



# The ICAS Bulletin

## Institute for China America Studies

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

October 23, 2024

## What's Going On?

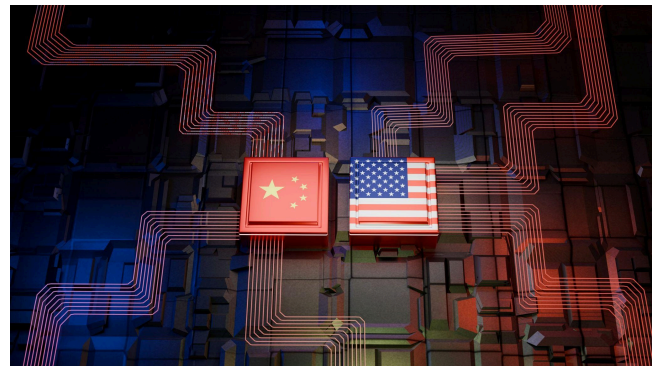
### Tensions and Trade Coexist as the U.S. Watches the ASEAN Summit



Leaders from ASEAN and Japan gather for a group photo at the 27th ASEAN-Japan Summit in Vientiane, Laos, on October 10, 2024. (Source: Cabinet Public Affairs Office, Ministry of Foreign Affairs of Japan)

- Russia and China blocked a proposed statement by ASEAN at the October 11 East Asia Summit due to language used on the South China Sea. The summit in Laos highlighted disagreements over the UN Convention on the Law of the Sea, with the U.S. and several other Western nations backing the proposed consensus statement for the East Asia Summit.
- U.S. Secretary of State Antony Blinken, who visited Laos for two days to participate in the 12th ASEAN-U.S. Summit, warned ASEAN leaders of China's "dangerous" actions in the South China Sea. He reaffirmed U.S. support for freedom of navigation, while China blamed the U.S. military presence for instability.
- China successfully signed several new trade deals with ASEAN and ASEAN nations, while the U.S. progressed a few major initiatives of their own with its ASEAN partners. Premier Li Qiang advanced economic ties as Blinken emphasized U.S. investments and security concerns.

### U.S. Tightens Tech Controls on China as the Private Sector Adjusts



(Source: Getty Images, Royalty-Free)

- In a letter delivered on October 18, U.S. lawmakers urged the Biden administration to block Huawei suppliers from accessing American chip making tools, citing national security concerns. They warned that Chinese firms linked to Huawei are using U.S. technology to bypass sanctions, calling for stricter export controls.
- Semiconductor company ASML expects a significant drop in China sales due to U.S. export restrictions on its chip making tools. The Dutch chip equipment maker forecasted China's contribution to its revenue will fall to around 20% in 2025, down from 49% in early 2024.
- New reports say that Apple collaborated with Shenzhen-based automaker BYD on long-range battery technology for its now-canceled car project, with the partnership contributing to BYD's current Blade battery system.
- Chemical manufacturer Lyten is investing over \$1 billion to build a lithium-sulphur battery factory in Reno, Nevada by 2027. The technology aims to reduce U.S.

- ASEAN leaders pressed China to respect international law after South China Sea clashes during the October 12 summit in Laos, with U.S. officials raising concerns over China's aggressive actions. Chinese Premier Li Qiang blamed foreign interference, including from the U.S., and reaffirmed China's sovereignty and economic ties with ASEAN.

*Associated News Sources:*

- ["US official accuses Russia and China of blocking Asia leaders' statement," Reuters, October 12](#)
- ["Blinken tells ASEAN the US is worried about China's dangerous' actions in disputed sea..." AP News, October 11](#)
- ["China Seizes Initiative at Key Asian Summit Ahead of US Election," Bloomberg, October 11](#)
- ["China defiant over South China Sea skirmishes in ASEAN talks, blames meddling by foreign forces," Voice of America, October 10](#)

reliance on China for critical metals, offering a cheaper and longer-lasting alternative to lithium-ion batteries.

