

# Washington Square Citizens League

Discussion Forum

7:00-8:15 pm

Monday, April 27, 2026

## **China-U.S. Relations: What Are the Dynamics under President Trump?**

Lynn Miller, moderator

*The war President Trump launched against Iran at the end of February has largely crowded commentary on U.S.-China relations off the front pages of our newspapers. But those relations will no doubt continue to remain among the most important for these two nations and the world. They have mostly been fraught ever since 1949, when mainland China came under the control of the Chinese Communist party and the defeated Nationalist regime retreated to the island of Taiwan, where they have remained in power over the Taiwanese population ever since. Throughout the intervening 75-plus years, the U.S. has made clear its general support for the government on Taiwan, but without ever creating a formal alliance to defend its regime from an attack by the government in Beijing. Nonetheless, it is reasonable to suppose that the Communist government has not yet attacked the island largely because it assumes it would prompt a major military response from Washington.*

*For decades, mainland China remained too poor to constitute a rival to America's role as a key player in world politics. But as its economy has developed and its population grown more affluent, the Communist regime has become a major player in the world's economy and now has substantial economic ties to many, if not most, of the world's other sovereign states. In becoming a serious economic actor, China has also become an American competitor more generally, one determined to turn the global order to its own advantage. Since President Trump's return to the White House last year, much that he has done—and not done—seems to many to disregard what ought to be this nation's constructive and effective responses to China's growing muscularity.*

*Let's focus our discussion on that issue to see if we can determine what will be the likely impact on China-U.S. relations post-Trump.*

### ***What China will dominate next***

**The country's high-speed innovation holds lessons for the world**

*The Economist*, Nov 27, 2025

Those who worry about how to cope with China's leadership in technology—and there are plenty of them—think hard about electric vehicles (evs), solar panels and open-source artificial intelligence. For such people, we

have some bad news. This week we report how China is rapidly pressing ahead in two other frontier technologies, autonomous vehicles and new drugs. As these industries spread around the world, they will exemplify the power of Chinese innovation.

China's progress in each of these important areas has been staggering. A [robotaxi revolution is gathering pace](#), which could reshape transport, logistics and everyday urban life. The country's autonomous taxis, constructed for a third of the cost of Waymo's in America, are racking up millions of kilometres of driving and are forging partnerships in Europe and the Middle East. In medicine, meanwhile, China has turned itself from a copycat maker of generics into the world's second-largest developer of new drugs, including those tackling cancer. Western rivals are licensing its firms' wares. The day when a pharma giant emerges from China no longer seems so remote.

The rise of both industries says much about how Chinese innovation works. A deep pool of talent, a broad manufacturing base and huge scale combine to propel it rapidly up the value chain. The [production of robotaxis](#) has piggybacked on mass evmanufacturing and a dominance in the supply of lidars and the other sensors needed for self-driving; scale has also helped bring down costs. Armies of patients enlisted in clinical trials and profits from generic drugmaking have speeded up pharma innovation.

A more surprising ingredient of China's success is its nimble and permissive regulators. As in other industries, local governments have offered firms cheap credit and other help. But it is agile rulemaking that has really turbo-charged progress. Soon after political leaders set out their ambition for China to become a "biotechnology superpower" in 2016, the country implemented a number of reforms. The drug regulator's workforce quadrupled between 2015 and 2018, and a backlog of 20,000 new drug applications was cleared in just two years. The time taken to secure approval for human trials shrank from 501 days to 87. Last year firms in [the country ran a third of the world's clinical trials](#).

Likewise, China was early to experiment with robotaxis. Local officials, keen to attract talent and investment, approved pilots at a rapid clip and installed sensors and other digital infrastructure to help guide self-driving vehicles; trials have run in over 50 cities. Many have experimented, too, with laws on liabilities and guidelines for testing. Though accidents have sometimes caused a hiatus, pilot schemes have helped engineers and policymakers understand the new technology.

Cut-throat competition at home imposes harsh conditions on individual companies, but the survivors are conditioned into becoming hypercompetitive export champions. China's robotaxi operators compete with each other and with cheap human-driven taxis in an economy gripped by deflation. New technologies receive subsidies that ultimately come out of the pockets of its underpaid people. Many lossmaking enterprises will not survive the resulting price wars. But those that do will look overseas to make money.

