



The ICAS Bulletin

Institute for China America Studies

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

March 12, 2025

What's Going On?

Ongoing Stalemate in U.S.-China Tariff Talks Cause More Frustrations



Ministry of Commerce of the People's Republic of China Regular Press Conference February 27 (Source: Public Business Information News Editing and Reporting Center, Ministry of Commerce of the People's Republic of China, Public Domain)

- In response to escalating trade tensions, a Spokesperson from China's Ministry of Foreign Affairs criticized the U.S. tariffs.
- It is reported by the U.S. media that Washington and Beijing are exploring a potential June summit between Trump and Xi, aiming to improve relations amid escalating trade tensions, while Chinese officials declined to comment on the issue.
- U.S.-China tariff talks remain stalled at lower diplomatic levels, frustrating both sides as economic pressures mount. Progress is limited, with no clear timeline for resolving trade disputes.
- President Trump imposed a 25% tariff on all goods from Canada and Mexico and raised Chinese tariffs to 20% on March 4, 2025, triggering retaliatory measures. The move has shaken markets and is expected to drive up consumer prices on essentials like food, electronics, and gasoline.

Global Tensions Rise as Trump's Ukraine Policy Shifts, China Positions Itself as a Key Player



President Trump hosts President of Ukraine Volodymyr Zelenskyy - February 28, 2025. (Source: The White House via Flickr, Public Domain)

- Trump's looming reciprocal tariffs and strained relations with Ukraine have made Europe question the U.S.'s reliability.
- President Trump expressed optimism about upcoming Ukraine peace talks ahead of discussions in Saudi Arabia. The talks are expected to focus on reaching a ceasefire agreement with Russia, with Trump anticipating positive outcomes.
- Amid Trump's shift on the Ukraine war, Europe is also seeking to step up efforts to play peacekeeping role in the conflict.
- Former Ukrainian Foreign Minister Pavlo Klimkin warns that China stands to gain the most from President Trump's foreign policy shift, including closer U.S.-Russia ties. This could expand China's influence in Europe as traditional alliances weaken.

- China is imposing new tariffs of up to 15% on U.S. agricultural exports, including soybeans and pork, starting March 10, 2025, in retaliation for U.S. tariff hikes. The move escalates trade tensions, affecting farmers and global markets.

- China has warned the U.S. that it is ready to engage in any type of war in response to President Trump's growing tariffs. The statement, issued during China's National People's Congress in March 2025, comes as the country increases its defense spending and maintains a focus on economic growth, despite the rising tensions with the U.S.

Associated News Sources:

["China's Tariffs on U.S. Agricultural Products Take Effect"](#)
The New York Times, March 11

["U.S., China Discuss a Trump-Xi Summit for June"](#) *The Wall Street Journal*, March 10

["US-China Tariff Talks Stuck at Lower Levels, Stoking Frustration"](#) *Bloomberg*, March 10

["China Says It Is Ready For 'any Type Of War' With Us"](#) *BBC*, March 5

["China And Canada Immediately Retaliate Against Trump's Tariffs. Mexico Is Next"](#) *CNN*, March 4

["China Slaps Extra Tariffs Of Up To 15% On Imports Of Major Us Farm Exports And Adds Trade Limits"](#) *APNews*, March 4

Associated News Sources:

["Trump's Spat With Ukraine Opens Door for China in Europe"](#) *Newsweek*, March 11

["Europe's Armies Review a Peacekeeping Role in Ukraine"](#)
The New York Times, March 11

["Trump Says Us Has 'Just About' Ended Pause On Ukraine Intel Sharing"](#) *Reuters*, March 10

["Ex-Ukraine Foreign Minister Predicts China Is 'main Beneficiary' Of Trump Foreign Policy"](#) *South China Morning Post*, March 4

China Dominates Clean Energy Technologies, Reshaping Climate Cooperation as U.S. Steps Back



A BYD Plus DM-i electric vehicle is seen on display at a showroom in the Jing'an district of Shanghai on March 11, 2025. (Credit: HECTOR RETAMAL/AFP via Getty Images)

