



The ICAS Bulletin

Institute for China America Studies

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

November 6, 2024

What's Going On?

Perspectives and Expectations as the U.S. General Election Arrives



(Source: Getty Images, Royalty-Free)

- TikTok employees report being largely indifferent to the U.S. election's impact on the app, seeing little hope from either candidate due to TikTok's Chinese ties. Most expect prolonged court battles and believe their job security is not immediately at risk, regardless of the political outcome.
- With the upcoming election approaching, presidential nominee Donald Trump's proposed tariffs have left U.S. farmers wary, as they fear the repeat of past trade wars with China. While some farmers appreciate his policies on taxes and deregulation, many worry that increased tariffs could harm agricultural exports and lead to billions in losses if China retaliates.
- The size of China's domestic stimulus may depend on the U.S. election outcome, with analysts predicting a larger package if Trump wins due to potential tariff hikes. Beijing faces internal economic challenges, but the stimulus could focus more on tech and local infrastructure than direct consumer aid.

U.S. Moves in the Security Realm in Response to Rising Global Tensions



Chief of Space Operations at U.S. Space Force General B. Chance Saltzman testifies during a Senate Armed Services Strategic Forces Subcommittee hearing on Capitol Hill in Washington, DC. (Photo by Drew Angerer/Getty Images)

- The U.S. reports that it is closely monitoring Russia-China military cooperation in the Arctic, with recent joint activities raising security concerns. The new Ambassador-at-Large for Arctic Affairs, Michael Sfraga, called for stronger alliances as both nations pursue Arctic resources and shipping routes.
- U.S. Space Force chief General B. Chance Saltzman warned in an interview that China's rapid development of space-based military systems poses a greater threat than Russia's space capabilities. He notes that the U.S. is strengthening international collaboration through initiatives like Combined Space Operations to counteract these growing threats.
- After North Korean soldiers were seen alongside Russia's fighting against Ukraine, U.S. officials urged China to curb North Korea's support for Russia in Ukraine, hoping Beijing's concerns about the partnership will lead it to act. American officials fear the activity could draw Europe into East Asian security

- During a briefing a Chinese official explains hopes that the U.S. will maintain consistent climate policies and international cooperation, regardless of the election outcome.

Associated News Sources:

- ["Tiktok Employees Shrug Off The US Election,"](#) *Wired*, November 5
- ["U.S. Farmers Brace For New Trump Trade Wars Amid Tariff Threats,"](#) *The New York Times*, November 4
- ["China Gears Up For A Big Week As Markets Await U.S. Elections And Stimulus Details,"](#) *CNBC*, November 3
- ["China Hopes US Will Continue Climate Change Collaboration Whoever Wins Election, Official Says,"](#) *Reuters*, November 1

issues.

- China filed a diplomatic complaint with the U.S. over \$2 billion in weapons sales to Taiwan, vowing to take "necessary measures" to protect its sovereignty. Taiwan welcomed the sale, while China urged the U.S. to cease actions it claims threaten peace in the Taiwan Strait.

- In response to China's advanced missile capabilities, the U.S. Navy plans to equip ships with Patriot interceptor missiles to counter potential hypersonic threats.

Associated News Sources:

- ["US Envoy Sees Some 'Concerning Signals' In Russia-China Military Cooperation In Arctic,"](#) *Reuters*, November 1
- ["China's 'Mind-Boggling' Space Capabilities Worry US, Says Space Force Chief,"](#) *Politico*, October 31
- ["U.S. Turns To China To Stop North Korean Troops From Fighting For Russia,"](#) *The New York Times*, October 31
- ["China Vows 'countermeasures' After \\$2 Billion Us Arms Sale To Taiwan,"](#) *Voice of America*, October 26
- ["Fearing China's Hypersonic Weapons, US Navy Seeks To Arm Ships With Patriot Missiles,"](#) *Reuters*, October 25

Stances on the U.S. General Election and Potential Shifts on China Policy



People vote at a polling station on Election Day in the Brooklyn borough of New York City, November 5, 2024. (Photo by DAVID DEE DELGADO/AFP via Getty Images)

- China signaled a commitment to working with the U.S. under "mutual respect" if Trump is elected, though experts warn his win could escalate U.S.-China tensions in trade, technology, and security.
- After being largely quiet on the U.S. General Election, on Monday, Chinese state media and social media picked up the "chaos" story again, focusing largely on the influence of billionaires. Social media users express pessimism about either candidate benefiting China, while most avoided taking stances on who may win the

Major Brands Tackle Expanding Competition Amid Shifting Markets



An outdoor view of an Apple store in China in 2021. (Source: Chris Nagahama via Unsplash)

- As noted in its third-quarter revenue report which beat market expectations, Amazon Inc.'s push to offer low-cost essentials like toothpaste aims to counter competition from China-based rivals Shein and Temu, despite lower average selling prices as it brings consumers back more frequently. Leveraging its local warehouses, Amazon enhances quick delivery, though it faces price competition from U.S. retailers.
- Apple Inc. reported weaker revenue growth in China, affecting its global outlook as the U.S. company faces

presidential election.