- The Biden administration is considering imposing country-specific caps on AI chip sales, building on existing restrictions aimed at China. The potential limits would also target countries like the UAE and Saudi Arabia, as concerns over national security and AI technology being used for surveillance increase.

*Associated News Sources:*

- ["Huawei Suppliers Face US Lawmaker Effort to Block Chip Gear," Bloomberg, October 17](#)
- ["ASML just gave us a first glimpse into how U.S. chip export curbs will dent its China sales," CNBC, October 16](#)
- ["Apple Secretly Worked With China's BYD on Long-Range EV Battery," Bloomberg, October 16](#)
- ["\\$1bn US battery plant plan ups ante in race to reduce reliance on China," The Irish Times, October 15](#)
- ["US Weighs Capping Exports of AI Chips From Nvidia and AMD to Some Countries," Bloomberg, October 15](#)

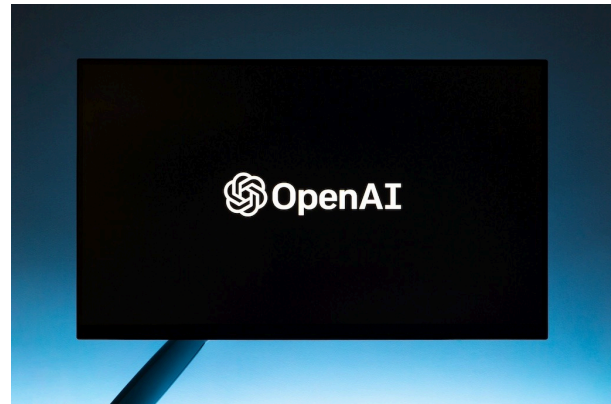
### Military Drills and Rising Tensions Around Taiwan and the South China Sea



A Taiwanese Air Force Mirage 2000 fighter jet takes off at an air force base in Hsinchu on October 14, 2024. (Photo by I-HWA CHENG/AFP via Getty Images)

- A pair of U.S. and Canadian warships sailed through the Taiwan Strait on October 21, less than one week after China conducted a military exercise around Taiwan. Beijing condemning the transit as "disruptive" and the U.S. Navy emphasizing it as a routine mission for freedom of navigation.
- U.S. and Filipino troops began annual joint military exercises in the South China Sea, with the drills focusing on coastal defense.
- On October 14, as an apparent warning against "separatist acts" following Taiwanese President Lai Ching-te's remarks on Taiwan's National Day, China's

### Mutual Spikes in Tensions Over Sanctions, Cybersecurity, and Corporate Issues



(Source: Unsplash)

- Chinese tech company DJI is suing the U.S. to be removed from the "Chinese military companies" list, claiming that such a designation has hurt its business since 2021. The company denies ties to the Chinese government and Uyghur surveillance allegations, which are the reasons given for it being designated.
- The U.S. sanctioned two Chinese companies on October 19 for aiding Russia in producing long-range attack drones used in Ukraine. The Treasury Department cited direct collaboration between Chinese firms and Russian defense companies, further straining U.S.-China relations.

military conducted war games around the island of Taiwan, drawing condemnation from Taiwan and the U.S. The drills involved both warships and aircraft and were followed up two days later by another military drill conducted by China simulating a blockade of Taiwan. The U.S. condemned the exercise as provocative and destabilizing.

- The U.S. condemned China's potential use of Taiwan's October 10 National Day speech as a pretext for military pressure. A U.S. official emphasized that there is no justification for such coercive actions, which undermine cross-Strait stability.

*Associated News Sources:*

["US, Canadian navies sail through Taiwan Strait week after war games," Reuters](#), October 21

["U.S. and Philippines launch war games as Taiwan detects record number of Chinese military aircraft around island," CBS News](#), October 15

["China Targets Taiwan in Major Military Exercise, Pentagon Condemns 'Irresponsible' Action," USNI News](#), October 14

["China ends war games around Taiwan, but leaves door open to more," Reuters](#), October 14

["US says Taiwan speech no justification for China military pressure," Reuters](#), October 9

- Washington-based McKinsey is overhauling its China operations, cutting 500 employees and reducing work with government-linked clients amid rising U.S.-China tensions.

