, both in the private and public sectors, have expressed concerns of the vague, “ambiguous” nature of the order and the accompanying notice of rules by the Department of Treasury.
- U.S. investors in particular have expressed worries regarding China’s potential retaliation or removal from the U.S. market due to the executive order, including but not limited to China restricting its own exports of rare earth minerals vital in high-end technologies.

*Associated News Sources:*

[“New US tech restrictions on China have investors wary, watching for retaliation,” Fox Business, August 13](#)  
[“US investors flag retaliation risks after Biden's China tech curbs,” Reuters, August 11](#)  
[“New US Rule on China Investments Creates ‘Agony’ of Ambiguity,” Bloomberg, August 10 \[Paywall\]](#)  
[“China accuses US of trying to block its development and demands that technology curbs be repealed,” AP, August 10](#)  
[“Biden issues an executive order restricting US investments in Chinese technology,” AP, August 10](#)

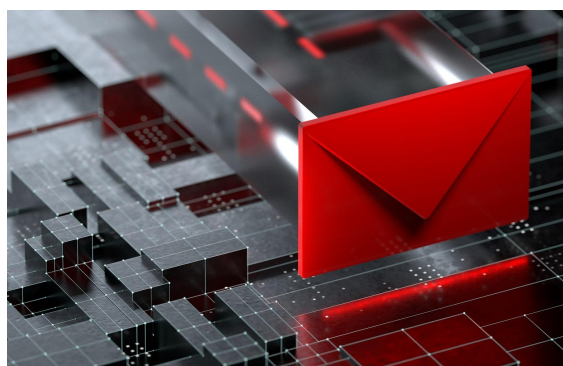
that “raise constitutional concerns.”

- During the first week of August, U.S. and Mongolian officials discussed “creative ways” to export Mongolian rare earths to the world market without depending on goodwill from its only two neighbors: Russia and China.
- A bipartisan group of U.S. senators proposed legislation to establish national security councils in the strategic Pacific island nations important to U.S. military installations to protect them from espionage and coercion from China.

*Associated News Sources:*

[“Taiwan sees no Chinese military response to VP's US trip,” Reuters, August 15](#)  
[“Taiwan will ‘never back down’ to China threats, island’s presidential hopeful says during US transit,” CNN, August 14](#)  
[“China criticizes visit of ‘troublemaker’ Taiwan VP to US,” Reuters, August 13](#)  
[“An Oil-Rich Ally Tests Its Relationship With the U.S.,” The New York Times, August 8 \[Paywall\]](#)  
[“Biden signs law implementing first part of U.S. trade pact with Taiwan,” Reuters, August 7](#)  
[“US discussed ‘creative ways’ to help landlocked Mongolia export rare earths, officials say,” Reuters, August 4](#)  
[“US lawmakers back closer coordination with Pacific islands to counter China,” Reuters, August 4](#)

## Suspicious and Investigations Abound



(Source: Getty Images, Royalty-Free)

- Following weeks of investigation, U.S. authorities now suspect that a group of Chinese hackers had breached into not only the email systems of senior Commerce and State department officials but also a member of the Congress House Armed Services Committee.
- On August 11, Beijing announced that a 52-year old worker at a Chinese military industrial group was detained for selling military secrets to the CIA.
- Newly released reports by U.S. military officials revealed that, in 2020, Chinese military hackers were found to have

## Attention Refocused on Commerce and Economic Statistics



(Source: Getty Images, Royalty-Free)

- On August 13, China’s State Council issued guidelines to help ministries, agencies and local governments optimize China’s investment environment and attract foreign investment.
- Speaking at a political fundraiser on August 10, U.S. President Joe Biden listed China’s growth slowdown, unemployment issues and other domestic challenges as reasons to call China’s economy “a ticking time bomb.”
- According to a recent think tank analysis, China has developed a heavy reliance on the U.S. and its allies for



accessed Japan's classified defense network. The incident gave rise to cybersecurity concerns that have continued to challenge information sharing between the U.S. and Japan.

- In a letter to the Federal Communications Commission, the bipartisan leaders of the House China Committee expressed concerns that U.S. Internet of Things devices could be compromised by using Chinese cellular modules.
- The U.S. State Department voiced "great concern" after China's Ministry of State Security encouraged Chinese citizens to contribute to counter-espionage works.
- On August 3, two U.S. Navy sailors were arrested and charged with transmitting sensitive military information to China.
- The U.S. House China Committee is considering subpoenaing BlackRock and MSCI executives as they investigate the companies' investment in China that allegedly help support Chinese military advancement.
- The U.S. expressed concerns about China's land reclamation projects in Manila Bay, which is located close to the U.S. Embassy in the Philippines.

*Associated News Sources:*

["Chinese spies who read State Dept. email also hacked GOP congressman,"](#) *The Washington Post*, August 14 [Paywall]

["China arrests military industry worker on accusations of spying for the CIA,"](#) *CBS News*, August 11

["China hacked Japan's sensitive defense networks, officials say,"](#) *The Washington Post*, August 8 [Paywall]

["Two US lawmakers raise security concerns about Chinese cellular modules,"](#) *Reuters*, August 8

["U.S. raises concerns over China's counter-espionage push,"](#) *Reuters*, August 3 [Paywall]

["2 US Navy sailors charged with providing sensitive military information to China,"](#) *AP*, August 4

["Subpoenas possible for BlackRock, MSCI over China investments, US House panel chair says,"](#) *Reuters*, August 3

["The US is concerned with blacklisted Chinese firm's hand in island-building near its Manila embassy,"](#) *Associated Press*, August 2

more than 400 items of goods and services. The report argues that such reliance could provide countermeasures to China's "economic coercion."

- U.S. imports from China dropped by 25% in the first half of 2023 as Americans turned to other countries for a broad range of goods. Companies including HP, Stanley Black & Decker, and Lego are also reportedly moving their supply chains away from China.
- In exchange for permanent residency through a recently reauthorized immigration program, Chinese investors reportedly showed renewed interest to invest in the U.S.

*Associated News Sources:*

["China State Council issues guidelines in bid to increase foreign investment,"](#) *Reuters*, August 13

["Biden Fears China Economy Is 'Ticking Time Bomb'."](#) *Bloomberg*, August 10 [Paywall]

["China Relies on U.S. Allies for Hundreds of Products,"](#) *The Wall Street Journal*, August 9 [Paywall]

["As tensions rise, U.S. imports from China plummet,"](#) *Politico*, August 8

["U.S. companies are buying less China as relations remain tense,"](#) *The Washington Post*, August 6 [Paywall]

["Chinese Investors Warm to Sweetened U.S. Cash-for-Visa Program,"](#) *The Wall Street Journal*, August 2 [Paywall]



## Murmurs on Science Issues Bubble Up



(Source: UnSplash)

- Yin Zhiyao, Advanced Micro-Fabrication Equipment Inc. China (AMEC) chairman, commented at the China Semiconductor Equipment Annual Conference that the real goal of Washington's escalating restrictions is to keep China's chips "at least five generations behind the global leading edge."
- Democratic candidate Robert F. Kennedy Jr.'s claim that the U.S. was collecting Russian and Chinese DNA to target people by race was widely criticized as racist and antisemitic in the U.S., but it was a popular idea and found a big audience in China.
- The 44-year-old U.S.-China Science and Technology Agreement (STA) that built a framework for bilateral scientific research will expire at the end of August, and whether the two countries should renew it or leave it to expire has both practical and symbolic meanings.
- The U.S. seeks to find better propellants and lighter warheads to increase the range of its frontline missiles to gain an advantage in the Pacific.
- Nearly 20,000 scientists of Chinese descent who started their careers in the U.S. are leaving the U.S. at an increasing pace, according to statistics from 2010-2021.

*Associated News Sources:*

["US wants China's chip industry 5 generations behind cutting edge, head of equipment maker AMEC says at Wuxi conference,"](#) *South China Morning Post*, August 11 [Paywall]

["Robert F. Kennedy Jr.'s Unsubstantiated Bioweapon Claims Find Big Audience in China,"](#) *The Wall Street Journal*, August 10 [Paywall]

["Future of 44-year-old science agreement caught in middle of U.S.-China tensions,"](#) *Axios*, August 5

["Eyeing China in the Pacific, US studies explosives to make missiles fly farther,"](#) *Reuters*, August 3

["Scientists of Chinese descent leaving the US at an accelerating pace,"](#) *Chemistry World*, August 2

## - In Other News -



A group of young adults watch the sunset in Los Angeles, California.  
(Source: UnSplash)

["New generation of leaders may be best hope for US-China relations, says ex-Obama adviser,"](#) *South China Morning Post*, August 15 [Paywall]

["E-commerce giant JD.com denies that founder Richard Liu and wife have moved to the US from China,"](#) *South China Morning Post*, August 15 [Paywall]

["Electric vehicles: Tesla gives China rivals a taste of price-driven competition,"](#) *Financial Times*, August 14 [Paywall]

["Korea battery materials maker onshores China supply chain to win US subsidies,"](#) *Financial Times*, August 13 [Paywall]

["U.S., China agree to double weekly flights between countries,"](#) *CNBC*, August 11

["China lifts ban on group travel to more than 70 locations, giving a boost to travel stocks,"](#) *NBC News*, August 10

["Russian and Chinese ships patrolled 'near Alaska' but were not 'a threat,' US officials say,"](#) *ABC News*, August 6

["South Korean politician urges US to abandon China chip strategy,"](#) *Financial Times*, August 5 [Paywall]

["China's Latest Problem: People Don't Want to Go There,"](#) *The Wall Street Journal*, August 3 [Paywall]

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- *The Wall Street Journal*: [“Why the White House Went to Wall Street to Revive the U.S. Chips Industry”](#) by Yuka Hayashi (August 15, 2023) [Paywall]
- *Financial Times*: [“US industry is getting its way on China”](#) by Oren Kass (August 14, 2023) [Paywall]
- *Financial Times*: [“The US-China decoupling story is not over”](#) by Rana Foroohar (August 14, 2023) [Paywall]
- *Foreign Policy*: [“Purges Don’t Move Policy in China”](#) by Michael Rowand (August 14, 2023) [Paywall]
- *The Wall Street Journal*: [“China’s Worsening Economy Is Hurting Corporate America”](#) by Dan Strumpf (August 14, 2023) [Paywall]
- *The New York Times*: [“As a Taiwanese Presidential Contender Visits U.S., He Tries to Walk a Fine Line”](#) by Amy Chang Chien and Chris Buckley (August 13, 2023) [Paywall]
- *The Times*: [“Is a declining China even more dangerous for the West?”](#) by George Magnus (August 13, 2023)
- *The Wire China*: [“Sidelines: How the World Trade Organization lost control of its two most important members — and became irrelevant in the process.”](#) by Grady McGregor (August 13, 2023) [Paywall]
- *The Wall Street Journal*: [“A DuPont China Deal Reveals Cracks in U.S. National-Security Screening”](#) by Kate O’Keeffe and Aruna Viswanatha (August 12, 2023) [Paywall]
- *The Wall Street Journal*: [“How U.S. and China Are Breaking Up, in Charts”](#) by Anthony DeBarros and Yuka Hayashi (August 12, 2023) [Paywall]
- *Bloomberg*: [“The US Is Wrong About China. Here’s How to Get Back on Track”](#) by Tom Orlik (August 11, 2023) [Paywall]
- *Bloomberg*: [“US Push for a Saudi-Israel Deal Is All About China”](#) by Hal Brands (August 11, 2023) [Paywall]
- *Financial Times*: [“What the US crackdown on Chinese investment actually means”](#) (August 11, 2023) [Paywall]
- *The Wall Street Journal*: [“China’s Options for Retaliation Are Few After U.S. Investment Ban”](#) by Liza Lin and Dan Strumpf (August 11, 2023) [Paywall]
- *The China Project*: [“Biden to bar new U.S. money going to some China tech firms”](#) by Eduardo Jaramillo (August 10, 2023)
- *The Economist*: [“Joe Biden’s China strategy is not working”](#) (August 10, 2023) [Paywall]
- *The New York Times*: [“A Global Web of Chinese Propaganda Leads to a U.S. Tech Mogul”](#) by Mara Hvistendahl et al. (August 10) [Paywall]
- *The Wall Street Journal*: [“Biden Walks a China Tech Tightrope”](#) (August 10, 2023) [Paywall]
- *Barron’s*: [“China Hawks In Congress Are Going Too Far”](#) by Stephen Roach (August 9, 2023) [Paywall]
- *Carnegie Endowment for International Peace*: [“Rising U.S. Debt Is the Mirror of Rising Chinese Debt”](#) by Michael Pettis (August 9, 2023)
- *The Wall Street Journal*: [“Biden’s Order Won’t Destroy Chinese Venture Capital”](#) by Nathaniel Taplin (August 9, 2023) [Paywall]
- *Bloomberg*: [“China Shouldn’t Gloat About US Gridlock”](#) by Minxin Pei (August 8, 2023) [Paywall]
- *The Economist*: [“How America is failing to break up with China”](#) (August 8, 2023) [Paywall]
- *Bloomberg*: [“The Global South Breaks Away From the US-Led World Order”](#) by Michelle Jamrisko and Iain Marlow (August 7, 2023) [Paywall]
- *Center for Strategic & International Studies*: [Assessing U.S. and Chinese Influence in Southeast Asia](#) (August 7, 2023)
- *Financial Times*: [“The truth about decoupling”](#) (August 7, 2023) [Paywall]
- *Foreign Policy*: [“Here’s How Scared of China You Should Be”](#) by Stephen M. Walt (August 7, 2023) [Paywall]
- *The New York Times*: [“Why ‘Barbie’ Became a Sleeper Hit in China”](#) by Vivian Wang and Siyi Zhao (August 6, 2023) [Paywall]