A new wave of Chinese low-cost innovation will therefore wash around the world. It will do so in different ways. China's cheap medicines could bring benefits, and particularly to the developing world. But for its companies America's lucrative market, which is the source of 70% of global pharma profits, is the juiciest prize. And China's importance for the pipelines of Western drugmakers means that the relationship could even be symbiotic. Robotaxis, by contrast, are likely to follow the more usual path for China's tech exports. They are blocked by America, which has its own industry and acute security concerns, but will probably gain a foothold in other places, where domestic efforts at autonomy lag far behind.

How should the rest of the world respond? The competition risks hollowing out Western economies. Where there is evidence of Chinese dumping and subsidies, counter-measures against Chinese exports are justified and necessary. Where there are security risks action is justified, too. The data collected by robotaxis could pose a surveillance threat; Chinese pharma has suffered corruption scandals. Yet knee-jerk protectionism in the name of security or safety would be a mistake. Blocking or limiting the fruits of Chinese innovation would deprive consumers of the benefits of cheaper and better drugs and transport at a time when voters worry about affordability.

That is why it would be better for Western economies to rethink how innovation works at home. It is tempting to be fatalistic about China's rise—to conclude that its dominance over the technologies of the future can be achieved only through authoritarian diktats and wasteful handouts, and that democracies therefore cannot follow in its footsteps. But the inventiveness of China's private sector and agility of its regulators have been crucial ingredients, too. Here, alas, the West is going in the wrong direction.

### **Life in the slow lane**

America has scale and the deep pockets to compete. But in many states, particularly Democratic ones, regulators are blocking or stalling autonomous vehicles. The government is waging war on universities and cutting funding for basic research. As in other Western countries, it is hostile to immigrants, including gifted ones. In drugs, as China's share of clinical trials has risen, Europe is losing ground. Its economies desperately need to integrate further so that they can finance and develop new technologies. There too, regulators often prize safety at the expense of risk-taking and experiment.

Nothing says that China must own the future. But if the West wants to compete in self-driving cars and medicine, let alone ev's, solar power and other vital technologies, it must learn the right lessons from China's rise. ■

## ***Don't fear China's trillion-dollar trade surplus***

### **It is a problem not for the rest of the world, but for China**

*The Economist*, Dec 11th 2025

Last year the gdp of only 19 countries exceeded \$1trn. That puts the latest news from China's customs administration into stark context. On December 8th it reported that the country's net exports of goods in the first 11 months of the year had already exceeded \$1trn, more than any previous surplus. Even as America whacked tariffs on China, its enterprising manufacturers have expanded into alternative markets and discovered roundabout routes past America's trade barriers.

The size of the surplus is causing anxiety around the world. "The imbalances we see accumulating today are not sustainable," said Emmanuel Macron, France's president, on a visit to Beijing this month. A recent report on China's export muscle by Goldman Sachs was titled "Beggars thy neighbour". And on December 10th the imf called on China to fix its imbalances. As with many things to do with China's economy, however, a degree of perspective is just as valuable as a sense of awe. The monster surplus is not as scary as it looks. Moreover, it causes problems not for the rest of the world, but for China itself.

For a start, the trillion-dollar surplus counts only physical goods passing through customs. It does not include services, which would subtract about \$180bn from the total. It also fails to capture some transactions between multinational firms and local contract manufacturers in free-trade zones on China's territory, but outside its customs border.

A broader measure of China's dealings with the rest of the world is its current-account surplus. This has reached \$650bn over the past four quarters (although some analysts have doubts about how it is measured). That is still a big number. But China—trust us—is a big economy. Its surplus amounts to about 3.4% of its gdp. According to the imf, there were 45 economies with a surplus bigger than that last year. Eight of them are in Mr Macron's European Union.

The focus on imbalances also misdiagnoses Europe's true concern, which is the hollowing out of its domestic industry. The real problem is that European manufacturers now struggle to compete with Chinese carmakers and electronics firms. That would be the case even if China spent much more on commodities and other imports and its trade surplus fell to zero.

Furthermore, China's reluctance to buy foreign things does not extend to foreign assets. In return for its exports, it has bought bonds, extended loans, acquired equities and built factories overseas. These assets represent claims on the future. China is thus selling stuff today in return for stuff in the future. Trade is an exchange. But the exchange does not have to be simultaneous.

China's eagerness to save was once hard for the world to accommodate. After the global financial crisis of 2007-09, everyone wanted to retreat into their shells and spend less than they earned. Central banks cut interest rates towards zero. But there was not enough demand to go round. In that world, China's surpluses could be accused of beggaring its neighbours. Its net exports "drained" demand from countries that were suffering from a shortage of spending.