- On October 16, China's Cybersecurity Association called for a security review of products made by U.S. tech company Intel, alleging that they pose national security risks. The potential review could impact Intel's revenue in China.

- New York-based IBM is investigating misconduct allegations against its China head, Chen Xudong, after claims of accepting gifts and leaking company information. The investigation follows broader challenges that IBM is facing in China amid the U.S.-China geopolitical tensions.

- The White House triggered an emergency response group to address Chinese cyber intrusions into U.S. telecom providers. Officials are concerned the hacks may have compromised wiretap systems used by law enforcement, marking a significant security threat.

- California-based company OpenAI revealed that a China-linked group attempted a phishing attack on its employees earlier this year. The attack, aimed at stealing sensitive information, was unsuccessful due to existing security controls.

*Associated News Sources:*

["Dronemaker Suing Defense Dept. After Being Labeled as 'Chinese Military Company,'" Tech.co](#), October 21

["US imposes sanctions on Chinese companies accused of helping make Russian attack drones," AP News](#), October 17

["McKinsey Revamps Its China Operations Amid New Risks," The Wall Street Journal](#), October 17

["Chinese cyber association calls for review of Intel products sold in China," Reuters](#), October 16

["IBM Investigates Allegations of Executive Misconduct in China," Bloomberg](#), October 14

["White House activates emergency response to telecom hacks," Politico Pro](#), October 11

["OpenAI Says China-Linked Group Tried to Phish Its Employees," Bloomberg](#), October 9

## Various Voices Add to Bilateral U.S.-China Tensions and Concerns



U.S. Deputy Secretary of Defense Kathleen Hicks addresses the U.S. Chamber of Commerce in Washington, DC, on July 9, 2024. (Photo by DREW ANGERER/AFP via Getty Images)

- China is reportedly developing a low-cost radar system capable of detecting the U.S. F-22 Raptor stealth fighter, utilizing a single receiving antenna and the BeiDou satellite system. The radar reportedly uses a “blind detection” method to track stealth jets and can switch between various satellite systems for uninterrupted operation.
- Senator Marsha Blackburn targeted China in a new political ad, highlighting her anti-China stance, while her opponent Gloria Johnson focuses on lowering costs and fighting corporate influence.
- The U.S. says it plans to use tariffs and other measures to counter China’s overproduction in sectors like electric vehicles and semiconductors. White House official Daleep Singh warned that China’s subsidies and market dominance are undermining global competition.
- Pentagon Deputy Secretary Kathleen Hicks stressed at a public think tank event that China’s military expansion is the United States’ top challenge, urging reforms in innovation and accountability within the Defense Department. She also highlighted the United States’ strategic advantage in its global alliances.

### Associated News Sources:

- [“China Says Developing Low-Cost Radar That Can Track US F-22 Stealth Fighter Jets.”](#) *The Defense Post*, October 21
- [“Marsha Blackburn takes aim at China as U.S. Senate ad race heats up.”](#) *The Tennessean*, October 17
- [“White House warns China using overproduction for global dominance.”](#) *Reuters*, October 17
- [“Hicks: China Threat More Difficult for Public to Understand than Ukraine, Middle East.”](#) *USNI News*, October 17

## - In Other News -



A pair of FedEx trucks in a motorcade transport a pair of 3 year old Giant Pandas, Bao Li and Qing Bao, after they arrive on a FedEx Boeing 777 plane from China at Dulles International Airport on October 15, 2024 in Dulles, VA. Eleven months prior three giant pandas, Tian Tian, Mei Xiang and Xiao Qi Ji left Washington, DC traveling 19 hours to the Wolong Panda Reserve in Chengdu, China. (Photo by Kent Nishimura/Getty Images)