- *The Wall Street Journal*: [“China and Russia Eye Alaska”](#) by The Editorial Board (August 6, 2023) [Paywall]
- The Wire China: [“Muting Zoom”](#) by Bethany Allen (August 6, 2023) [Paywall]
- *South China Morning Post*: [“Boeing being edged out by Airbus in China’s aviation market. but is there a way back amid US tensions?”](#) by Amanda Lee (August 5, 2023) [Paywall]
- Center for Strategic & International Studies: [“The Case for Renewing the U.S.-China S&T Cooperation Agreement”](#) by Deborah Seligsohn (August 4, 2023)
- *The Economist*: [“The West’s de-risking strategy towards China will fail, says Chris Miller”](#) (August 4, 2023) [Paywall]
- *Financial Times*: [“US and China to open communication lines after diplomatic push bears fruit”](#) by Demetri Sevastopulo (August 4, 2023) [Paywall]
- *The Washington Post*: [“America survived the ‘China Shock.’ There’s still the Trump shock.”](#) by Fareed Zakaria (August 4, 2023) [Paywall]
- Center for Strategic & International Studies: [De-risking Gallium Supply Chains: The National Security Case for Eroding China’s Critical Mineral Dominance](#) by Matthew P. Funairole , Brian Hart , and Aidan Powers-Riggs (August 3, 2023)
- The China Project: [“Beware the Taiwan election”](#) by Cliff Kupchan (August 3, 2023) [Paywall]
- The China Project: [“Beijing wants its own EUV light source, a key part of the chip supply chain”](#) by Eduardo Jaramillo (August 3, 2023) [Paywall]
- *Foreign Affairs*: [“The Right Way for America and China to Cooperate on Climate”](#) by Kelly Sims Gallagher (August 3, 2023) [Paywall]
- *Reuters*: [“2024 Republican candidates hone in on a common foe: China”](#) by Gram Slattery, Michael Martina and David Lawder (August 3, 2023)
- *The Wall Street Journal*: [“China Can’t Seem to Make Friends or Influence People”](#) by Sadanand Dhume (August 3, 2023) [Paywall]
- *South China Morning Post*: [“Latest US military aid to Taiwan is a dangerous provocation”](#) by Alex Lo (August 2, 2023) [Paywall]
- Asia Society: [Prioritizing Southeast Asia in American China Policy](#) by David Shambaugh, et al. (August 1, 2023)
- *South China Morning Post*: [“Why US national security and its green energy transition depend on mining seabed for rare minerals”](#) by James Borton (August 1, 2023) [Paywall]

## What’s Happening Around Town?

### - Past Events -

- [Discussion on Chinese Naval Capabilities](#)  
August 15 hosted by C-SPAN
- [China’s Future Naval Bases: New Empirical Data Points to Likely Places](#)  
August 15 hosted by The Heritage Foundation
- [Inside Biden’s New Tech Policy](#)  
August 9 hosted by *Foreign Policy*
- [Why America Has a New Tech Ambassador](#)  
August 9 hosted by *Foreign Policy*
- [Competing Without Fighting: China’s Strategy of Political Warfare](#)  
August 2 hosted by Center for Strategic and International Studies
- [Securing American Competitiveness: The Importance of Critical Supply Chains in Strategic Rivalry with China](#)  
August 2 hosted by Hudson Institute

### - Upcoming Events -

- [De-Risk of the U.S.-China Relationship](#)  
August 16 hosted by United States Heartland China Association and University of Missouri-St. Louis
- [Small states: strategies for success in a competitive world](#)  
August 25 hosted by International Institute for Strategic Studies
- [What do Asian countries want in the international order?](#)  
August 30 hosted by Chatham House
- [How much money for defense is enough?](#)  
August 30 hosted by Brookings
- [Ocean Nations: 3rd Annual Indo-Pacific Islands Dialogue](#)  
September 18 hosted by Carnegie Endowment for International Peace



## What ICAS Is Up To

### ---EVI Interview Release---



**Wang Sheng on “Blue Carbon Development in China”**  
August 2023

On August 3, 2023, the Institute for China-America Studies (ICAS) Expert Voices Initiative (EVI) conducted an interview with **Mr. Wang Sheng**, President of the National Institute for South China Sea Studies (NISCS) to discuss “Blue Carbon Development in China.” The interview was recorded in-person at the NISCS Office in Hainan, China, and hosted by **Zhangchen Wang**, ICAS Blue Carbon and Climate Change (BCCC) Program Research Assistant.

During the forty minute interview, the host asked Mr. Wang for his views and opinions about the development of blue carbon in China, China's advantages and challenges in developing blue carbon, the blue carbon ecosystem's “spillover effects,” and the international cooperation in blue carbon. Wang expounded his views on these widely concerned issues in detail. Wang's answer helped audiences to gain a deeper understanding of the status quo China's blue carbon protection and China's blue carbon policies. Then the host asked Wang about his views on blue carbon international cooperation. As an advocate of blue carbon international cooperation, Wang emphasized that international cooperation can bring common benefits to China and its Southeast Asian neighbors, and believes that China-US blue carbon cooperation is of great significance. He also emphasized that the establishment of international standards for blue carbon protection will boost international cooperation.

[Watch the Discussion](#)

[More About Wang Sheng](#)

[About the ICAS Expert Voices Initiative](#)



---ICAS Partner Announcement---

**The Full Report on the 'The State of Chinese Americans Survey' Has Been Released!**

*August 2, 2023*

Columbia University's School of Social Work, one of the world's leading research universities, and Committee of 100, a non-profit membership organization of prominent Chinese Americans, have announced the results from a year-long research project and survey that looked specifically at the health, economic, and sociopolitical conditions of today's Chinese American population.

The first and largest of its kind project to gather wide-ranging data on Chinese Americans, the "State of Chinese Americans" survey gathered information from nearly 6,500 participants compiling data related to demographics, politics, cultural identity, health, economic security, and social engagement. The research effort was supported by over 100 Chinese American and allied organizations nationwide, who shared the survey with community members in English, traditional Chinese, and simplified Chinese.

The Institute for China-America Studies was proud to support this groundbreaking project as a partner organization and look forward to the project's continued discussions and findings. Getting disaggregated, accurate and comprehensive data on Chinese Americans will help inform policymakers and the public of the diverse set of opinions, perceptions, and needs of Chinese Americans across the country and develop timely and responsive policies, programs, and services to address those needs.

[Learn More](#)

[Full Report](#)

[Press Release on Findings & Recommendations](#)

---Blog Post---

**Event Summary: The Outbound Investment EO: What's in, what's out, and what does it all mean?**

*By Amanda Jin*

*August 14, 2023*

On August 11, 2023, Center for a New American Security (CNAS) and the Atlantic Council's Geoeconomics Center jointly held a virtual event titled "The Outbound Investment EO: What's in, what's out, and what does it all mean?." Occurring shortly after the White House released an executive order on August 8, 2023 to restrict U.S. outbound investment to certain Chinese technology, the event intended to "unpack what's included in the executive order, and what it means for national security and U.S. companies."

The event started with a discussion about the policy background and intent of the latest executive order (EO). According to Peter Harrell, the EO originated out of concerns that "US investment might be helping Chinese companies getting started or taken to scale in particular high technology sectors in China." As such, Harrell argued that the EO seeks to primarily focus on U.S. high-tech companies and their operative investment in early- and mid-stage companies in China...

[Link to Full Post](#)



# The ICAS Bulletin

## Institute for China America Studies

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

August 30, 2023

#### What's Going On? ↓

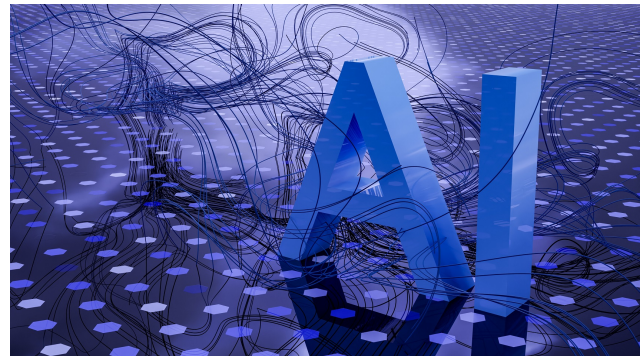
##### Commerce Secretary Gina Raimondo's Visit to China Generates Conversation



U.S. Secretary of Commerce Gina Raimondo (far R) and Chinese Commerce Minister Wang Wentao (2nd from L) hold talks in Beijing on August 28, 2023.  
(Source: Photo by Kyodo News via Getty Images)

- U.S. Secretary of Commerce Gina Raimondo is visiting China from August 27-30 to create a peaceful dialogue regarding Sino-American commerce and trade.
- The visit is happening at a crucial time: the two major economies are shifting away from each other and increasing trade with other partners as China's economy is facing a downturn.
- Secretary Raimondo said she refused an appeal by Chinese leaders to reduce U.S. export controls on technology with potential military capabilities during an in-person meeting in Beijing.
- Concerns over restrictions on U.S. business like Intel and Micron Technology as well as gallium and germanium exports were among the topics discussed during the hours of 'wide-ranging and candid talks' between Secretary Raimondo and China's commerce minister Wang Wentao on August 28. TikTok was reportedly not discussed.
- On August 29, Secretary Raimondo met with Chinese Premier Li Qiang, passing along a message from President Biden: "We seek to maintain our \$700 billion commercial relationship with China, and we hope that that relationship can provide stability for the overall relationship."

##### 'Tech Wars' Continue to Rage Between the U.S. and China



(Source: UnSplash)

- The Pentagon unveiled their Replicator drone program, reportedly in order to compete with China's drone industry. The focus of the program will be on innovation.
- The Chinese State Council has ordered an age limit on talent in technology fields, with the goal of promoting youth in a push to pull ahead in the 'U.S.-China tech war'.
- Apple production hotspots are shifting from China to India and Vietnam as economic growth induces wage increases in China.
- As part of national efforts to promote domestic growth and de-risk from the U.S., Chinese Premier Li Qiang conducted a three-day visit to Guangdong hi-tech firms amid economic stagnation in the tech industry.
- Chinese tech company Huawei is building shadow chip factories across China in order to circumvent bans from the U.S., who has blacklisted the company.
- The U.S. and China are now competing to integrate AI into military technologies, with a new goal being for AI to identify and strike targets without human intervention.
- On August 17, China's Ministry of Commerce said that they "will take necessary countermeasures" to the Biden administration's executive order to restrict U.S. investment in Chinese technology.