- China's electric vehicle industry continues to expand globally, especially as U.S. clean energy policies under President Trump reverse course, creating challenges for U.S. automakers.
- The U.S. has reduced funding for Arctic science, which may provide China with an opportunity to increase its influence in Arctic research. This shift is related to climate cooperation, as the Arctic plays an impactful role in global climate change studies, and China's increased presence could reshape international collaboration on climate science and policy.
- China announced major renewable energy projects, aiming for carbon neutrality by 2060. These efforts are part of the country's broader strategy to reduce emissions and transition to clean energy.
- China has emerged as a leader in clean energy technologies, outpacing global competitors in solar, wind, and electric vehicles, with its aggressive government policies and low manufacturing costs fueling rapid growth. This shift, which began in the 2010s, continues as China dominates key raw materials for green energy, securing its role as a central player in the future of global energy markets.
- COP30 President-Designate Andre Aranha Correa do Lago says China's leadership in climate action is increasingly vital, especially in renewable energy. Its role in solar panel production has driven global adoption and lowered costs for developing nations.

Associated News Sources:

["Current Climate: China's EV Edge Accelerates As U.S.](#)

U.S. Strategy Unintentionally Boosts China's Influence in Africa and South America



South African President Cyril Ramaphosa R meets with Chinese Foreign Minister Wang Yi, also a member of the Political Bureau of the Communist Party of China Central Committee, on the sidelines of the G20 Foreign Ministers' Meeting in Johannesburg, South Africa, on Feb. 20, 2025. (Credit: Zhang Yudong/Xinhua via Getty Images)

- The U.S. has strained relations with South Africa through political disagreements, including criticisms of land reform and foreign policy. As a result, South Africa has turned to China for economic ties, capitalizing on China's trade investments without the political demands of the U.S.
- The U.S.-China trade dynamic is undergoing significant shifts, with China expanding its trade relations with regions like Africa and Latin America, while also realigning its trade routes towards Asia. This change impacts global supply chains and challenges U.S. strategic influence in these regions.
- China's expanding trade dominance in South America, particularly with Argentina, is diminishing U.S. influence in the region. This shift marks a significant challenge to President Trump's strategic interest.
- The administration's strategy in competing with China and engaging globally could inadvertently pave the way for an increase in Beijing's influence.

Associated News Sources:

["How Trump Created a South African Team of Rivals"](#) Foreign Policy, March 10

["Maps Showing China's Growing Influence In Africa Distort Reality – But Some Risks Are Real"](#) The Conversation, March 4

["Sanctions And The Geopolitics Of Trade"](#) GIS Reports,

[Goes Into Reverse” Forbes, March 10](#)
[“The US Steps Back From Arctic Science, Paves Way for China” High North News, March 7](#)
[“China Announces Plans For Major Renewable Projects To Tackle Climate Change” Reuters, March 5](#)
[“How China Came To Dominate The World In Renewable Energy” The Washington Post, March 3](#)
[“China Plays Key Role On Climate Change, May Be Looked To For Additional Leadership, Cop30 President Says”, Reuters, February 27](#)

March 4
[“China Trade Surge Poses Challenge For Trump's South America Influence” Reuters, March 3](#)
[“Trump’s Foreign Policy Could Accelerate China’s Advance in Latin America” The Diplomat, February 28](#)

China’s Economic Policies to Promote Growth



Deputies to the 14th National People's Congress (NPC) attend the closing meeting of the third session of the 14th NPC at the Great Hall of the People on March 11, 2025 in Beijing, China. (Credit: Tian Yuhao/China News Service/VCG via Getty Images)

- Chinese officials announced that they may introduce additional stimulus measures if economic growth weakens further, in response to deflation risks and U.S. tariffs.
- China is targeting a 5% growth rate for 2025, as announced during the National People's Congress. This goal reflects the country's focus on economic resilience amid ongoing trade tensions and challenges.
- China has opened its telecom sector to 13 foreign companies, a move aimed at boosting technological development and attracting investment.
- China's economic challenges, including weak growth, deflation, and a struggling housing market, are drawing comparisons to Japan's "lost decades" of stagnation. Economists argue that without sufficient fiscal stimulus, China risks falling into a similar long-term economic slump, with lessons from Japan's policy missteps providing key insights for Beijing's next steps.