Things are different now. In many big economies, inflation is at or above the central bank's target. Spending is strong enough to keep unemployment low at home with a bit left over to purchase China's excess production, too. If central banks are worried about a lack of demand, they have room to cut rates, as America's Federal Reserve did on December 10th.

Indeed, China's surplus is more a [problem for itself](#) than for the rest of the world. It is the only big country where inflation looks dangerously low. Hiring is weak, consumers lack confidence, and the property market has entered the fifth year of a seemingly intractable slump. The central bank is worried that lower interest rates will hurt banks' margins. And the government is reluctant to do whatever it takes to turn things round.

China's policymakers have instead relied on unexpectedly strong exports to keep growth on track. That could prove to be a mistake. If the trade war spreads to Europe, or the global economy suffers from an ai bust, foreign demand could easily falter. China would then be forced to make a big fiscal push to revive domestic spending.

Its task could be all the harder for having been delayed. The longer gloomy sentiment persists, the less easy it is to dispel. And China could find itself trying to revive the confidence of consumers and homebuyers just as

the world economy is wilting. China has become dependent on the spending of foreigners to stabilize its own economy. It is not being anti-social. But it is being unwise. ■

## *Western leaders navigate a lonely world*

### **China cannot and will not save mid-size American allies from Donald Trump**

*The Economist*, Jan 20th 2026

For mid-sized liberal democracies, 2026 threatens to be a lonely year. Western leaders are menaced and mocked by an America whose protection they need for now, like courtiers enduring the taunts of a king turned old and cruel. To make their solitude complete, China, today's other great power, neither will nor can become the West's alternative friend.

Mark Carney, Canada's prime minister, issued a call for middle powers to stand and work together in coalitions of the willing, in a frank speech to the World Economic Forum in Davos on January 20th. "We are in the midst of a rupture, not a transition," he declared. He accused the strongest states of using economic, financial and supply-chain dependencies as weapons. "In a world of great-power rivalry, the countries in between have a choice: compete with each other for favour," or form like-minded groupings to defend themselves and manage risks, Mr Carney said. In his case, that means reducing economic dependence on America. He noted [strategic partnerships](#) that he has signed with China and Qatar.

Mr Carney did not claim that China is a cure-all for dependency on America, though. China's interests-led, values-scorning ways appeal to transactional middle powers in such regions as the Persian Gulf. But for countries that aim to uphold fundamental values, respect human rights and be "principled and pragmatic", to use Mr Carney's words, China offers only a partial hedge.

Visiting China from January 14th to 17th, Mr Carney said that Canada would import 49,000 Chinese-made electric vehicles on preferential terms. That breaks with America's strategy of keeping Chinese evs out of North America with 100% tariffs, a policy that Canada signed up to in 2024, bowing to America's leverage as the buyer of more than two-thirds of Canada's exports. In return for Mr Carney's concessions, China signalled it would buy more Canadian farm produce and fossil fuels, among other commodities. It showed a readiness to warm relations that were icy for much of the past decade.

There has been facile talk, including among conservative commentators in America, that Mr Carney was taking sides with China, against Mr Trump. Yet China's welcome for Mr Carney stopped a long way short of a new grand bargain. While in Beijing, Mr Carney thanked China for a partnership "that sets us up well for the new world order". His warm words were not reciprocated by China's leader, Xi Jinping, who tersely advised Canada to forge ties based on respect. Chinese official media ventured that past bilateral tensions had revealed important "realities" to Canada.

Another middle power, Britain, is due to send its prime minister to China in late January. Though no British head of government has visited China for eight years, ambitions for Sir Keir Starmer's mission are low. In Whitehall there is talk of Sir Keir flying the flag for British business (expect cheery announcements about Scottish whisky or salmon) and generally normalising the notion that British leaders should engage with the world's second-largest economy. Quietly, he may seek deeper co-

operation on life sciences and green tech, though Chinese investments have to date been limited by American lobbying and by home-grown debates about whether Chinese wind turbines or other technologies imperil national security. British officials are braced for press headlines about “Kow-tow Keir” sucking up to “Chinese tyrants”.