- Secretary Raimondo shared that she increasingly hears from U.S. corporations that “China is uninvestable because it's become too risky” with new challenges including but not limited to “exorbitant fines without any explanation” and “revisions to counterespionage law.”

- On August 28, the U.S. and China announced they have agreed to hold regular conversations regarding commercial access and the tech industry. Secretary Raimondo called the agreement a “very good sign.”

*Associated News Sources:*

[“US commerce secretary rejects Chinese appeal to ease export controls,”](#) AP, August 29

[“Commerce says US firms complain China is 'uninvestable',”](#) Reuters, August 29

[“TikTok's U.S. Future Still in Limbo as Commerce Secretary Visits China,”](#) The New York Times, August 29 [Paywall]

[“Raimondo Stresses Optimism on Economic Ties With China's Premier,”](#) Bloomberg, August 29 [Paywall]

[“U.S. and China Agree to Broaden Talks in Bid to Ease Tensions,”](#) The New York Times, August 28 [Paywall]

[“US raises concerns by Micron, Intel with China,”](#) Reuters, August 28

[“U.S., China set for talks as they bring trade closer to shores,”](#) Reuters, August 25

- U.S.-based Intel's acquisition deal of Israeli chip-maker Tower Semiconductor fell through due to Chinese regulators' refusal to approve the deal.

*Associated News Sources:*

[“Pentagon unveils 'Replicator' drone program to compete with China,”](#) Defense News, August 28

[“US-China tech war: Beijing wants young tech talent to play leading role amid self-reliance push,”](#) South China Morning Post, August 28 [Paywall]

[“Apple's iPhone Supply Chain Splinters Under US-China Tensions,”](#) Bloomberg, August 27 [Paywall]

[“China's hi-tech direction on show as Premier Li Qiang visits economic barometer as US curbs, de-risking damage mounts,”](#) South China Morning Post, August 25 [Paywall]

[“Huawei Is Building a Secret Network for Chips, Trade Group Warns,”](#) Bloomberg, August 22 [Paywall]

[“China, U.S. Test Intelligent-Drone Swarms in Race for Military AI Dominance,”](#) The Wall Street Journal, August 19 [Paywall]

[“China is considering countermeasures to Biden's executive order,”](#) CNBC, August 17

[“China Torpedoes Intel's Bid to Buy Israeli Chip Maker Tower Semiconductor,”](#) The Wall Street Journal, August 16 [Paywall]

## China and the U.S. Seek Allies in a Parallel Fashion



(From L to R) President of Brazil Luiz Inacio Lula da Silva, President of China Xi Jinping, South African President Cyril Ramaphosa, Prime Minister of India Narendra Modi and Russia's Foreign Minister Sergei Lavrov pose for a BRICS family photo during the 2023 BRICS Summit at the Sandton Convention Centre in Johannesburg on August 23, 2023. (Source: Photo by GIANLUIGI GUERCIA/POOL/AFP via Getty Images)

- Chinese president Xi Jinping is strengthening ties with Africa in a rare international visit, hoping to establish himself as a leader of the developing world.

- On August 18, President Biden hosted a trilateral meeting with the leaders of Japan and South Korea at Camp David, establishing formal agreements and

## Business as Usual for Many Operating in the Sino-American Sphere



(Source: UnSplash)

- Chinese auto manufacturer BYD has struck a deal to purchase the U.S.-based manufacturer Jabil Inc's mobile manufacturing business in China in a bid to increase its smartphone components business.

- Chinese liquified natural gas (LNG) importers are not only expanding into locations in Singapore and London but also increasing volumes with American and Qatari contracts.

- U.S. fast food chain Popeye's announced plans to open 1,700 locations in China in spite of the presence of more



releasing a joint statement that includes direct references to and arguments against China.

- China seeks allies in Africa in response to America's increasing ties with Japan and South Korea. The simultaneous yet separate diplomatic engagements led by the U.S. and China are leading many observers to remember and compare current situations to the Cold War.

- President Biden says that the trilateral Camp David Summit will help establish the three countries against increasing pressure from China and North Korea.

- One of the concerns by the diplomats at the Camp David Summit was whether or not to "insert the word 'China' in the documents' final text" of the trilateral statement.

*Associated News Sources:*

["China Tries to Increase Its Clout in Africa Amid Rivalry With the U.S.," The New York Times, August 23 \[Paywall\]](#)

["Biden's Summit With Asian Allies Further Isolates China," Bloomberg, August 22 \[Paywall\]](#)

["U.S., China Try to Draw Nations to Their Side as Divisions Harden," The Wall Street Journal, August 20 \[Paywall\]](#)

["U.S., Japan and South Korea Boost Alliance to Counter China, North Korea," The Wall Street Journal, August 18 \[Paywall\]](#)

["China casts a shadow over opening of Biden's Japan-S.Korea trilateral summit," Politico, August 16](#)

established rivals McDonald's and KFC.

- Estée Lauder is facing losses in North American and Chinese businesses, but expects to make a rebound this year.

- Chinese real estate developer Evergrande has officially filed for bankruptcy in the U.S. The process is expected to be one of the world's biggest debt restructurings.

- U.S. corporation Tyson Foods plans on selling its China poultry business, making them one of the most recent multinational firms to distance themselves from China.

- Boeing will name Alvin Liu, a China-born representative, as its China branch president despite ongoing Sino-American economic tensions.

*Associated News Sources:*

["Chinese carmaker BYD to buy US firm Jabil's mobility business for \\$2.2 bln.," Reuters, August 28](#)

["China LNG buyers expand trading after adding more US, Qatari contracts," Reuters, August 21](#)

["Popeyes takes on KFC, McDonald's in China as the US fried chicken brand plans to open 1,700 stores in mainland in next decade," South China Morning Post, August 21](#)

["Estée Lauder Swings to Loss on Weakened China Business," The Wall Street Journal, August 18 \[Paywall\]](#)

["Evergrande files for US bankruptcy protection as China economic fears mount," Reuters, August 18](#)

["Exclusive: Tyson Foods plans to sell China poultry business," Reuters, August 17](#)

["Boeing China appoints new president amid Sino-US tensions," Reuters, August 16](#)

## U.S. Regulators Stopper Various Chinese Ventures in America



(Source: UnSplash)

- According to a new study, consumers are the ones bearing the brunt of the backlash from the policies enacted by the Biden and Trump administrations to shift U.S. trade away from China.

- American lawmakers are increasingly pushing bills to prohibit land ownership by Chinese entities and citizens in 33 states.

## - In Other News -



(Source: UnSplash)

["Exclusive: State Dept picks veteran diplomat Lambert as top China policy official - sources," Reuters, August 29](#)

["Trustar plans to raise fund to manage McDonald's China stake -sources," Reuters, August 28](#)

["China's 'aggressive behaviour' in South China Sea must be challenged, US Navy official says," Reuters, August 27](#)

["3M settles US anti-bribery law charges in China unit, SEC](#)



- The enforcement of law banning the import of car parts from China, including EV batteries, heightens as efforts increase to cease U.S. links with forced labor.
- Federal officials have concluded that five Chinese solar panel companies are avoiding U.S. tariffs by redirecting operations through Southeast Asia.
- A federal judge in Tallahassee, Florida rejected attempts to block a law that would prohibit some Chinese citizens from purchasing land in Florida.
- Ken Griffin, founder of finance firm Citadel, reshapes new real estate bans on certain Chinese citizens. These changes would allow those with U.S. work permits to purchase land.

*Associated News Sources:*

["Trump, Biden policies shifted trade from China at a cost, study shows," Reuters, August 26](#)  
["State lawmakers move to ban Chinese land ownership," The Washington Post, August 21 \[Paywall\]](#)  
["EV battery imports face scrutiny under US law on Chinese forced labor," Reuters, August 19](#)  
["Feds determine five Chinese solar panel companies have been skirting US tariffs," CNN Politics, August 18](#)  
["Federal judge rejects push to block Florida Chinese land ownership law," Politico, August 17](#)  
["Ken Griffin Reshaped Law Banning Chinese Real Estate Purchases," Bloomberg, August 16 \[Paywall\]](#)

[says," Reuters, August 25](#)  
["China Casts CIA as Villain in New Anti-Spying Push," The Wall Street Journal, August 24 \[Paywall\]](#)  
["Biden resists pressure from lawmakers and seeks short extension to key China science pact," CNBC, August 23](#)  
["Germany plans to double AI funding in race with China, U.S.," Reuters, August 23](#)  
["US approves possible sale of F-16 search and track systems to Taiwan," Reuters, August 23](#)  
["An ex-Google takes aim at China," Politico, August 22](#)  
["U.S. to Sanction Chinese Officials for Forcible Assimilation of Tibetans," The Wall Street Journal, August 22 \[Paywall\]](#)  
["White House: China economic data less transparent in recent months," Reuters, August 22](#)  
["British firms quizzed on Chinese tech links as US-style clampdown looms," Politico, August 21](#)  
["China investigates citizen accused of spying for CIA -security ministry," Reuters, August 21](#)  
["Intelligence Agencies Warn Foreign Spies Are Targeting U.S. Space Companies," The New York Times, August 18 \[Paywall\]](#)  
["Pentagon biodefense review points to Chinese, Russian threats," The Washington Post, August 17 \[Paywall\]](#)

## What Are We Reading? ↓

- *Foreign Affairs*: [“The Real Contest With China”](#) by Michael Brown and Robert Atkinson (August 28, 2023) [Paywall]
- *Foreign Policy*: [“Vanuatu’s PM Struggles for Political Survival Amid U.S.-China Tumult”](#) by Christopher Cottrell (August 28, 2023) [Paywall]
- *Foreign Policy*: [“The Panda Party’s Almost Over”](#) by Rishi Iyengar (August 26, 2023) [Paywall]
- *The New York Times*: [“What China’s Economic Woes May Mean for the U.S.”](#) by Lydia DePillis (August 26, 2023) [Paywall]
- *The Wall Street Journal*: [“Everyone Wants to Talk to Gina Raimondo—Even China”](#) by Yuka Hayashi (August 26, 2023) [Paywall]
- *Financial Times*: [“China capitalises on US sanctions in fight to dethrone dollar”](#) by Michael Stott and James Kynge (August 24, 2023) [Paywall]
- *The Information*: [“Exclusive From The Electric: China’s Gotion Expects U.S. Tax Credits for Its U.S. Battery Production”](#) by Steve LeVine (August 24, 2023) [Paywall]
- *Reuters*: [“Insight: China quietly recruits overseas chip talent as US tightens curbs”](#) by Julie Zhu, Fanny Potkin, Eduardo Baptista and Michael Martina (August 24, 2023)
- *Bloomberg*: [“Who Has the Weakest Banks — the US or China?”](#) by Shuli Ren (August 23, 2023) [Paywall]
- Center for Strategic and International Studies: [“Finding Safe Harbors for Development Impact: Navigating U.S.-China Stormy Waters for the Global Public Good”](#) by Steve Davis (August 23, 2023)
- *Reuters*: [“Column: A US-China detente to avoid ‘fiscally assured destruction?’”](#) by Mike Dolan (August 23, 2023)
- *South China Morning Post*: [“Chinese tech could break barrier to making crucial defence and aerospace material”](#) by Zhang Tong (August 23, 2023)
- *South China Morning Post*: [“To avoid an economic meltdown, China must not repeat America’s mistakes of 2008”](#) by Stuart P. M. Mackintosh (August 23, 2023) [Paywall]
- *The Wall Street Journal*: [“Deal to Double China Flights Signals U.S. Airlines’ Stronger Hand”](#) (August 22, 2023) [Paywall]
- Carnegie Endowment for International Peace: [“How Malaysia Views U.S. and Chinese Narratives About the World Order”](#) by Ngeow Chow Bing (August 21, 2023)
- *Financial Times*: [“Why China remains hungry for AI chips despite US restrictions”](#) by Richard Waters and Qianer Liu (August 21, 2023) [Paywall]
- *Forbes*: [“A Draft Of TikTok’s Plan To Avoid A Ban Gives The U.S. Government Unprecedented Oversight Power”](#) by Emily Baker-White (August 21, 2023) [Paywall]
- *Foreign Policy*: [“Almost Nothing Is Worth a War Between the U.S. and China”](#) by Howard W. French (August 21, 2023) [Paywall]
- *Foreign Policy*: [“Has the U.S. Campaign Against Uyghur Forced Labor Been Successful?”](#) by Lili Pike (August 21, 2023) [Paywall]
- *The Guardian*: [“The US and China must unite to fight the climate crisis, not each other”](#) by Bernie Sanders (August 21, 2023)
- *The New York Times*: [“Spreading State Restrictions on China Show Depths of Distrust in the U.S.”](#) by Alan Rappeport (August 21, 2023) [Paywall]
- *The Wall Street Journal*: [“GOP Presidential Candidates Need to Talk About China”](#) by Mike Gallagher (August 21, 2023) [Paywall]
- *The Wall Street Journal*: [“The Electric-Vehicle Bubble Starts to Deflate”](#) (August 21, 2023) [Paywall]
- *Foreign Policy*: [“U.S.-China De-Risking Will Inevitably Escalate”](#) by James Crabtree (August 20, 2023) [Paywall]
- *The Wall Street Journal*: [“Biden’s Success in North Asia . . .”](#) (August 20, 2023) [Paywall]
- *The Wall Street Journal*: [“The Battle to Ban TikTok and the Man at the Center of It”](#) by Meghan Bobrowsky (August 20, 2023) [Paywall]
- *The Wire*: [“Climate Cooperation by Other Means: To stabilize U.S.-China climate cooperation, look beyond bilateral partnerships to more creative modes of engagement.”](#) by Edmund Downie (August 20, 2023) [Paywall]
- *The Wire*: [“Hunting Biden’s China Ties”](#) by Aaron MC Nicholas and Grady McGregor (August 20, 2023) [Paywall]
- *The Wire*: [“Matt Sheehan on how China is Shaping its AI World”](#) by Eliot Chen (August 20, 2023) [Paywall]
- *The Wire*: [“Paying the Price of Entry: It’s getting easier for visitors to China to pay for things, thanks to tie ups between Visa, Mastercard and Alipay. That could have implications for data security.”](#) by Isaiah Schrader (August 20) [Paywall]
- *The Wire*: [“The Science Split?: Can the U.S. and China still cooperate on the most basic science?”](#) by Eliot Chen