- In Other News -



Image of Mare Island Shipyard. (Credit: Michael Marfell, Royalty Free Image via Getty Images)

- [“Trump is targeting China-made containerships in new flank of global economic war on the oceans” CNBC, March 11](#)
- [“China, Iran and Russia hold joint naval drills in Mideast as tensions rise between Tehran and US” ABC News, March 11](#)
- [“Missouri plans to seize assets to make China pay a \\$24.5 billion judgment, but can it collect?” AP News, March 10](#)
- [“Major Powers Should Not Bully The Weak’. China Foreign Minister Says” Reuters, March 7](#)
- [“Chinese Ports in Panama Come Under New Management” CSIS, March 6](#)
- [“China Research On Next-Generation Computer Chips Is Double The Us Output” Nature, March 3](#)

Associated News Sources:

["China Is Ending Its Annual Congress With Questions Open Over How To Revive Its Slowing Economy?" AP News, March 11](#)

["China's \\$41 Billion Plan To Boost Consumption Is Just A Start As Deflationary Pressures Deepen" CNBC, March 10](#)

["Chinese Officials Say More Stimulus Possible If Growth Slowed" Reuters, March 6](#)

["China's Parliament Opens With Confidence About The Economy Despite Tariffs, Headwinds" NPR, March 5](#)

["China Opens Up Its Vast Telecoms Sector To 13 Foreign Companies" South China Morning Post, February 28](#)

What Are We Reading? ↓

- *The Hill*: "[A minerals agreement with Ukraine would be a bad deal for America](#)" by Peter Harris, (March 11)
- *Bloomberg*: "[Handouts Aren't the Answer to US Shipbuilding Woes](#)" by Bloomberg Editorial Board, (March 11)
- *Foreign Affairs*: "[The Incoherent Case for Tariffs](#)" by Chad P. Bown and Douglas A. Irwin (March 11)
- *The Diplomat*: "[Can China's Power Sector Walk the Tight-Rope Between Decarbonization and Market Liberalization?](#)" by Chris Hankin, (March 10)
- *Center for New American Security*: "[The United States Must Avoid AI's Chernobyl Moment](#)" by Janet Egan, (March 10)
- *The Wall Street Journal*: "[This Is No Way to Run a Trade War](#)" by Peter E. Harrell, (March 9)
- *Foreign Affairs*: "[The Limits of a U.S.-China Deal](#)" by Brendan Kelly and Michael Hirson, (March 7)
- *Foreign Policy*: "[Why Isn't China Playing Trump's Game?](#)" by Lili Pike, (March 7)
- *The Washington Post*: "[Europe still has 'cards.' Play them all](#)" by Lee Hockstader, (March 7)
- *The Wall Street Journal*: "[Trump and the Art of the Poker Deal](#)" by Matthew Hennessey, (March 6)
- *Brookings Institution*: "[China and Russia's strategic relationship amid a shifting geopolitical landscape](#)" by Patricia Kim, et al, (March 6)
- *The Diplomat*: "[The Geopolitics of Critical Minerals](#)" by Mercy A. Kuo, (March 6)
- *The New York Times*: "[Xi's Message: The Economy Is Strong, and China Won't Back Down](#)" by David Pierson, et al (March 4)
- *The Washington Post*: "[Trump is reorienting America's moral compass](#)" by Fareed Zakaria (March 2)
- *Bruegel*: "[Will China's Economy Follow The Same Path As Japan's?](#)" by Alicia Garcia-Herrero and Jianwei Xu (February 27)