In a foretaste, opposition politicians on January 20th accused the government of “surrender” for approving a long-delayed project for China to build a large embassy near the Tower of London. Conservative politicians and news outlets have thundered about China using a “mega-embassy” to tap into communications cables that run close to the site, or to attack British-based dissidents, perhaps locking some in basement rooms spotted on the plans.

To be sure, security services across the democratic world call China’s agents and hackers an unrivalled threat, whether they are stealing secrets, suborning politicians, snooping around critical infrastructure or subjecting Chinese citizens overseas to surveillance and harassment. But panic over a “super-embassy” is misdirected and feeble. China does not need diplomatic premises to try hacking into cables; it can do that from a rented warehouse. Britain’s cyber-spooks are world-class and deem China’s planned complex a manageable threat. For China to lock prisoners in embassy dungeons would be a crazy risk. More simply, it is a mark of confidence, not submission, to allow a big country to build a large embassy. In the late 1930s Britain tolerated Nazi Germany’s use of a palatial embassy overlooking the Mall, though its ambassador, Joachim von Ribbentrop, was loathed for wooing appeasement-minded toffs and giving Hitler salutes at events.

### **China is not going to make this easy**

Though domestic politics help explain Sir Keir’s modest agenda in China, low ambitions are structural, too. If Britain hopes to hedge against Trumpian bullying, China is of little help. Britain’s gravest dependencies on America involve such assets as its nuclear deterrent, fighter jets and digital services including cloud computing. Britain, along with other Western powers, is not about to buy Chinese weaponry or data storage. Even in more benign fields, China’s record of weaponising supply chains makes it small comfort to swap reliance on America for dependence on China.

If hedging is hard, might liberal democracies gain geopolitical leverage by threatening to defy America and align more closely with China? A big obstacle is caution in China. In Beijing officials scornfully complain about having believed Western leaders’ boasts about becoming more autonomous from America, only to have watched them fall into line when Washington growled. To Mr Xi as much as Mr Trump, power is what counts. In these lonely times for America’s mid-size allies, China is not a saviour. ■

### ***China flexes blockade capabilities near Taiwan on second day of military drills***

The maneuvers increased tension around the Taiwan Strait as 2025 drew to a close.

by Johnson Lai and Kanis Leung, Associated Press, Dec. 30, 2025

TAIPEI, Taiwan — China’s People’s Liberation Army staged a second day of [large-scale military drills](#) around [Taiwan](#) on Tuesday, unleashing a live-fire show of force as part of what it called “Justice Mission 2025” to demonstrate its ability to deter any external support for the island it claims as part of its sovereign territory.

Taiwanese officials said some of China's live rounds landed closer to the island than before.

The maneuvers increased tension around the Taiwan Strait as 2025 drew to a close, but the impact extended beyond military pressure into everyday life. Taiwan's Civil Aviation Administration was notified that seven temporary "dangerous zones" had been set up around the strait. The schedules of Taiwan's four international airports on Tuesday afternoon showed over 150 international and domestic flights had revised times, delays, or cancellations.

Xinhua, China's official news agency, posted a commentary late Monday saying the drills sent an unequivocal message: that Beijing is always ready to prevent anything that tries to split Taiwan from China. Each escalation, it said, would be met with stronger countermeasures.

"By currying favor with the United States through obsequious loyalty gestures and promoting arms purchases, the DPP is binding the entire island of Taiwan to its catastrophic secessionist chariot, disregarding public opinion," it wrote, referring to Taiwan's ruling [Democratic Progressive Party](#).

The PLA's Eastern Theater Command sent destroyers, frigates, fighters, and bombers to the waters to the north and south of the island to test its ability in sea-air coordination and blockading. Its ground forces carried out long-range, live-fire drills in the waters to the island's north. They also organized live-fire training alongside a simulated long-range joint strike with air, navy, and missile units in the waters to Taiwan's south, achieving what command spokesperson Li Xi called "desired effects."

Hsieh Jih-sheng, deputy chief of the general staff for intelligence at the Taiwanese Defense Ministry, said some of the 27 rockets detected in the waters near Taiwan fell within its 24-nautical-mile line. "The landing points of rounds definitely were closer to Taiwan compared to the past," he said. "This is a message it deliberately wants to convey."

### **Aircraft, vessels, and a Chinese balloon detected**

Taiwan President Lai Ching-te said Tuesday his territory would act responsibly by neither escalating conflict nor provoking disputes. He condemned the drills.