- (August 20) [Paywall]
- *Al Jazeera*: [“Why is China so angry about Taiwan’s William Lai visiting the US?”](#) (August 19, 2023)
  - *The New York Times*: [“A Defense Agreement Likely to Deepen Chinese Rancor”](#) by David Pierson and Olivia Wang (August 19, 2023) [Paywall]
  - *Foreign Policy*: [“China Must Pay a Price for Climate Inaction”](#) by Thom Woodroffe (August 18, 2023) [Paywall]
  - *Politico*: [“China’s economy is in trouble. Beijing hopes Raimondo can lend a hand.”](#) by Phelim Kine and Doug Palmer (August 18, 2023)
  - *South China Morning Post*: [“Can US and EU unseat China as the dominant supplier of green energy tech globally? Highly unlikely, experts say”](#) by Yujie Xie (August 17, 2023) [Paywall]
  - Pierson Institute for International Economics: [“How serious is China’s economic slowdown?”](#) by Nicholas R. Lardy (August 17, 2023)
  - The China Project: [“Chinese tech will lose more than money as Biden blocks U.S. venture capital, but P.R.C. startups can look elsewhere”](#) by Eduardo Jaramillo (August 17, 2023) [Paywall]
  - The China Project: [“Joe Biden believes describing Xi Jinping as a ‘dictator’ carried no consequences yet China’s anger simmers”](#) by Duncan Bartlett (August 17, 2023)
  - *The Washington Post*: [“Where is Biden’s Asia trade deal?”](#) (August 17, 2023) [Paywall]
  - *The Wall Street Journal*: [“The U.S. Is Turning Away From Its Biggest Scientific Partner at a Precarious Time”](#) by Karen Hao and Sha Hua (August 16, 2023) [Paywall]

## What’s Happening Around Town? ↓

### - Past Events -

- [Small states: strategies for success in a competitive world](#)  
August 25 hosted by International Institute for Strategic Studies
- [China’s Current Economy: Implications for Investors and Supply Chains](#)  
August 21 hosted by U.S.-China Economic and Security Review Commission
- [De-Risk of the U.S.-China Relationship](#)  
August 16 hosted by United States Heartland China Association and University of Missouri-St. Louis

### - Upcoming Events -

- [What do Asian countries want in the international order?](#)  
August 30 hosted by Chatham House
- [How much money for defense is enough?](#)  
August 30 hosted by Brookings
- [Press Briefing: Previewing the 2023 G20, U.S.-ASEAN, and East Asia Summits](#)  
August 30 hosted by Center for Strategic and International Studies
- [China’s Economic Downturn: Structural, Cyclical, or Both?](#)  
August 31 hosted by Center for Strategic and International Studies
- [Should the US pursue a new Cold War with China?](#)  
September 7 hosted by Brookings
- [Ocean Nations: 3rd Annual Indo-Pacific Islands Dialogue](#)  
September 18 hosted by Carnegie Endowment for International Peace
- [5th Annual U.S.-China Trade Controls Conference](#)  
October 12-13 hosted by American Conference Institute
- [China Forum 2023](#)  
October 18 hosted by Victims of Communism
- [2023 NEXTChina Conference](#)  
November 1-2 hosted by The China Project

# What ICAS Is Up To ↓

## ---ICAS Announcement---

### Stay Tuned for Information Regarding the ICAS 2023 Annual Conference!

On October 17, 2023, ICAS will be holding its 2023 Annual Conference out of Washington, DC! This year, our expert panelists and keynote dialogue participants will focus on “Assessing Challenges and Exploring Prospects for U.S.-China Relations in 2024.”

Subscribe to our newsletters and follow us on social media to stay informed about speakers, co-hosts, full agenda and how to reserve your spot for this in-person conference.

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## ---L.E.A.D. Project Blog Post---

### Congress Hearing Notes: U.S.-China Economic and Security Review Commission, China's Current Economy: Implications for Investors and Supply Chains, August 21, 2023

By Amanda Jin  
August 22, 2023

On August 21, 2023, the U.S.-China Economic and Security Review Commission (USCC) held a hearing on “[China's Current Economy: Implications for Investors and Supply Chains](#).” The hearing was divided into two panels. Panel I, “China's Domestic Financial Situation” featured three speakers: Logan Wright, Partner and Director of China Markets Research at Rhodium Group; Nicholas Borst, Vice President and Director of China Research at Seafarer Capital Partners; and Zongyuan Zoe Liu, Maurice R. Greenberg Fellow for China Studies at Council on Foreign Relations. Panel II, “U.S.-China Trade and Supply Chains,” featured two speakers: Christopher Gopal, former executive and global supply chain consultant; and Ilaria Mazzocco, Senior Fellow with the Trustee Chair in Chinese Business and Economics at Center for Strategic and International Studies...

[Continue Reading for the Summary & Takeaways](#)

## ---Academic Engagement---

### Bai Xian Institute Summer Program 2023

August 4-18, 2023

On August 4, 2023, ICAS Executive Director Dr. Nong Hong participated in the Bai Xian Asia Institute Summer Program 2023, which was co-hosted with Waseda University. Dr. Hong spoke on “Pressing issues related to maritime security in East Asia” and “Recent Sino-US relation and its impact on East Asia.”

#### About the BXAI Summer Program 2023

From August 4-18, approximately 70 Bai Xian Scholars and Alumni from universities across East Asia gathered together and explored the theme “Transformation of Globalization,” examining how globalization has shifted and evolved over the past few years against a backdrop of an ever-changing global landscape...

[Learn More](#)

[About the BXAI Summer Program 2023](#)



## ---ICAS In the News---



On Tuesday, August 29, 2023, Senior Fellow Sourabh Gupta was [quoted](#) in *China Daily* on the 15th BRICS Summit.

- "...if the Global South gets together, comes together, and champions their right to development at the high table of global multilateralism with the Global North, maybe fairer bargains can be reached which could be beneficial to all parties concerned, both the Global North and the Global South."
- "We should expand political and security cooperation to uphold peace and tranquility."
- "Even from a security standpoint, every country has a right to its own security and the right to its own self-defense...Security is best achieved when all parties are thoughtful and not too self-regarding, but also regard other countries' security and rights. And this is best done under the banner of global multilateralism and not done in the context of small groups and exclusive blocs and small cliques which set their own rules and then consider that those rules are international norms which they are not..."

On Friday, August 25, 2023, Senior Fellow Sourabh Gupta [appeared](#) on Sputnik Radio's *The Final Countdown* show to discuss the 15th BRICS Summit in Johannesburg, South Africa and the potential addition of new members to BRICS.

On Tuesday, August 22, 2023, Senior Fellow Sourabh Gupta [discussed](#) the ongoing 15th BRICS Summit in South Africa on *CGTN America's The Heat*.

- "... there is a wider and broader sense in the Indian foreign policy community that, despite the bilateral differences it has with China, these multilateral fora like BRICS are useful avenues for developing habits of cooperation on particular areas where there is a need to cooperate much more widely with developing countries...seen that particularly in the financial sphere..."

On Sunday, August 20, 2023, Senior Fellow Sourabh Gupta was [quoted](#) in the *South China Morning Post* on the current geopolitical state of affairs regarding Afghanistan two years after the United States' exit.

- "The chaotic images of desperate Afghans fleeing alongside the US military transport plane at Kabul airport will linger in the collective memory, much like images of the helicopter evacuation from the rooftop of the US embassy in Saigon in 1975..."
- "Just as the 'Saigon moment' of 1975 had few long-lasting ramifications for the credibility of US deterrent power and commitment in the Asia-Pacific – let alone beyond the region, so also the 'Kabul moment' will have even fewer reverberations in external theatres beyond Southwest Asia."

On Wednesday, August 16, 2023, ICAS Trade 'n Technology Program Advisor Denis Simon was [quoted](#) in *The Wall Street Journal* on the dangerous deterioration in U.S.-China scientific collaboration.

- "“There is no global problem that doesn't require close U.S.-China collaboration.”"

On Wednesday, August 16, 2023, Senior Fellow Sourabh Gupta [discussed](#) the increase in direct flights between the U.S. and China and its implications for people-to-people exchanges on *CGTN's World Insight*.

- "...there is a real logistical nightmare and a lack of real baggage carrying capacity at some of these airports. If one travels international, the lines on the queues sometimes at immigration are very long..."
- "Because of the pandemic we have flights cut, staff laid off, that process has not come back to where it should be, and so I think there is quite a lot of chaos within the airline industry. My sense is that governments are trying to pad up those bottom lines by actually restricting the amount of flights, having larger profits at this point of time, and hopefully build out their flight schedules."
- "As you said, 24 flights amounts to nothing, basically..."



# The ICAS Bulletin

## Institute for China America Studies

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

September 13, 2023

#### What's Going On? ↓

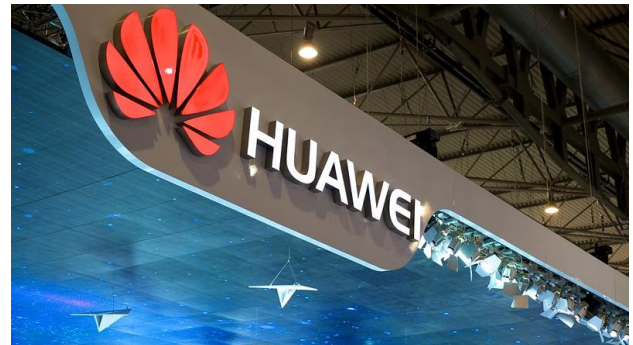
##### New Technologies Dominate Security and Defense Issues



*Aerial view of the Pentagon Building in Arlington, VA.  
(Source: U.S. DoD, public domain)*

- The U.S. and Australia have announced they will partner in a bid to develop advanced AI-manned submarine technology to defend against China.
- A memo was distributed to U.S. Air Force personnel stating that the Chinese military is targeting former and current U.S. service members to obtain their specialized knowledge.
- Both the House of Representatives China Select Committee and the FCC have declared Chinese technology companies Quetel and Fibocom national security risks.
- The Pentagon provided details about their plans to implement a vast network of AI-powered defense and weapon technology, which they say are meant to counter threats from China and other adversaries.
- Newly released information by Microsoft says that in 2021 the Chinese government hacked into the emails of top Biden administration officials following various technical missteps by Microsoft.
- U.S. officials have noted as many as 100 Chinese nationals accessed military sites in recent years in actions described as forms of espionage seemingly to test security practices. The Chinese Embassy spokesperson called the claims "purely ill-intentioned fabrications" in response.