- Republican candidate Donald Trump, speaking at a Pittsburgh rally one day before the U.S. General Election, proposed implementing 25% tariffs on goods from Mexico and China if they do not take stronger actions to reduce the flow of fentanyl into the U.S.
- On Election Day, China reaffirmed its stance of noninterference in U.S. affairs and expressed hope for constructive ties with the next administration. Meanwhile, the FBI warned of foreign interference efforts from Russia and Iran as tensions rose with China over a recent U.S. arms package for Taiwan.
- Elon Musk's support for Trump, despite Trump's anti-China stance, is drawing attention in China, where Musk's business ties could face scrutiny.
- In China, interest in the U.S. election is muted, with most assuming that U.S.-China tensions will persist regardless of the winner. While Trump's unpredictability adds risk, some say, Harris is expected to continue Biden's firm approach, as Beijing focuses on managing ongoing rivalry and economic strain.

Associated News Sources:

- ["China Will Work With US On Basis Of Mutual Respect, Foreign Ministry Says," Reuters, November 6](#)
- ["Chinese Media Breaks Silence On 'unprecedented Chaos' Of US Vote," Bloomberg, November 6](#)
- ["Trump Warns, If Elected, He'll Impose Tariffs On Mexico, China Over Fentanyl," Reuters, November 5](#)
- ["China Issues Election Message To Trump And Harris," Newsweek, November 5](#)
- ["Elon Musk's Influence Over Trump Is Being Closely Watched By Beijing," NBC News, November 4](#)
- ["China's Watching The US Election – But Doesn't See Much Hope For Better Ties," CNN, October 31](#)

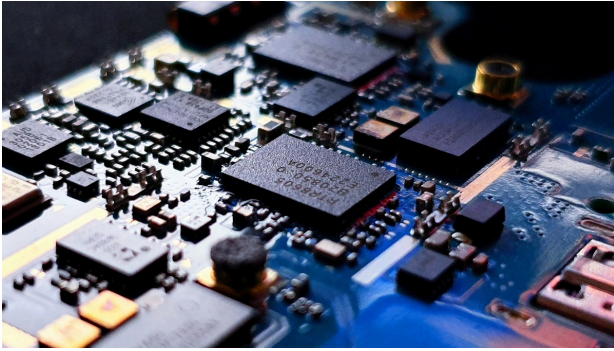
local competition and regulatory challenges. Strong iPhone sales in the U.S. helped, but other product lines underperformed in China, a critical market.

- After recovering from a 2019 accounting scandal, China's Luckin Coffee now outpaces Starbucks in Chinese revenue and is looking to expand into the U.S. market.
- Apple's iPhone exports from India surged by a third, reaching nearly \$6 billion in the first half of the fiscal year, as the U.S. company continues to successfully diversify manufacturing away from China.
- Increasing consumer frugality in China over recent months is boosting domestic brands like Proya, while U.S. giant Starbucks and other global brands like L'Oreal are seeing declining sales as Chinese shoppers favor affordable, local options.
- Starbucks reported a 3% drop in quarterly revenue and a 24% decline in earnings, prompting a suspension of its 2025 guidance as new CEO Brian Niccol prepares to re-strategize. Sales in both the U.S. and China fell due to decreased foot traffic and heightened peer competition from companies like Luckin Coffee.