Taiwan's Defense Ministry said it had detected 130 aircraft, including fighters and bombers; 14 military ships; and eight other official ships around the island between 6 a.m. Monday and 6 a.m. Tuesday. Its forces kept monitoring and deployed aircraft, navy ships, and coastal missile systems in response. Ninety of the Chinese aircraft crossed the median line of the strait. A [Chinese military balloon](#) was also spotted, it said.

The ministry later said it detected 71 aircraft, 13 military ships, and 15 coastal guard and official vessels as of 3 p.m. Tuesday, in addition to four other warships in the western Pacific. A total of 941 flights were affected by the drills, it said.

"The military power is not necessarily the strongest, but the scale of the drills has become larger each time compared to the last," Hsieh said. He accused Chinese forces of trying to influence public morale and undermine trust in the Taiwanese military and government.

China has vowed to seize the island, by force if necessary. [Beijing sends warplanes and navy vessels](#) toward the island on a near-daily basis.

Chinese Defense Ministry spokesperson Zhang Xiaogang said the drills served as a stern warning to “Taiwan independence” separatist forces and external forces, without naming any countries.

He criticized [Lai’s](#) administration for what it called pandering to external forces and pursuing independence, saying that was the root cause of disrupting the status quo in the strait and escalating tensions.

Last week, Beijing imposed sanctions against 20 defense-related U.S. companies and 10 executives, following a [Washington announcement of large-scale arms sales](#) to Taiwan valued at more than \$10 billion.

Under U.S. law, Washington is obligated to assist Taipei with its defense, a point that has become increasingly contentious with China over the years.

### **Beijing slams Japan**

On Monday, President [Donald Trump](#) said that while he had not been informed of the military exercise in advance, neither was he particularly worried about it. He touted his “great relationship” with Chinese President Xi Jinping and suggested he did not think Xi was going to attack Taiwan.

The Taiwan issue also heightened China-Japan tensions. Beijing has expressed anger at a [statement by Japan’s prime minister](#), Sanae Takaichi, saying its military could get involved if China takes action against the democratically ruled island. There remains widespread overall suspicion in China about Japan that goes back generations to when imperial Japan brutally took over parts of China in the years before World War II.

Chinese Foreign Minister Wang Yi slammed both Japan and Taiwan’s “pro-independence forces.”

“Japan, which launched the war of aggression against China, not only fails to deeply reflect on the numerous crimes it committed, but its current leaders also openly challenge China’s territorial sovereignty, the historical conclusions of World War II, and the postwar international order,” he said Tuesday during an event in Beijing. China, Wang added, “must be highly vigilant against the resurgence of Japanese militarism.”

China and Taiwan have been governed separately since 1949, when the Communist Party rose to power in Beijing following a civil war. Defeated Nationalist Party forces fled to Taiwan, which later transitioned from martial law to multiparty democracy.

Stoking the tensions, China’s Eastern Theater Command posted a series of online images and videos carrying provocative language throughout the exercises. It posted a video of live rounds being fired from ships and a ground-based launcher on Tuesday.

Chen Wen-chin, chairman of the Keelung District Fishermen’s Association in Taiwan, said the group started radio broadcasting every hour starting Monday to inform anglers about where China’s exercises took place, urging them to avoid danger.

“The Chinese military exercises have prevented fishermen from fishing, which is their livelihood,” Chen said. “The inability to fish has had a significant impact on them and caused economic losses.”

## *Trump's Iran quagmire distracts from Chinese threat to Taiwan*

A Chinese blockade of the Taiwan Strait could prove more dangerous than Iran's closure of the Strait of Hormuz.

by [Trudy Rubin](#) | Columnist, Inquirer, Published March 27, 2026

KINMEN, Taiwan — From this tiny outer island of Taiwan, which lies less than two miles from the Chinese mainland, one can view the high-rise towers of the Chinese port city of Xiamen.

Looking out over an extensive beach and through the mist at China, I realize Xiamen could probably be reached from where I stand by a good swimmer. From this vantage point, it's easy to imagine Chinese leader Xi Jinping pursuing his obsession to "reunify" with the self-governing island democracy of Taiwan — whether by so-called peaceful means, by blockade of the Taiwan Strait, or using more direct force.

I traveled to Taiwan because President [Donald Trump](#) was supposed to meet Xi in Beijing this week. POTUS had previously signaled he [might weaken long-standing U.S. support](#) for Taiwan out of his [desire to cozy up to the Chinese](#) leader and sign an advantageous trade deal. Moreover, the White House has [frozen a deal](#) Trump had already endorsed for Taiwan to purchase around \$11 billion to \$13 billion worth of U.S. defensive weapons, so as not to upset Xi before the visit.