##### Smartphones Become the Latest Fodder in Sino-American "Tech War"



*Huawei at the Mobile World Congress 2015 in Barcelona.  
(Credit: Kārlis Dambrāns CC 2.0 via Flickr)*

- Following previous restrictions, the Chinese government expanded a ban on iPhone usage from only government officials to include government-backed agencies and state companies.
- The U.S. Commerce Department recently began an investigation into a new smartphone chip developed by Chinese technology company Huawei.
- While U.S. Commerce Secretary Gina Raimondo was visiting Beijing, Chinese technology company Huawei unveiled a new smartphone with 5G capabilities and new chip despite reported attempts by some in Washington to curtail such developments.
- Chinese central government agencies ordered employees not to bring in foreign-branded devices to work, especially Apple iPhones. This restriction follows a trend by Beijing to cut reliance on foreign technology.
- Huawei's new phone launch has ignited fears amidst Western observers that U.S. sanctions have failed to prevent China from making key technological advances.
- Chinese state media openly endorses the new Huawei phone, with Chinese outlet *Global Times* stating that the new smartphone "serves as a microcosm of the US-China tech war."



*Associated News Sources:*

["In U.S.-China AI contest, the race is on to deploy killer robots," Reuters, September 8](#)  
["China's military seeks to exploit U.S. troops, veterans, general warns," The Washington Post, September 7 \[Paywall\]](#)  
["US FCC chair says China's Quectel, Fibocom may pose national security risks," Reuters, September 6](#)  
["Pentagon Plans Vast AI Fleet to Counter China Threat," The Wall Street Journal, September 6 \[Paywall\]](#)  
["China's Microsoft Email Cloud Hack Began With a 2021 Computer Crash," The Wall Street Journal, September 6 \[Paywall\]](#)  
["Chinese Gate-Crashers at U.S. Bases Spark Espionage Concerns," The Wall Street Journal, September 4 \[Paywall\]](#)

*Associated News Sources:*

["China Seeks to Broaden iPhone Ban to State Firms, Agencies," Bloomberg, September 7 \[Paywall\]](#)  
["US Probes Made-in-China Chip as Tensions Flare Over Technology," Bloomberg, September 7 \[Paywall\]](#)  
["Huawei Phone Is Latest Shot Fired in the U.S.-China Tech War," The New York Times, September 6 \[Paywall\]](#)  
["China Bans iPhone Use for Government Officials at Work," The Wall Street Journal, September 6 \[Paywall\]](#)  
["US Wants Details on Made-in-China Huawei Chip," Bloomberg, September 6 \[Paywall\]](#)  
["New phone sparks worry China has found a way around U.S. tech limits," The Washington Post, September 2 \[Paywall\]](#)  
["China State Media Declares Huawei Phone a Victory in US Tech War," Bloomberg, August 31 \[Paywall\]](#)

## President Biden Attends the G20 Summit as President Xi Declines



Prime Minister Narendra Modi of India welcomes leaders during the opening session of the G20 Leaders' Summit on September 9, 2023 in New Delhi, Delhi. (Credit: Photo by Dan Kitwood/Getty Images)

- U.S. President Biden urged other leaders at the G20 summit in New Delhi, India to provide more funding to the World Bank, in order to "offer a credible alternative to the People's Republic of China's (PRC)...projects for developing countries around the world."
- Several world leaders at the two-day summit, including President Biden, promised to support a new rail and shipping corridor that would connect India and Europe through the Middle East in what many see as a counter to China's Belt and Road Initiative.
- As reported by President Biden, the President held talks with Chinese Premier Li Qiang, who attended the Summit in place of President Xi Jinping. "We talked about stability...it wasn't confrontational at all," said Biden.
- While traveling to India for the G20 summit, National Security Advisor Jake Sullivan rejected China's reported proposition that progress on the climate crisis be tied to semiconductor chip access.
- Biden plans on making reforms at the International Monetary Fund that will increase its lending firepower and refocus its efforts toward financial stability, one of his

## U.S. Strengthens Ties with Various Asian Countries from Vietnam to Japan



President Joseph R. Biden, Jr. boarding his plane to travel to Hanoi, Vietnam on September 10, 2023. (Source: U.S. Embassy and Consulate in Vietnam)

- On September 12, the State Department announced U.S. Secretary of State Antony Blinken may host China's Foreign Minister Wang Yi in the United States before year-end, whether at the U.N. General Assembly or after.
- On his return from the G20 Summit in India, President Biden made an official visit to Hanoi, Vietnam to strengthen the U.S.-Vietnamese relationship.
- While there, Biden made several direct and repeated comments related to China, emphasizing Washington's desire for regional stability and not containing China. "I think we think too much in terms of [the] Cold War...it's not about that. It's about generating economic growth and stability," he clarified to reporters.
- House Speaker Kevin McCarthy, during a visit to Tokyo on September 7, proclaimed that China's position on the release of treated radioactive water from a Japanese nuclear power plant is "unfair" and "false."
- China's international department head Liu Jianchao met with Vietnamese officials to solidify their relationship before Biden's visit to Vietnam.
- From September 2-7, the Association of Southeast Asian



key messages.

- Biden says that he is disappointed that his counterpart Xi did not attend the G20 summit in India, but noted that he is "going to get to see him" at one point.

*Associated News Sources:*

["To counter China, Biden is backing the World Bank for a bigger role on the global stage,"](#) CNBC, September 11  
["Biden meets Li Qiang, says China economic 'crisis' makes Taiwan invasion less likely,"](#) Reuters, September 10  
["At G-20, Biden announces ambitious corridor connecting India, Europe,"](#) The Washington Post, September 9 [Paywall]  
["US Rejects China's Bid to Hold Climate 'Hostage' Over Chips,"](#) Bloomberg, September 8 [Paywall]  
["US Calls on IMF to Reload and Refocus Amid China Pushback,"](#) Bloomberg, September 7 [Paywall]  
["Biden disappointed Xi will not attend G20 summit,"](#) BBC News, September 4

Nations (ASEAN) held their 43rd summit in Jakarta, Indonesia. U.S. Vice President Kamala Harris attended, as did Chinese Premier Li Qiang and Japanese Prime Minister Fumio Kishida.

*Associated News Sources:*

["US expects Blinken will host China's top diplomat Wang Yi before year-end,"](#) Reuters, September 12  
["US denies Cold War with China in historic Vietnam visit,"](#) BBC News, September 11  
["Biden Seeks Stronger Vietnam Ties in Bid to Counter China,"](#) The Wall Street Journal, September 10 [Paywall]  
["US's McCarthy says China's stance on Fukushima discharge 'unfair, false',"](#) Reuters, September 7 [Paywall]  
["China boosts 'political trust' with Vietnam ahead of Biden visit,"](#) Reuters, September 6  
["ASEAN summit begins as China's new territorial map fuels tensions,"](#) Nikkei Asia, September 5 [Paywall]

## China's Economy Struggles Despite U.S. Companies' Interest in the Region



(Source: Getty Images, Royalty-Free)

- According to direct sources, purchases of \$50 million or more will now need approval from the People's Bank of China in order to proceed, as China's central bank is tightening security on large purchases at a time when the Chinese currency is depreciating rapidly.

- Various CEOs rush to meet with U.S. Commerce Secretary Gina Raimondo following her visit to Beijing. Reportedly, Raimondo may brief the Business Roundtable gathering.

- Forecast for China's economy appears gloomy as Bloomberg Economics reports it may take until the mid 2040's for China's GDP to overtake America's.

- U.S. tariffs and export controls are to blame for the drop in trade between China and America, according to Chinese Ambassador to the U.S. Xie Feng. "This is a direct consequence of U.S. moves to levy Section 301 tariffs on Chinese imports, abuse unilateral sanctions and further tighten up export controls," Xie said.

- Raimondo's visit to a Boeing hangar in Shanghai has

## - In Other News -



Used disposable drain batteries of various sizes.  
 (Credit: Roberto Sorin via UnSplash)

["China Sows Disinformation About Hawaii Fires Using New Techniques,"](#) The New York Times, September 11 [Paywall]

["Alibaba eyes B2B expansion in the US with Las Vegas event as rivals ByteDance and PDD also grow American e-commerce,"](#) South China Morning Post, September 8 [Paywall]

["China's Gotion to set up a \\$2 billion lithium battery plant in Illinois,"](#) Reuters, September 8

["Biden admin to China: Hands off our tech but we'll take your tourists,"](#) Politico, September 7

["Kerry Wants China to Contribute to Fund for Climate-Hit Nations,"](#) Bloomberg, September 7 [Paywall]

["TikTok's New Amazon Copycat Is Full of Cheap Chinese Goods,"](#) Bloomberg, September 7 [Paywall]

["Caught Between China and the West, a Pacific Island Nation Ousts Its Leader,"](#) The New York Times, September 5 [Paywall]

turned some to question whether Boeing could potentially be in line for Chinese purchases of aircrafts as post-pandemic recovery escalates.

*Associated News Sources:*

[“Exclusive: China's central bank to scrutinise bulk dollar purchases - sources,” Reuters, September 11](#)

[“CEOs to meet in D.C. with eyes on China,” Semafor Business, September 5](#)

[“China Slowdown Means It May Never Overtake US Economy, Forecast Shows,” Bloomberg, September 5 \[Paywall\]](#)

[“China says drop in trade with the U.S. is ‘a direct consequence of U.S. moves’,” CNBC, August 31](#)

[“US-China trade: market sees clouds clearing for Boeing after Raimondo visit elevates hope of an order frenzy,” South China Morning Post, August 31 \[Paywall\]](#)

[“Exclusive: U.S military in talks to develop port in Philippines facing Taiwan,” Reuters, August 30](#)

## What Are We Reading?

- *The Guardian*: [“China concerns drive historic upgrade in US-Vietnam relations”](#) by Michael Tatarski (September 11, 2023)
- *CNN*: [“How booming Vietnam offers the US an alternative to China”](#) by Michelle Toh and Mihir Melwani (September 11, 2023)
- *The Wire China*: [“Joining the Chips Race”](#) by Aaron Mc Nicholas (September 10, 2023) [Paywall]
- *The Wire China*: [“Robert Rubin on Whether the U.S. Should Want China to Prosper”](#) by Bob Davis (September 10, 2023) [Paywall]
- *The Wall Street Journal*: [“How the U.S. Stumbled Into Using Chips as a Weapon Against China”](#) by Henry Farrell and Abraham Newman (September 9, 2023) [Paywall]
- *The New York Times*: [“China Is Full of Risks. So Why Can't Corporate America Leave?”](#) by Alexandra Stevenson (September 8, 2023) [Paywall]
- *Bloomberg*: [“Who's Winning the US-China Chip War? Ask These Experts”](#) by Dave Lee (September 7, 2023) [Paywall]
- *The China Project*: [“The Impossible State Live Podcast: South Korea's Role in a Taiwan Contingency”](#) by Eduardo Jaramillo (September 7, 2023) [Paywall]
- *The Economist*: [“The cold war holds lessons for America's rivalry with China, say Condoleezza Rice and Niall Ferguson”](#) by Condoleezza Rice and Niall Ferguson (September 7, 2023) [Paywall]
- *The Economist*: [“Joe Biden's visit to Hanoi is a signal to China”](#) (September 7, 2023) [Paywall]
- *The Information*: [“Exclusive from The Electric: A Leading Chinese Nickel Producer Tries Its Luck in the U.S.”](#) by Steve LeVine (September 7, 2023) [Paywall]
- *Insider*: [“China is pulling every lever to kill Apple's iPhone 15”](#) by Hasan Chowdhury (September 7, 2023) [Paywall]
- *South China Morning Post*: [“Beyond China, economies in the US and Europe are no less vulnerable”](#) by Nicholas Spiro (September 7, 2023) [Paywall]
- *The Washington Post*: [“Raimondo finds a China facing a reality check”](#) by David Ignatius (September 7, 2023) [Paywall]
- *Foreign Policy*: [“U.S. Deterrence Against China Is Not Working”](#) by Bryan Clarke and Dan Patt (September 5, 2023) [Paywall]