Associated News Sources:

- ["Amazon's Plan To Tackle Temu, Shein? Sell More Toothpaste," Reuters, November 1](#)
- ["Apple Sparks Concerns With Tepid Forecast, China Weakness," Bloomberg, November 1](#)
- ["Luckin Coffee, The Buzzy Chain That Outsell Starbucks In China, Reportedly Plans A U.S. Expansion," Fortune Asia, October 29](#)
- ["Apple Ships \\$6 Billion of iPhones From India in Big China Shift," Bloomberg, October 28](#)
- ["Western Brands Are Losing More Ground to Cheaper Chinese Rivals," Bloomberg, October 25](#)
- ["Starbucks Shares Drop As Preliminary Q4 Results Show Declining Sales In US, China," Yahoo Finance, October 23](#)

The U.S.-China Chips Competition Mutually Continues and Intensifies



(Source: UnSplash)

- U.S. semiconductor firms, responding to tighter regulations, are urging suppliers to phase out Chinese components or risk losing vendor status. Meanwhile, some Chinese suppliers are establishing ventures in third countries to retain U.S. market access.
- The U.S. Treasury Department issued a rule to restrict American investments in China's AI, chips, and quantum computing sectors with the goal being to curb China's military tech advancements. Set to take effect on January 2, the rule mandates notifications for relevant transactions and includes substantial penalties for violations.
- China's Cyber Security Association called for a security review of Intel company products, alleging there are vulnerabilities that could pose risks to national security.
- Taiwan-based chipmaker TSMC's new Arizona plant has achieved higher chip production yields than its facilities in Taiwan, marking progress in U.S. semiconductor manufacturing. The facility is part of TSMC's \$6.6 billion government-backed expansion, with volume production expected by early 2025.
- National Security Adviser Jake Sullivan defended U.S. subsidies and export curbs targeting China at the IMF, which are aimed at protecting American industries from another "China shock." Sullivan emphasized a selective, high-security approach for sensitive technologies, despite concerns from allies and global trade risks highlighted by the IMF.

Associated News Sources:

- ["U.S. Chip Toolmakers Move To Cut China From Supply Chains,"](#) *The Wall Street Journal*, November 4
- ["Treasury Issues Rule To Block US Investors From Helping China Develop Advanced Military Technology,"](#) *AP News*, October 29

- In Other News -



Indonesia's President Prabowo Subianto greets journalists before receiving his state guests at the presidential palace in Jakarta on October 21, 2024. (Photo by BAY ISMOYO/AFP via Getty Images)

- ["China's Premier Defends Free Trade On Eve Of US Presidential Election,"](#) *Financial Times*, November 5
- ["Chinese Logistics Operators Are Getting Into U.S. Warehousing,"](#) *The Wall Street Journal*, November 4
- ["Chinese Solar Firms Go Where Us Tariffs Don't Reach,"](#) *Reuters*, November 3
- ["U.S. To Expand National-Security Reviews Of Real-Estate Deals Near Military Bases,"](#) *The Wall Street Journal*, November 1
- ["China Pivot From US Farm Imports Bolsters It Against Trade War Risks,"](#) *Reuters*, November 1
- ["U.S. Bans Entry Of Esquel Group's Products Over Alleged Uyghur Labor,"](#) *UPI*, October 31
- ["Largest U.S. Drone Manufacturer Says It Will Need To Ration Batteries For Customers After Sanctions By China,"](#) *Forbes*, October 31
- ["US Released A Chinese Detainee To Free Imprisoned American,"](#) *Politico*, October 30
- ["Exclusive: China Considers Over \\$1.4 Trillion In Extra Debt Over Next Few Years,"](#) *Reuters*, October 29
- ["Exclusive: China's Xi Pressed Biden To Alter Language On Taiwan,"](#) *Reuters*, October 29
- ["Indonesia's Prabowo To Visit China And US In First Foreign Trip, Newspaper Says,"](#) *Reuters*, October 29
- ["Meg Whitman's Mission in Africa: American Tech Over Chinese,"](#) *Bloomberg*, October 28
- ["American Views Of China Hit Record Low, Poll Finds, As Animosity Grows,"](#) *The Washington Post*, October 24
- ["Exclusive: Moon Sample Talks Show Space Engagement By Rivals Us And China,"](#) *Reuters*, October 23
- ["U.S., China Trade Tariffs Escalating Would Be 'costly For Everybody,' IMF Deputy Director Says,"](#) *CNBC*, October 23
- ["Chinese Self-Driving Startup Weride Files For \\$119 Mln U.S. IPO,"](#) *Reuters*, October 23

["Intel Gets Caught Up In The U.S.-China Rivalry,"](#) *The Wire China*, October 27
["Tsmc's Arizona Chip Production Yields Surpass Taiwan's In Win For US Push,"](#) *Bloomberg*, October 24
["Biden Trade Curbs Helped Stop Another China Shock, Sullivan Says,"](#) *Bloomberg*, October 23