What's Happening Around Town? ↓

- Past Events -

- [The Two Sessions: What Will China Do on Stimulus, Trade Wars, and Tech Competition?](#) | [Asia Society](#) March 6 hosted by Asia Society
- [Globalizing Perspectives on AI](#) Safety February 29 hosted by Brookings Institution
- [Launch Event: Critical Minerals and the Future of the U.S. Economy](#) February 27 hosted by the Center for Strategic and International Studies
- [Dr. Paul Gruenwald on Trump 2.0, AI, and New Globalization](#) February 27 hosted by Asia Society

- Upcoming Events -

- [2025 Global Technology Summit](#) April 10 hosted by the Carnegie Endowment for International Peace
- [Recharged? The Future of Europe's Auto Sector and EU-China Relations](#) March 24 hosted by the Center for Strategic and International Studies
- [Can sanctions change a country's policy? The case of China and Russia](#) March 21 hosted by the Peterson Institute for International Economics
- [China's Quest for Military Supremacy](#) March 17 hosted by Georgetown University
- [China's Annual Two Sessions: Meaningful Reform or Missed Opportunities?](#) March 14 hosted by the Center for Strategic and International Studies

What ICAS Is Up To ↓

---Expert Voices Initiative Interview---



EVI Interview - Dr. Zhao Long (February 2025)

"What is China's policy and strategy on the Arctic?"

中研中心 中美
ICAS
Washington DC

MAP ICAS MARITIME AFFAIRS PROGRAM

The Arctic: China

Zhao Long on the Arctic: China
February 21, 2025

Following the first interview on "[Canada and the Arctic](#)," Dr. Nong Hong, Executive Director and Senior Fellow at ICAS, conducted an in-depth discussion on February 21, 2025, with Dr. Zhao Long, a prominent Arctic expert from China.

As a key stakeholder in the Arctic, China has drawn significant attention for its evolving role in the region. This insightful interview explored several critical topics, including China's Arctic policy, its relationships with the five Arctic littoral states—particularly the United States and Canada—and its role in ocean governance, among other issues.

Watch The Full Interview [https://www.youtube.com/watch?v=G_WzChvqOXE]

Learn More About the ICAS Expert Voices Initiative [<https://chinaus-icas.org/media/expert-voices-initiatives/>]

---BCCC Commentary---**Rolling Back Climate Policies Won't Solve Industrial Struggles, and Better Solutions Exist***By Zhangchen Wang**March 11, 2025*

Therefore, rather than rolling back climate-oriented rules, governments should focus on measures that strengthen their industries' competitiveness in a decarbonized economy—whether through investment in research and development, targeted policy incentives, public-private partnership, or international collaboration to advance technology. The experience of countries like China, which has successfully expanded its EV sector while maintaining ambitious emissions policies, demonstrates that industrial competitiveness and strong climate regulations are not mutually exclusive. The Chinese government has consistently facilitated EV development through measures such as tax breaks and infrastructure investments, enabling automakers like BYD and Li Auto to achieve domestic success while also emerging as global leaders.

Thus, instead of reversing course, the EU should also look to successful models and strengthen their industries within the emission reduction framework. One key approach is to expand policy incentives that stimulate both consumer and corporate adoption of EV. The European Commission's plan to phase out tax breaks for fossil fuel-powered corporate cars is a positive step, considering that corporate fleets make up around 60% of new car registrations in the EU. Additionally, discussions around pan-European subsidies to boost EV demand signal a growing recognition of the need for streamlined incentives across member states. Another critical strategy is strengthening international partnerships, particularly with established EV industry leaders. Given Europe's current gaps in technology and production capacity, closer collaboration with China's advanced EV sector could help accelerate industrial development. Some European companies have already recognized this potential—such as France's Orano partnering with China's XTC New Energy Materials to produce EV battery components, a €1.5 billion joint investment expected to create 1,700 jobs and strengthen Europe's EV supply chain. This is a positive step, and more joint initiatives should follow—not only in battery production but also in the development and manufacturing of finished EVs. Expanding cooperation between European and Chinese automakers would allow both sides to leverage their strengths—Europe's automotive expertise and demand for climate-friendly vehicles and China's leadership in cost-effective EV production—to create competitive, high-quality electric vehicles for the global market.