- *The New York Times*: [“Will Tensions With China Suck the Fun Out of American Movies?”](#) by Kaj Larsen (September 4, 2023) [Paywall]
- *South China Morning Post*: [“Sanctions imposed by the US are nothing but war by other means”](#) by Alex Lo (September 3, 2023) [Paywall]
- *The Washington Post*: [“In China’s shadow, U.S. rushes back to neglected Indian Ocean island”](#) by Liz Sly (September 3, 2023) [Paywall]
- *The Information*: [“Excited and Terrified”: On a High-Stakes Trip to China, Gina Raimondo Confronts a Complex Future”](#) by Jessica E. Lessin (September 2, 2023) [Paywall]
- *The New York Times*: [“China to Its People: Spies Are Everywhere, Help Us Catch Them”](#) by Vivian Wang (September 2, 2023) [Paywall]
- *The Wall Street Journal*: [“In New Moon Race, Russian Crash Shows the Chief U.S. Rival Is China”](#) by Natasha Khan (September 2, 2023) [Paywall]
- *The Washington Post*: [“With wary eye on China, U.S. moves closer to former foe Vietnam”](#) by Ellen Nakashima and Rebecca Tan (September 1, 2023) [Paywall]
- *Bloomberg*: [“The US, Allies See Opportunity and Risk in China’s Slowing Economy”](#) by Shawn Donnan, Viktoria Dendrinou, Alessandra Migliaccio, and Philip Aldrick (August 31, 2023) [Paywall]
- *The Economist*: [“When China thought America might invade”](#) (August 31, 2023) [Paywall]
- *The New York Times*: [“The U.S. and China Are Talking Again. Where It Will Lead Is Unclear.”](#) by Ana Swanson and Keith Bradsher (August 31, 2023) [Paywall]

## What’s Happening Around Town?

### - Past Events -

- [What do Asian countries want in the international order?](#)  
August 30 hosted by Chatham House
- [How much money for defense is enough?](#)  
August 30 hosted by Brookings
- [Press Briefing: Previewing the 2023 G20, U.S.-ASEAN, and East Asia Summits](#)  
August 30 hosted by Center for Strategic and International Studies
- [China’s Economic Downturn: Structural, Cyclical, or Both?](#)  
August 31 hosted by Center for Strategic and International Studies
- [The World’s Most Important Alliances](#)  
September 5 hosted by *Foreign Policy*
- [Global Dynamics in Flux: Relationship Building Efforts of the United States and China](#)  
September 6 hosted by US-China Business Council
- [Should the US pursue a new Cold War with China?](#)  
September 7 hosted by Brookings

### - Upcoming Events -

- [Charting a Blue Future for Cooperation between West Africa and China on Sustainable Fisheries](#)  
September 14 by Stimson Center
- [China’s Clean Energy Partnerships in the Global South](#)  
September 14 by Wilson Center
- [Inside Taiwan’s Foreign Policy](#)  
September 14 hosted by *Foreign Policy*
- [Assessing the Past Year of Defending Taiwan](#)  
September 18 hosted by American Enterprise Institute
- [Ocean Nations: 3rd Annual Indo-Pacific Islands Dialogue](#)  
September 18 hosted by Carnegie Endowment for International Peace
- [5th Annual U.S.-China Trade Controls Conference](#)  
October 12-13 hosted by American Conference Institute
- [China Forum 2023](#)  
October 18 hosted by Victims of Communism
- [2023 NEXTChina Conference](#)  
November 1-2 hosted by The China Project



# What ICAS Is Up To

## ---ICAS 2023 Annual Conference---

### **Stay Tuned for Information Regarding the ICAS 2023 Annual Conference!**

On October 17, 2023, ICAS will be holding its 2023 Annual Conference in Washington, DC! This year, our expert panelists and keynote dialogue participants will focus on “Assessing Challenges and Exploring Prospects for U.S.-China Relations in 2024.”

Subscribe to our newsletters and follow us on social media to stay informed about speakers, co-hosts, luncheon, full agenda and how to reserve your spot for this in-person conference.

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## ---ICAS Expert Voices Initiative Interview ---



### **Expert Voices Initiative Interview - William Vogt September 1, 2023**

On September 1, 2023, the Institute for China-America Studies (ICAS) Expert Voices Initiative (EVI) conducted an interview with Mr. William Vogt, an author and adjunct lecturer at Georgetown University, to discuss the current state and future potential of the “Chinese Internet.” The interview was hosted in-person at the ICAS office in Washington, D.C. by Yilun Zhang, Trade ‘n Technology (TnT) Program Manager.

To many Western observers, China’s Internet appears to be a mysterious ‘black box’ of unknowns and mixed signals. On one hand, the Internet is becoming a symbol of China’s economic growth and opening up with the country’s rapidly growing community of netizens and e-commerce businesses. Widely-used social media platforms like WeChat and Douyin (TikTok) make China one of the leading countries in this new era of information technology. On the other hand, the Internet remains rather closed off due to the Chinese government’s tightening control and censorship over online content and its recent crackdowns on Internet and technology companies. How should observers properly assess China’s Internet society? Is the Chinese Internet a land of free speech or is it more-so a tool for centralized control? This EVI aims to discuss and assess the current state of China’s Internet and provide another depiction of this often unknown territory. Additionally, this event also seeks to explore the roles of various actors in this complex dynamic environment of the Chinese Internet.

[Watch the Full Interview](#)

[Learn More about the ICAS Expert Voices Initiative](#)

### ---Academic Engagement---

#### **Executive Director Dr. Nong Hong speaks at Stimson Center event on "Charting a Blue Future for Cooperation between West Africa and China on Sustainable Fisheries"**

September 14, 2023

On Thursday, September 14, 2023, ICAS Executive Director and Senior Fellow Dr. Nong Hong will speak on a Stimson Center online event panel discussing cooperation between China and West Africa over sustainable fisheries.

[About the Event](#)

[Register](#)

### ---ICAS Blog Post---

#### **Event Summary: What's next for China's economy?, PIIE**

By Amanda Jin

September 12, 2023

On September 7, 2023, the Peterson Institute for International Economics (PIIE) held a virtual event to discuss the short- and medium-term outlook for China's economic growth. Titled "What's next for China's economy?," the event occurred under the background of weeks, if not months, of renewed U.S. media, governmental and congressional attention to China's domestic economic situation and challenges...

[Link to Full Post](#)

### ---ICAS In the News---



On Friday, September 8, 2023, Senior Fellow Sourabh Gupta [discussed](#) the G20 Summit and global economic development challenges on *CGTN's BizTalk*.

- "[India] right now as chair [of the G20 Summit] the larger challenges is coordinating...all the cats together at the G20 Summit and I think the problem for India out here has been...where it stands on the most divisive issue going into the G20, which is the Ukraine issue; it has it has played both sides and in joint statements too and the problem arising out here is that at large multilateral venues it is the Western countries which put their foot down and demand their strong statement against Russia."
- "Among developing countries itself the voice is not really coherent; it is difficult to align the differences and come up with coherent voices of developing countries. The gap between developing countries is...actually much bigger than among developed Nations."

On Wednesday, September 6, 2023, Senior Fellow Sourabh Gupta [discussed](#) the ASEAN Summit on *CGTN America's The Heat*.

- "The Democrats understand that ASEAN is a very important player in the region and regardless of the difficulty sometimes in the relations with ASEAN that ASEAN needs to be co-opted... as a group."

On Tuesday, September 5, 2023, Senior Fellow Sourabh Gupta [discussed](#) the opening of the United Nations' 2023 General Assembly on *CGTN America's The Heat*.

- "These are not great times in multilateralism and so it's always going to be a difficult lift...most of the previous meetings had happened during [COVID] so they happened virtually or in a hybrid format. I'm expecting this will be a full in-person meeting that itself is an opportunity to talk...to create a bit of trust."

On Tuesday, September 5, 2023, Senior Fellow Sourabh Gupta was [quoted](#) by *China Daily* on US-China commercial relations as Secretary Gina Raimondo visits Beijing

- "At the US' end, it would of course like its businesses to make greater inroads in the Chinese market and fatten its profits — although I think there is an overestimation at the US government end as to what it can achieve for American businesses in China given that the Biden administration itself has been willfully creating an inhospitable business environment for Chinese businesses in America."
- "Be that as it may, this is one of the few areas where the two sides can provide mutually beneficial assurances to each other."



# The ICAS Bulletin

## Institute for China America Studies

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

September 27, 2023

#### What's Going On?

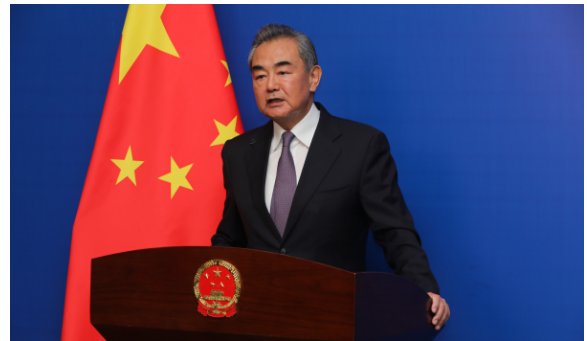
##### Global Trade Happenings Foreshadow Trouble for China



An image of a United Airlines plane on the ground. (Source: UnSplash)

- Direct flights between the U.S. and China are expected to increase to 24 per week in October, which is still less than the 300 per week pre-pandemic.
- Following talks between U.S. Treasury chief Janet Yellen and Chinese vice-premier He Lifeng, China and the U.S. established channels "to enhance communication and share views on issues related to the economic and financial fields," according to Chinese state broadcaster CCTV.
- U.S. Trade Representative Katherine Tai said the WTO should be focused on "openness, transparency, and fair-market-oriented competition," with a special focus on those who use non-market practices such as China.
- On September 21, China's top climate envoy Xie Zhenhua claimed controls on renewable energy product exports were "politicizing" and "imperiling" decarbonization goals.
- The American Chamber of Commerce in Shanghai and the European Union Chamber of Commerce in China jointly reported that tensions with China were harming American and European companies operating in the country.
- A pullback from venture capitalist investment in China's biotechnology sector reflects a broader trend in global investment, as well as China's faltering economy in

##### Messages are Mixed Regarding U.S.-China International Relations



Wang Yi Delivers a video speech to the Symposium on Global Maritime Cooperation and Ocean Governance on November 3, 2022. (Source: Ministry of Foreign Affairs of the People's Republic of China)

- Chinese Foreign Minister Wang Yi said that "China is willing to comply with the expectations of the international community and play a constructive role in the success of APEC (Asia-Pacific Economic Cooperation) this year." This statement comes after Chinese President Xi Jinping was absent from this year's G20 Summit.
- President Biden hosted several Pacific Island nations at the White House on September 25 in what some are calling a bid to establish regional influence.
- In response to news that the Chinese Defense Minister Li Shangfu has not been seen in public since August 29, U.S. Ambassador in Tokyo Rahm Emanuel on September 7 posted on X, formerly known as Twitter, that "President Xi's cabinet lineup is now resembling Agatha Christie's novel *And Then There Were None*," and questioned "who's going to win this unemployment race? China's youth or Xi's cabinet?" A week later, after he had been asked by White House officials to cease posting such messages, Emanuel again made a public post on X, asking if Li was missing meetings "because he was placed on house arrest???"
- President Xi Jinping replied to a letter from two U.S. Flying Tigers veterans who fought for China during World



tandem with rising geopolitical tensions.  
 - Mexico overtakes China as the biggest supplier of products to the U.S. due to trade tensions between the U.S. and China.