What Are We Reading? ↓

- Atlantic Council: [How Data Control Is Driving A New US-China Economic Divide](#) by Jesse Sucher (November 4)
- *The Wire China*: ["China On The Campaign Trail"](#) by Noah Berman (November 3)
- *Bloomberg*: ["Musk's Close Ties With Trump Give Xi A Friend With Influence"](#) (November 3)
- *The Monitor*: ["Da Wei On The U.S. Election And U.S.-China Relations"](#) (November 2)
- *The Wall Street Journal*: ["U.S. Drugmakers Are Breaking Up With Their Chinese Supply-Chain Partners"](#) by Jared S. Hopkins and Clarence Leong (November 1)
- Stimson Center: ["Great Power Competition Shouldn't Drive US Policy in the Middle East"](#) by Christopher Preble and Will A. Smith (October 31)
- United States Institute of Peace: ["How The India-China Border Deal Impacts Their Ties And The U.S."](#) by Andrew Scobell, Sameer P. Lalwani, and Daniel Markey (October 31)
- Committee of 100: ["State of Chinese Americans Survey 2024"](#) (October 31)
- *The New York Times*: ["How Volkswagen Lost Its Way in China"](#) by Keith Bradsher (October 31)
- *Los Angeles Times*: ["How China Sees The U.S. Presidential Election: 'it's High Political Drama'"](#) by Stephanie Young (October 31)
- *The Wall Street Journal*: ["With Dreams Of A Lunar Outpost, China Takes New Risks In Space Race With U.S."](#) by Brian Spegele and Clarence Leong (October 29)
- *Bloomberg*: ["How American Tax Breaks Brought A Chinese Solar Energy Giant To Ohio"](#) (October 29)
- *Breaking Defense*: ["To Focus On China, US Needs To Wean Off Europe And Middle East Missions"](#) by Carlton Haelig (October 28)
- *The Guardian*: ["Many Republicans Take A Tough Line On China Despite Their Own Business Ties To Beijing"](#) by Martin Pengelly (October 28)
- *The Washington Post*: ["As Ties With The U.S. Worsen, China Asks: Who's The New Kissinger?"](#) by Christian Shepherd and Katrina Northrop (October 28)
- *Financial Times*: ["Sinologist Li Cheng: 'America Is Not In The Mood To Study China'"](#) by Edward White (October 25)
- *NBC News*: ["China Rivalry Will Continue 'Into The Next Decade,' U.S. Ambassador Tells NBC News"](#) by Janis Mackey Frayer and Jennifer Jett (October 24)
- Brookings: ["Where Are The US And China On Addressing Climate Change?"](#) By Michael R. Davidson and Margaret M. Pearson (October 24)
- *Foreign Policy*: ["America Needs Clear Standards For China Tech Decoupling"](#) by Vivek Chilukuri (October 24)
- Center For a New American Security: ["Sanctions By The Numbers: Comparing The Trump And Biden Administrations' Sanctions And Export Controls On China"](#) by Eleanor Hume and Rowan Scarpino (October 23)
- *The Economist*: ["Ambiguity Or Madness? Where Harris And Trump Stand On China"](#) (October 23)
- *Eco-Business*: ["Four Lessons From 30 Years Of US-China Climate Cooperation"](#) by Betty Wang, Taylah Bland, and Dialogue Earth (October 23)

What's Happening Around Town? ↓

- Past Events -

- [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
- [Webinar | Harris Vs Trump: What's At Stake For China In The Us Presidential Election?](#)
October 31 hosted by *South China Morning Post*
- [At The Edge Of Empire: A Discussion With Edward Wong](#)
November 4 hosted by Hudson Institute

- Upcoming Events -

- [Living U.S.-China Relations: A Conversation with Author Mike Lampton](#)
November 7 hosted by University of Southern California US-China Institute
- [Critical Issues In The US-China Science And Technology Relationship](#)
November 7 hosted by Hoover Institution
- [Capture The \(Red\) Flag: An Inside Look Into China's Hacking Contest Ecosystem](#)
November 8 hosted by Atlantic Council
- [The Quad & Strategic Competition with China](#)
November 14 hosted by East-West Center
- [China & The Rise Of Xi Jinping](#)
November 25 hosted by Asia Society

What ICAS Is Up To ↓

---ICAS Save the Date Announcement---

The ICAS 2024 Annual Conference will be held on Thursday, December 12, 2024!

The Institute for China-America Studies is excited to host its full-day Annual Conference—in conjunction with a celebration of the tenth anniversary of its founding—on Thursday, December 12, 2024 in Downtown Washington, D.C.!

Full information regarding this anticipatory event, to include the list of over two dozen experts in U.S.-China relations gathering to discuss current and future actions in this complex field, will be announced soon!