- [“US: Attendees of US-China Green Energy Summit call for urgent action on climate change.”](#) *Newsflare*, October 19
- [“iPhone 16 Sales Soar 20% in China Debut as Demand Returns.”](#) *Bloomberg*, October 18
- [“White House warns China using overproduction for global dominance.”](#) *Reuters*, October 17
- [“Giant Pandas From China Return to National Zoo in Washington, D.C.”](#) *The New York Times*, October 15
- [“One’s got a big appetite, the other’s a bit of an introvert. China’s new panda diplomats touch down in DC.”](#) *CNN*, October 15
- [“Xi says China willing to be a partner, friend with the US.”](#) *Reuters*, October 15
- [“US dollar climbs to 10-week peak; euro, China’s yuan fall.”](#) *Reuters*, October 14
- [“China’s AI start-ups race to crack US market.”](#) *Financial Times*, October 9
- [“Mexico takes the US side in potential trade battles with China and seeks to boost local content.”](#) *AP News*, October 9

## What Are We Reading? ↓

- *South China Morning Post*: [“Open questions | Chad Sbragia on why a breakdown of US-China defence links could be ‘really dangerous’”](#) by Hayley Wong and Amber Wang (October 21)
- Atlantic Council: [“In a war against China, the US could quickly exhaust its weapons. A new Indo-Pacific defense initiative might be the answer.”](#) by Adam Kozloski (October 17)
- Carnegie Endowment for International Peace: [“U.S.-China Relations for the 2030s: Toward a Realistic Scenario for Coexistence”](#) by Christopher S. Chivvis, Mariano-Florentino (Tino) Cuéllar, Evan S. Medeiros, et. al. (October 17)
- *Bloomberg*: [“Can China’s AI Dragons Make It in the US?”](#) by Catherine Thorbecke (October 16)
- *Bloomberg*: [“The US Can’t Stay ‘Ambiguous’ in the Taiwan Strait”](#) by Andreas Kluth (October 16)
- *The New York Times*: [“With Jets and Ships, China Is Honing Its Ability to Choke Taiwan”](#) by David Pearson and Amy Chien (October 16)
- *The Wall Street Journal*: [“How the U.S. Is Trying to Challenge China’s Cobalt Chokehold”](#) by Alexandra Wexler and Julie Steinberg (October 15)
- *The Guardian*: [“Taiwan and trade: how China sees its future with the US after the election”](#) by Amy Hawkins, Helen Davidson, and Chi Hui Lin (October 15)
- *Foreign Policy*: [“The People’s Republic of China Turns 75”](#) by Chloe Hadavas (October 13)
- *BBC*: [“Harris or Trump? What Chinese people want from US election”](#) by Laura Bicker (October 13)
- *The Wire China*: [“What U.S. Interest-Rate Cuts Mean for China”](#) by Andrew Sheng and Xiao Geng (October 13)
- United States Institute of Peace: [“Southeast Asian Nations Convene amid Myanmar Crisis, South China Sea Tensions”](#) by Brian Harding, Jason Tower, and Andrew Wells-Dang, Ph.D. (October 10)

## What’s Happening Around Town? ↓

### *- Past Events -*

- [Book Event - "On Xi Jinping" with Ambassador Kevin Rudd](#)  
October 21 hosted by Center for Strategic & International Studies
- [Navigating a Way Forward on U.S.-China Relations](#)  
October 17 hosted by Carnegie Endowment for International Peace
- [China's Evolving Nuclear Policy: What It Means for U.S. Security and International Stability](#)  
October 16 hosted by Carnegie Endowment for International Peace
- [Virtual Event | Fireside Chat with General Charles A. Flynn, Commanding General, U.S. Army Pacific](#)  
October 15 hosted by Center for a New American Security
- [China in the Heartland: Building a Balanced Approach](#)  
October 10 hosted by Robert J. Dole Institute of Politics