*Associated News Sources:*

["More direct China-US flights on the horizon, but return to 2019 traffic far more distant."](#) *South China Morning Post*, September 25 [Paywall]

["China and US set up finance, economic discussion channels after talks to ease trade tensions."](#) *South China Morning Post*, September 22 [Paywall]

["WTO needs progress on 'non-market' practices, dispute settlement - USTR's Tai."](#) *Reuters*, September 22

["China's top climate envoy decries trade controls on renewables as US and EU diplomats push Beijing on emissions goals."](#) *South China Morning Post*, September 21 [Paywall]

["Foreign firms in China say vague rules and tensions with Washington hurting business, surveys show."](#) *AP*, September 19

["U.S. and Other Foreign Venture Firms Pull Back From China's Biotech Sector."](#) *The Wall Street Journal*, September 14 [Paywall]

["Mexico's Moment: The Biggest US Trading Partner Is No Longer China."](#) *Bloomberg*, September 12 [Paywall]

War II, saying that Japan was a shared enemy of the U.S. and China, as well as forging a "profound" friendship, according to Chinese state media.

- White House national security adviser Jake Sullivan met with Minister Wang Yi in Malta from September 16-17. Wang then met with several Russian officials in Moscow, including Russian Foreign Minister Sergey Lavrov, on September 18.

- U.S. Senate Majority Leader Chuck Schumer will lead a bipartisan delegation of senators to China this fall, following multiple meetings in Beijing earlier this year.

*Associated News Sources:*

["After Xi's G20 absence, China says willing to play role in APEC's success."](#) *Reuters*, September 26

["Biden Hosts Pacific Islands, With a Rising China in Mind."](#) *The New York Times*, September 25 [Paywall]

["White House told U.S. ambassador to Japan to stop taunting China on social media."](#) *NBC News*, September 22

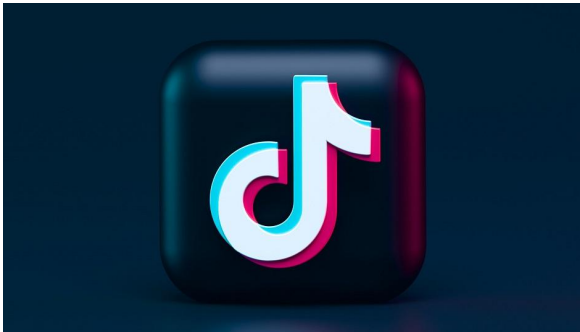
["Xi says China, US 'should and must' achieve peaceful co-existence."](#) *Reuters*, September 19

["China's foreign minister holds talks in Russia after meeting with US national security adviser."](#) *AP*, September 18

["America's Warrior Diplomat, Rahm Emanuel, Takes On China's Xi Personally."](#) *The Wall Street Journal*, September 18 [Paywall]

["Schumer to Lead Senate Delegation to China Amid Tensions."](#) *The New York Times*, September 13 [Paywall]

## U.S. and China Governments Pass Bills Regulating Each Other's Corporations



An image of a TikTok 3D icon. (Source: UnSplash)

- The U.S. Commerce Department added 28 companies from China, Russia, and other nations to their export blacklist. U.S. companies cannot sell to those on the list unless they obtain a license.
- On September 20, Chinese foreign ministry spokesperson Mao Ning said that China opposes discriminatory practices by the United States against Chinese companies in response to the U.S. commerce department's claims that an advanced phone chip made by Huawei may violate

## US Navy Maneuvers Around China and Other Security Concerns



A small US Navy airfleet flies through the air. (Source: UnSplash)

- U.S. Commander General Chance Saltzman told *Reuters* on September 25 that the United States Space Force has had internal discussions about setting up a hotline with China to prevent crises in space, but also that the U.S. has not yet discussed establishing one with China.
- House Republicans stall the Biden administration's plan for an economic assistance pact with the Marshall Islands in the Pacific.
- The US Navy shipped two prototype drone ships to

trade restrictions.

- Spokesperson Ning also announced on September 15 that China would impose sanctions against U.S. aerospace and defense firms Northrop Grumman and Lockheed Martin for providing weapons to Taiwan.
- Bytedance, Tiktok's Chinese parent company, is resuming negotiations with the U.S., though there are doubts whether the government has the authority to ban the company.
- On September 14, the Senate Finance Committee passed a bill that would end the double taxation between the U.S. and Taiwan. Reportedly, the goal of this bill is to accelerate investment in the U.S. semiconductor industry.
- The House China Select Committee issued a subpoena to a Chinese-owned lab called Prestige Biotech and Universal Meditech Inc. The lab purportedly produced pregnancy and coronavirus tests to sell online.

*Associated News Sources:*

["U.S. Blacklists 28 Entities From China, Russia and Other Countries, Citing National Security Risks,"](#) *The Wall Street Journal*, September 25 [Paywall]

["China says opposes discriminatory U.S. practices against firms,"](#) *Reuters*, September 20

["China sanctions Northrop Grumman, Lockheed Martin for arms sales to Taiwan,"](#) *Reuters*, September 15

["TikTok and U.S. rekindle negotiations, boosting app's hopes for survival,"](#) *The Washington Post*, September 15 [Paywall]

["Senate Committee Backs Bill to Deepen U.S. Economic Ties With Taiwan,"](#) *The New York Times*, September 14 [Paywall]

["The House China Select Committee issued its first ever subpoena as it investigates a Chinese-owned lab in California,"](#) *Politico*, September 13 [Paywall]

Japan for deployment in the western Pacific, in order to test for surveillance and attack capabilities against China's larger navy.

- House Republicans are asking that the Biden administration provide personal details regarding the Chinese nationals who conducted what U.S. officials claim is espionage of sensitive U.S. facilities.
- Days after the US Navy held joint military exercises with South Korea and Canada near the northeast China coast, the Chinese navy carried out military drills in the Yellow Sea and Bohai Strait, starting on September 17.
- U.S. officials report that they have not detected Chinese launches of balloons since one was shot down in February. However, they do believe that China is likely to restart the program.

*Associated News Sources:*

["US exploring potential space force hotline with China,"](#)

*Reuters*, September 25

["Strategy to Counter China in Pacific at Risk in Congress Budget Fight,"](#) *The Wall Street Journal*, September 24 [Paywall]

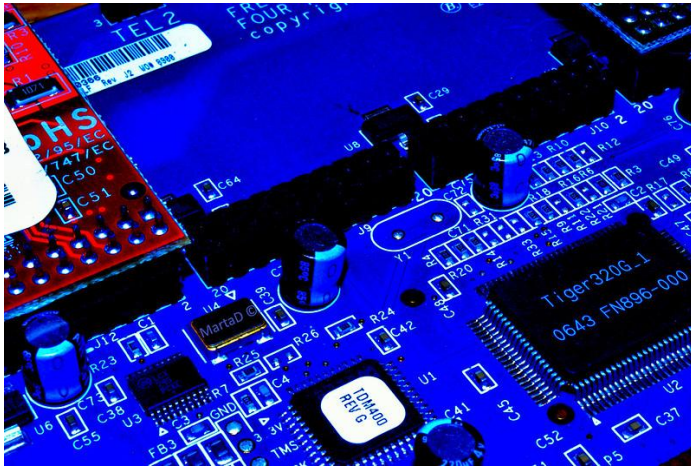
["U.S. Sends Drone Ships to Western Pacific in First Deployment Near China,"](#) *The Wall Street Journal*, September 21 [Paywall]

["Lawmakers Request Details of Chinese Nationals at Sensitive U.S. Facilities,"](#) *The Wall Street Journal*, September 19 [Paywall]

["PLA holds drills in Yellow Sea days after US and allies flex muscles near northeast China coast,"](#) *South China Morning Post*, September 18 [Paywall]

["China Has Paused Its Spy Balloon Operations, U.S. Officials Say,"](#) *The New York Times*, September 15 [Paywall]

## Semiconductor Issues Dominate U.S.-China Sphere



(Source: Marta Diago Mario, CC2.0 via UnSplash)

- On September 22, the U.S. Commerce Department issued final rules to prevent China and other countries seen as national security concerns from accessing \$52 billion in semiconductor manufacturing subsidies.
- According to anonymous sources, a China chip maker Yangtze Memory Technologies Corp (YMTC) is increasingly reliant on domestic suppliers.
- A major Chinese defense company has allegedly created a radar chip with technology that has been blocked by the government. It purportedly operates more powerfully than similar chips used in the U.S.
- Smartphone companies Apple and Huawei continue their rivalry for China's market share as Apple unveils new iPhone 15. Chinese consumers are reportedly divided on support for the new phone.
- China denies banning use of iPhones in government and related organizations, after White House national security spokesman John Kirby said China "to be more transparent about...what they're doing."

### Associated News Sources:

- ["US finalizes rules to prevent China from benefiting from \\$52 billion in chips funding,"](#) Reuters, September 22
- ["Tech war: China's top memory chip maker YMTC forges closer ties with domestic supplier to replace US parts, sources say,"](#) South China Morning Post, September 20 [Paywall]
- ["Amid US tech sanctions, Chinese scientists say they made the world's most powerful radar chip,"](#) South China Morning Post, September 13 [Paywall]
- ["Apple and Huawei's smartphone rivalry divides China,"](#) Reuters, September 13
- ["China Denies Banning iPhones, but Cites Unspecified Security Concerns,"](#) The New York Times, September 13 [Paywall]

## - In Other News -



(Source: UnSplash)

- ["As Its U.S. Shop Opens, TikTok's Chinese Merchants Struggle to Sell Their Mops and Soap Dispensers,"](#) The Wall Street Journal, September 26 [Paywall]
- ["D.C. Is in Panda-monium as China Takes Back Beloved Bears,"](#) The Wall Street Journal, September 23 [Paywall]
- ["When a Congressman Challenged Disney on China, It Laid Off Beijing Staff,"](#) The Wall Street Journal, September 22 [Paywall]
- ["Leading Chinese university becomes first to remove English requirements for students,"](#) South China Morning Post, September 22 [Paywall]
- ["Shein shifts shipping strategy to bring China-made goods closer to US shoppers,"](#) Reuters, September 22
- ["China's Ultra-Rich Gen Zs Flock Home as Global Tensions Rise,"](#) Bloomberg, September 21 [Paywall]
- ["China beats US in top global scientific 'hot papers' ranking: report,"](#) South China Morning Post, September 21 [Paywall]
- ["Senate urged to probe China's alleged harvesting of corals in Rozul Reef,"](#) Cebu Daily News, September 18
- ["Starbucks promotes Molly Liu to co-CEO of Starbucks China,"](#) Reuters, September 18
- ["UN Nuclear Watchdog Risks Running Out of Money on US, China Standoff,"](#) Bloomberg, September 14 [Paywall]
- ["Taiwan blasts Elon Musk over latest China comments,"](#) Reuters, September 14
- ["Asean will engage with both China and US, secretary general Kao Kim Hourn says in call to dial down 'major power' tensions,"](#) South China Morning Post, September 14 [Paywall]