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---MAP Commentary---

Reflection from the 2024 Arctic Circle Assembly: Charting the Future of Arctic Governance

By Nong Hong
October 22, 2024

The Arctic Circle Assembly, held from October 17-19, 2024, in Reykjavík, Iceland, attracted over 2,500 participants, including government leaders, academics, indigenous representatives, and business figures, solidifying its status as the world’s largest annual event dedicated to Arctic affairs. The 2024 edition expanded its scope with new initiatives, such as the Arctic Circle Business Forum, and took a more integrated approach to scientific and cultural cooperation. These additions built upon the foundations laid in 2023 while addressing evolving geopolitical and environmental challenges. The Assembly emphasized key issues such as Arctic governance, climate change, and economic opportunities, featuring more than 700 speakers across 250 sessions.



A central feature of the event was the “Polar Dialogue,” which extended the discussions initiated at the 2023 Paris Polar Summit. This dialogue focused on promoting scientific collaboration and policymaking for polar and ice-covered regions worldwide, including the Arctic, Antarctic, and the Himalayas. High-profile political figures and leading scientists participated in the discussions, aiming to bridge the gap between scientific knowledge and policy action to address pressing challenges, particularly those related to climate change and environmental conservation...

[Link to Full Post](#)

--- Commentary---

Harris or Trump: The US’ broad brushstrokes on China and Beijing’s preferred choice

By Sourabh Gupta
November 4, 2024



“Are we adversaries, or partners? That is the number one question for us,” President Xi Jinping queried President Joe Biden during his meeting last November at the Filoli Estate, a grand country house and garden set on rolling grounds in Woodside, California. Returning to the question five months later in his phone conversation with Biden, Xi asserted that the two sides needed to first get the “issue of strategic perception” right, “just like the first button of a shirt that must be put right.”

Be it a Harris administration or a second Trump administration, the first button is not likely to be worn as per Xi’s liking.

[Link to Full Post](#)

This piece was [originally](#) released by Pacific Forum on November 4, 2024 as part of an opinion series.

---ICAS In the News---



On Sunday, October 24, 2024, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America* on the 2024 BRICS Summit.

- “In the development realm there’s already lots of work happening...China is a huge infrastructure provider and of course the new development bank is up running and putting out loans out there but where the BRICS cooperation is done best is in terms of medium-size pragmatic initiatives, which help development and economic progress...”

On Thursday, October 28, 2024, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America The Heat* on the IMF-World Bank Annual Meetings and the global economy.

- “...Treasury Secretary Janet Yellen, she has tried to kind of enhance the balance sheet the lending capacity of these multilateral development institutions and generally parties are on board in this regard but if the United States and its North Atlantic allies are not willing to give space to emerging markets to also frame the contours of how these institutions operate that money will not all be forthcoming...and it will just so be the case that the global financial monetary system economic system which is already in a process of fragmentation...will find their own means to try to finance development in particular regions...”

On Friday, October 29, 2024, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America* on the outlook for the economic ramifications of Japan’s general election verdict.

- “Just ten years back the LDP and its coalition partner Komeito were obtaining two-thirds majorities serially. They were doing that in lower house elections, they were doing that in upper house elections and while that was not the case in the previous election in 2022 or 2021 they did have a handsome majority and now even the majority is gone. This is a stinging defeat and a rare defeat for the LDP and for prime minister Ishiba to some extent.”

On Friday, October 29, 2024, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America The Heat* on the results of Japan’s recent election.

- “I think his options are two parties which are both opposition parties but in terms of the ideology are fairly conservative in their approaches. One is the Japan Innovation Party, it is an out and out conservative party, a nationalist party, it’s a region based party. This is not likely to be the coalition partner...not be the supporting partner.”

On Saturday, November 2, 2024, Senior Fellow Sourabh Gupta was [interviewed](#) by *South China Morning Post* on the future of critical minerals competition in US-China relations.

- “A new ‘Great Game’ is under way in this mineral energy space and – under Democratic administrations at least – the game has been joined energetically on both sides of the Pacific. At this early date though, China is many body-lengths ahead in this race. And the gap will get larger if a Republican president is elected to office.”

On Tuesday, November 5, 2024, Senior Fellow Sourabh Gupta was [interviewed](#) by *South China Morning Post* on the implications of the US presidential election for Asia policies.

- “To cut to the chase, a Democratic Party president is handily the ‘lesser of two evils’ insofar as the party and government are concerned.”
- “Beijing is not keen on a second edition of a ‘Trump and sowing chaos’ experiment.”