### *- Upcoming Events -*

- [Understanding China’s Strategic Path to Great Power Status](#)  
October 23 hosted by Carnegie Endowment for International Peace
- [USCBC Legal and Regulatory Event Series: Anti-Corruption Compliance](#)  
October 23 hosted by The US-China Business Council
- [The Visible Hand: Positioning America to Compete | Political Studies Policy Certificate Program](#)  
October 24 hosted by Hudson Institute
- [The Future of US-China Policy: What the 2024 Elections Mean for Business](#)  
October 24 hosted by The US-China Business Council
- [The Visible Hand: Positioning America to Compete | Political Studies Policy Certificate Program](#)  
October 24-26 hosted by Hudson Institute

- [Living U.S.-China Relations: A Conversation with Author Mike Lampton](#)  
November 7 hosted by University of Southern California US-China Institute

## What ICAS Is Up To

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

#### **L.E.A.D. Legislative Brief: 118th Congress Pushing for Further Decoupling with China during the “China Week” as Election Approaches**

By Yilun Zhang, Amanda Jin & Ao Gu  
October 14, 2024

#### **Introduction:**

As Congress resumed from its summer recess and as the election approaches, U.S. lawmakers in early September introduced a wave of China-related legislative measures, which in large part followed its consistent trajectory of firmly pushing for further U.S.-China strategic competition and decoupling. During what was dubbed as “China Week,” the House passed more than 20 bills targeting China, with a particular focus on emerging and critical technologies. Additionally, efforts were also made to address China’s global influence and to reassert democratic values related to U.S. concerns about China. Nevertheless, as the 118th Congress enters its final stretch,



lawmakers face limited time to advance these measures, while the upcoming election promises to shift key players and hence potentially impact the overall legislative stance on China.

[Read the Full Brief](#)

*In May 2023, the team at the Institute for China-America Studies (ICAS) launched the [U.S.-China Legislative and Executive Actions Directory \(L.E.A.D.\)](#) Project to track and summarize trending critical issues and developments on China, emanating from both the White House and Capitol Hill.*

*This is the fifth release of the [Legislative Actions Directory](#) and the second legislative release in 2024, summarizing recent U.S. legislative moves up to the October recess and with a special additional focus on the November congressional race.*

**---ICAS In the News---**

On Saturday, October 19, Senior Fellow Sourabh Gupta was [interviewed](#) by *South China Morning Post* on Taiwan remaining a flashpoint no matter who wins the U.S. election.

- “For the most part, the Biden team operated within the confines of the US one-China policy ... and has been consistent in its messaging and practices since the November 2022 G20 summit in Bali.”

On Monday, October 14, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America’s The Heat* on the ASEAN Summit.

- “...Asia and ASEAN is one of the rare bright spots in the global economy...ASEAN has become an important manufacturing platform for many countries also including for China and that’s why in terms for China it’s not just trading with ASEAN that relationship is changing a little bit where China is becoming an important investor in ASEAN countries and thereafter the producing for third markets.”
- “What I would say about the meeting is...it is a reflection of what ASEAN does very well. Three things, it provides a platform, which is a very broad platform where a lot of parties can speak even those who are at odds with each other,...secondly it discusses all the issues under the sun which relate to the Asia Pacific region and touch upon ASEAN and Southeast Asia...and finally the third point through these meetings implicitly and explicitly ASEAN manages to make its centrality heard and felt...”



On Thursday, October 10, Senior Fellow Sourabh Gupta was [interviewed](#) by *South China Morning Post* on U.S.-China competition in advanced tech and what lies ahead.

- “Breakthroughs in science and technology will be central to the geopolitical landscape of the 21st century and to efforts by the US and China to dominate it.”
- “To be clear, there is no ‘new cold war’ that is about to break out as yet in US-China relations [of] the sort of overarching zero-sum rivalry that played out between Washington and Moscow during the second half of the 20th century.”
- “However, there is a palpable cold war-style, zero-sum equation settling into their competition to dominate the high-technology and advanced manufacturing industries of tomorrow.”