Link to Full Post

[<https://chinaus-icas.org/research/rolling-back-climate-policies-wont-solve-industrial-struggle-and-better-solutions-exist/>]**---ICAS In the News---**

On Sunday, March 9, 2025, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America* on China's growth target set at the Two Sessions meeting.

- "I think the Two Sessions has gone just as the government and the party would have desired, there has been predictable, the message has been clear and consistent and that China is ready to move forward in taking care of business both at home and abroad and that it will do so in a restrained and in a business-like manner."
- "The way to keep with all of these [external challenges] is to focus more inwards in terms of self-strengthening regardless of what happens outside China's borders. If China can grow strong and grow all at home by itself by doing the reform measures, China can tackle any of the challenges that are there."

On Saturday, March 8, 2025, Research Associate Yilun Zhang was [interviewed](#) by *GD Today* on China's economic outlook and its focus on innovation.

- "I feel that it is a great achievement in an overall downturn in the global economy that China showed its commitment, and it showed its will to continue to sustain the world economy as the main global economic development powerhouse."
- "You will see in the next five years or ten years that foreign investors are going to reignite their passion for China,

especially after tasting the bitterness of investing in other economies that do not share the same scale or the same potential for growth."

On Saturday, March 8, 2025, Senior Fellow Sourabh Gupta was [quoted](#) by *China Daily* on China's annual Two Sessions.

- "China aims to move toward new quality productive forces-led growth, adding that technology-intensive manufacturing growth, the creative digital economy, and consumer demand will hold China in good stead."
- "The measures outlined in the [Government Work] Report will not only solidify balance sheets and manage financial stability risks but will also feed into the real economy by way of productive investments that generate their own consumptive growth."

On Saturday, March 8, 2025, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America* on China's foreign policy priorities in 2025 and the Two Sessions meeting.

- "I think the motto going forward for the Chinese is that the measure of Donald Trump will not be in his words but what his administration actually does in terms of its actions. Swallowing sweet talks from Mr. Trump but punitive actions from the administration is going to be a non-starter for China."
- "China's response [to the tariffs] has been immediate, wide ranging, but it also has been measured."
- "Part of the overall message that the Chinese side wants to put out is that in these disrupted times it wants to be an anchor of stability. It wants to be a responsible stakeholder and play and abide by the existing rules and hope that all the major players would also abide by those rules so that the multilateral systems can be protected."

On Wednesday, March 5, 2025, Senior Fellow Sourabh Gupta was [interviewed](#) by *TRT World* on China's economy amid the Two Sessions.

- "I would say coming out of this year's two sessions, what is going to be in the government work report is the most robust macroeconomic stance of the Chinese government since President Xi came to office. This partly has to do with what's happening coming out of Washington, but it also has to do with China's own domestic economy where China feels that it needs to reignite private confidence."

On Wednesday, March 5, 2025, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America* regarding the opening meeting of the Two Sessions in Beijing.

- "I think the expectations are the same as it was last year to have a growth rate of about 5%. The goal is to do reform but do reform in the context of maintaining growth and stability in the economy."
- "I estimate that [fiscal] support in the form of special treasury bonds and special project bonds for local government, to be almost probably the largest sums involved both in terms of number and percentages."

On Wednesday, March 5, 2025, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America* to discuss the Two Sessions meeting.

- "At this juncture, there is a certain weariness on both sides [the U.S. and China]. The U.S. is coming out aggressively under this new administration, and China is watching and waiting. There is anxiety, but there is also a desire [for China] to stay resolute and firm, and pursue its own interests within this framework."

On Tuesday, March 4, 2025, Senior Fellow Sourabh Gupta was [interviewed](#) by *CGTN America* to discuss the U.S. imposition of tariffs on Canada and Mexico.

- "There is a lot of complexity in trade between the U.S. and Canada and Mexico because it is a free trading area and there weren't any real rules of origin defining which goods there would be exclusion on."
- "The trade and immigration relationship of Mexico to the United States is far more complex than Canada's relationship with the U.S. in terms of trade and immigration."