## What Are We Reading? ↓

- *Foreign Policy*: [“Cultural Decoupling From China Is Not the Answer”](#) by Suzanne Nossel (September 26, 2023) [Paywall]
- *The Wire China*: [“Bonnie Glaser and Ryan Hass on Getting Taiwan Policy Right”](#) by Katrina Northrop (September 24, 2023)
- *The Wire China*: [“Tricks of the Trade”](#) by Robert Lighthizer (September 24, 2023)
- *The Wire China*: [“What Huawei’s New Phone Means for U.S. Efforts to Crimp China”](#) by Eliot Chen (September 24, 2023)
- *Bloomberg*: [“Why Can’t Americans Buy Cheap Chinese EVs?”](#) by Kyle Stock (September 22, 2023) [Paywall]
- *The Wall Street Journal*: [“The Furious Race for the Future of Coffee”](#) by Spencer Jakab (September 22, 2023) [Paywall]
- *The Wall Street Journal*: [“Amazon’s New Challenge: Bargain Retailers That Are Playing a Different Game”](#) by Sebastien Herrera and Shen Lu (September 22, 2023) [Paywall]
- *Bloomberg*: [“US Has Costly Delusions About Decoupling From China”](#) by Eduardo Porter (September 21, 2023) [Paywall]
- *Bloomberg*: [“The Hidden Threat to US Energy Security”](#) by Alex Webb (September 21, 2023) [Paywall]
- *Financial Times*: [“Tech remains central in ‘hot peace’ between China and US”](#) by John Thornhill (September 21, 2023) [Paywall]
- *Foreign Policy*: [“Can the U.S. and China Cooperate on Green Technology Again?”](#) by Lili Pike (September 21, 2023) [Paywall]
- *Center for Strategic and International Studies*: [“‘Guardrails’ on CHIPS Act Funding to Restrict Investments in China May Restrict Participation in CHIPS Act Incentives”](#) by Sujai Shivakumar, Charles Wessner, and Thomas Howell (September 20, 2023)
- *Foreign Policy*: [“How China Uses Shipping for Surveillance and Control”](#) by Elaine Dezenski and David Rader (September 20, 2023) [Paywall]
- *The Wall Street Journal*: [“Thought the U.S. Office Market Was Bad? Try China”](#) by Stella Yifan Xie (September 20, 2023) [Paywall]
- *Foreign Policy*: [“America Can’t Stop China’s Rise”](#) by Tony Chan, Ben Harburg, and Kishore Mahbubani (September 25, 2023) [Paywall]
- *The Wall Street Journal*: [“Why Aren’t the Presidential Candidates Debating China?”](#) by Gabriel Scheinmann and David Feith (September 19, 2023) [Paywall]
- *The Wall Street Journal*: [“The CIA Politicizes Intelligence on China and Covid”](#) by John Ratcliffe and Cliff Sims (September 18, 2023) [Paywall]
- *The New York Times*: [“In Risky Hunt for Secrets, U.S. and China Expand Global Spy Operations”](#) by Julian E. Barnes and Edward Wong (September 17, 2023) [Paywall]
- *The Wire China*: [“Building BRICS — a Limited Win for China and Warning for the U.S.”](#) by Cliff Kupchan (September 17, 2023) [Paywall]
- *Financial Times*: [“A shot across the bow: how geopolitics threatens Apple’s dependence on China”](#) by Patrick McGee and Eleanor Olcott (September 16, 2023) [Paywall]
- *Foreign Policy*: [“America Prepares for a Pacific War With China It Doesn’t Want”](#) by Zuri Linetsky (September 16, 2023) [Paywall]
- *Politico*: [“America’s potential Achilles’ heel in a cyber battle with China: Guam”](#) by Maggie Miller (September 16, 2023)
- *Financial Times*: [“We must confront China over security — but co-operate with it too”](#) by Alex Younger (September 15, 2023) [Paywall]
- *The Wall Street Journal*: [“The Taiwanese Are Worried That the U.S. Will Abandon Ukraine”](#) by Seth G. Jones (September 15, 2023) [Paywall]

- *The Wall Street Journal*: [“Hypersonic Missiles Are Game-Changers, and America Doesn’t Have Them”](#) by Sharon Weinberger (September 15, 2023) [Paywall]
- *Nikkei Asia*: [“Analysis: Biden administration detects red flags in Xiconomics”](#) by Katsuji Nakazawa (September 14, 2023) [Paywall]
- *Foreign Affairs*: [“American Universities Shouldn’t Cut All Ties With China”](#) by L. Rafael Reif (September 13, 2023) [Paywall]

## What’s Happening Around Town?

### - Past Events -

- [Charting a Blue Future for Cooperation between West Africa and China on Sustainable Fisheries](#)  
September 14 by Stimson Center
- [China’s Clean Energy Partnerships in the Global South](#)  
September 14 by Wilson Center
- [Inside Taiwan’s Foreign Policy](#)  
September 14 hosted by *Foreign Policy*
- [Expert Perspectives on China’s Response to US Export Controls](#)  
September 14 hosted by US-China Business Council
- [Assessing the Past Year of Defending Taiwan](#)  
September 18 hosted by American Enterprise Institute
- [Open-Source Intelligence in Crisis: Navigating China’s Restrictions](#)  
September 18 hosted by The China Project
- [Ocean Nations: 3rd Annual Indo-Pacific Islands Dialogue](#)  
September 18 hosted by Carnegie Endowment for International Peace

### - Upcoming Events -

- [AI’s Impact on the Chinese Economy](#)  
September 27 hosted by Asia Society Policy Institute
- [2023 USCBC Member Survey Panel Discussion](#)  
September 27 hosted by US-China Business Council
- [De-risking the economic relationship with China: Views from the Indo-Pacific](#)  
October 3 hosted by Brookings
- [Does the US need to seek to limit China’s economic growth in order to protect itself?](#)  
October 4 hosted by Brookings
- [Chinese Assessments of De-risking](#)  
October 11 hosted by Center for Strategic & International Studies
- [5th Annual U.S.-China Trade Controls Conference](#)  
October 12-13 hosted by American Conference Institute
- [Competing visions? American, Chinese, and European perspectives on the future of the international system](#)  
October 13 hosted by Brookings
- [How to Reboot America’s China Policy](#)  
October 13 hosted by *Foreign Policy*
- [Embassy Speaker Series: Minister Lyu Jiang and Director General Zhang Bin](#)  
October 18 hosted by US-China Business Council
- [2023 NEXTChina Conference](#)  
November 1-2 hosted by The China Project

# What ICAS Is Up To

## ---ICAS 2023 Annual Conference---



**ICAS**  
Institute for China-America Studies

**2023 Annual Conference**

Tuesday, October 17, 2023  
9am-2pm (EDT) (GMT -4)  
Georgetown Marriott Hotel, Washington, D.C.

Stopping “Gray Rhinos”, Handling “Black Swans” and Removing “Tigers Blocking the Way”: Assessing Challenges and Exploring Prospects for U.S.-China Relations in 2024

**Keynote Dialogue**

**XU Xueyuan**  
Deputy Chief of Mission & Minister  
Embassy of the People's Republic of China  
in the United States

**David LAMPTON**  
Professor Emeritus of China  
Studies & Senior Research Fellow  
Johns Hopkins University

**Moderated by**

**Gordon HOULDEN**  
Director Emeritus,  
China Institute  
University of Alberta

**Panel I: Cooperation, Competition and Rivalry in U.S.-China Relations**

Michael SWAINE Victor GAO  
Dennis WILDER XIN Qiang

**Panel II: Taking Stock of Selective Decoupling in U.S.-China Economic Relations**

Paul TRIOLO Yukon HUANG  
William Alan REINSCH ZHOU Mi  
Denis SIMON

**Moderators:** LIU Yawei Sourabh GUPTA

**Luncheon Speech**

**Speaker To Be Announced**

**Abraham SOFAER**  
George P. Schultz Distinguished  
Scholar and Senior Fellow Emeritus  
Hoover Institution, Stanford University

**Opening Remarks**

**WU Shicun**  
Chairman of the Advisory Board  
Institute for China-America Studies

**Introduction**

**HONG Nong**  
Executive Director  
Institute for China-America Studies

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For media and other inquiries, email Jessica Martin at [jessicamartin@chinaus-icas.org](mailto:jessicamartin@chinaus-icas.org)

## Stopping “Gray Rhinos”, Handling “Black Swans” and Removing “Tigers Blocking the Way”: Assessing Challenges and Exploring Prospects for U.S.-China Relations in 2024

We are excited to hold this year's ICAS Annual Conference in-person at the Georgetown Marriott Hotel in Washington, D.C. on October 17, 2023, which will feature the following:

- Keynote Dialogue
- Panel I: Cooperation, Competition and Rivalry in U.S.-China Relations
- Panel II: Taking Stock of Selective Decoupling in U.S.-China Economic Relations
- Luncheon Speech (Lunch provided for registered guests)

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## ---ICAS Commentary---

### The Expanded BRICS at Fifteen By Sourabh Gupta September 18, 2023

Four years after they last met in-person in Brasilia due to the COVID-19 pandemic, the leaders of Brazil, Russia, India, China and South Africa convened in Johannesburg from August 22nd to 24th for a fifteenth and landmark BRICS Leaders Summit. The summit will long be remembered as the ‘expansion summit’, joining the 2009, 2011, 2014 and 2017 summits as the notable ones in the BRICS pantheon...

[Read More](#)



---ICAS L.E.A.D. Issue Brief---

**L.E.A.D. Project Brief: US-China Effort to Set “Guardrails” Back on Track for Now**

*By Sourabh Gupta.  
September 18, 2023*

**Summary:**

The placement of the proposed “guardrails” that Joe Biden and Xi Jinping sought to erect last fall in Bali finally commenced in earnest with the visits to Beijing by three Cabinet secretaries and one National Security Council principals-level appointee. Important steps were taken to put the balloon incident behind them, with lines of communication re-opened, assurances exchanged, and incremental forward progress recorded even in areas such as export controls...

[Link to Full Post](#)

*\*This Brief is part of the newly-established ICAS [U.S.-China L.E.A.D. Project](#) and includes a detailed ‘Chronology of U.S.-China Relations (January-April 2023)’ which will be updated once every four months as part of the L.E.A.D. Project.\**



*Note: This article is [extracted](#) from Comparative Connections: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 2, September 2023. Preferred citation: Sourabh Gupta, “US-China Relations: US-China Effort To Set ‘Guardrails’ Back On Track For Now,” Comparative Connections, Vol. 25, No. 2, pp 33-46.*

---ICAS Blog---

**Event Summary: Open-Source Intelligence in Crisis: Navigating China’s Restrictions, The China Project**

*By Jacqueline Cheng  
September 20, 2023*

On September 18, The China Project held a virtual webinar to discuss China’s current restrictions on open-source data and how Western researchers can respond to such impediments on open-source intelligence. Titled “Open-Source Intelligence in Crisis: Navigating China’s Restrictions,” the event was held to discuss Beijing’s tightening of foreign access to Chinese databases...

[Read More](#)

---Academic Engagement---

**Executive Director Dr. Nong Hong speaks at Stimson Center event on “Charting a Blue Future for Cooperation between West Africa and China on Sustainable Fisheries”**

*Thursday, September 14, 2023*

On Thursday, September 14, 2023, ICAS Executive Director and Senior Fellow Dr. Nong Hong spoke on a Stimson Center online event panel discussing cooperation between China and West Africa over sustainable fisheries.

[About the Event](#)

[Watch](#)

---ICAS In the News---



On Wednesday, September 20, 2023, Senior Fellow Sourabh Gupta [discussed](#) UN Secretary General Guterres' address at the UNGA on CGTN America's *World Today*.

- "Even on the other areas where there should be transnational issues where there should be cooperation, [it] is moving very very slowly and it is coming at the expense of the weakest and the poorest."

On Tuesday, September 19, 2023, Senior Fellow Sourabh Gupta [discussed](#) the changing role of the United Nations amidst global challenges on CGTN America's *World Today*.

- "[The old days of Washington dominance] is changing but also it is not changing: the world is becoming multipolar but there has always been a need for multilateralism, especially...on transnational issues like climate change and also on the issue of poverty."

On Saturday, September 16, 2023, Senior Fellow Sourabh Gupta [discussed](#) the India-Middle East-Europe Economic Corridor on Alhurra USA's *Decision Capital*.

On Friday, September 15, 2023, Senior Fellow Sourabh Gupta [discussed](#) the G77+ China Summit in Havana, Cuba, on CGTN America's *The Heat*.

- "Many of the powerful rich countries would like to create their own like-minded group of friends and try to work and recreate that system."
- "[The UN] is becoming more of a power based system rather than a rules-based system granted not all the rules are followed in the first place but at least there was a notional adherence to those rules and an aspiration to broaden development at a multilateral level."

On Friday, September 15, 2023, Senior Fellow Sourabh Gupta was [quoted](#) in *China Daily* on China's current economic issues.

- "It's on a gradual improvement, and I see no reason why China will not hit the 5 percent target."
- "The great challenge for China is to move to delink household consumption from just real estate and the property sector. That's doable, but it will take time to do that."

The Institute for China-America Studies (ICAS) is an independent think tank in Washington D.C. ICAS focuses on the evolving dynamics in the U.S.-China relationship to promote greater collaboration and mutual understanding through sincere exchanges of fresh ideas, objective policy-oriented research, and fair assessments of this critical bilateral relationship.

We aim to provide a window into the worldviews of both the United States and China, and thereby serve as a vehicle to promote greater understanding between these two countries and societies.

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