But Trump's poorly planned war on Iran (he apparently never considered how Tehran would retaliate) has caused a postponement of the long-awaited trip until mid-May. As the erratic POTUS sinks into a [potential Iran quagmire](#), lacking any cohesive strategy to thwart Tehran's partial closure of the Strait of Hormuz, he is [even less likely to focus](#) strategically on the Taiwan issue.

Yet, any potential Chinese blockade of the Taiwan Strait in the next few years could present an equal or even greater security threat to the United States than Iran's blockage of the Strait of Hormuz, through which about 20% of the world's oil trade flows.

To understand why, it helps to know a bit about Kinmen's history.

Until 1993, Kinmen was off-limits to visitors because it was a closed military zone, and locals lived under martial law from 1956 to 1992. Most of the 120,000 Taiwanese troops have been withdrawn, although a small garrison remains.

Yet, an endless row of rusty anti-landing spikes along the beach line stand as a reminder of the 1949 civil war Battle of Gunningtou between the Communist People's Liberation Army (PLA) and Chiang Kai-shek's Nationalists, who were defeated on the mainland and had retreated to Taiwan. With U.S. backing, the Nationalists set up the Republic of China (ROC) government on Taiwan's main island, roughly 110 miles from Kinmen, and held off the PLA.

Those Americans who are old enough may recall the 1958 battle of Quemoy, as Kinmen was formerly known. During that battle, massive PLA shelling along with a Chinese blockade of the Taiwan Strait tested U.S. support for the ROC government. But President Dwight D. Eisenhower sent ships to break the blockade and repel the missiles. A local war museum displays huge photos of U.S. troops arriving on Kinmen.

Since the U.S. formally recognized the Beijing government in 1979, and cut diplomatic ties with Taipei, Taiwan has existed in a diplomatic grey zone. China treats it as a renegade province and only a handful of countries recognize it as an independent country.

But the U.S. insists that differences between Beijing and Taipei be settled peacefully, and is committed to providing Taiwan with defensive weapons. Moreover, U.S.-Taiwan relations are close: few Americans realize that Taiwan is [America's fourth largest trading partner](#), due to its technological prowess.

As for Kinmen, these days China [tempts its youth](#) with the glitzy shopping malls of Xiamen, reachable by a 30-minute ferry ride, while a massive new international airport, built on a man-made island, cuts the sea distance between China and Kinmen to roughly one mile.

Kinmen has become a tourist destination, with its beaches, war museums, and preservation of historic Qing dynasty homes. Mainland Chinese visitors pour into Kinmen, and the Beijing government heavily promotes the purported advantages of “reunification” to the Kinmen public — including jobs and entertainment sites — as part of its effort to win Taiwan citizens to its side.

So it's not surprising that the Taiwanese government has blocked construction of a bridge that would connect the airport directly to Kinmen, presumably to prevent both the escalation of propaganda and the security threat of a direct link.

“Kinmen is at the front line of geopolitical conflict,” said youthful local Councilor Tung Sen-pao, as he greeted visitors in a curio shop. “We are a small lens through which you can view a much larger conflict between the U.S. and China and Taiwan and China.” As he spoke, the sound of military target practice reverberated outside.

Indeed, in recent months, China has been conducting the largest-ever [live military fire drills](#) all around Taiwan, and simulating a total blockade of its largest and smaller islands. An [aggressive Xi](#) refuses to rule out using force for “reunification.” Locals speculate what he might do by 2027, when he has ordered the PLA to be ready to invade (without making a commitment to do so).

This month, the U.S. intelligence community's [2026 Annual Threat Assessment](#) report determined that China does not plan to invade Taiwan in 2027 (although the report is published by the Office of the Director of National Intelligence, Tulsi Gabbard, whose gutting of the intel community raises the question of whether its reports can be trusted).

That trust factor becomes critical, as does American preparedness to respond [if Xi does try to limit traffic](#) or impose a full blockade of the Taiwan Strait, given its centrality to international trade.

An estimated 20% of global maritime trade passes through the Taiwan Strait, and it is the main maritime route for technology and consumer goods from South Korea, Japan, and Taiwan to U.S. consumers.

The United States has no treaty commitment to defend Taiwan, only a strategic necessity to prevent its forcible seizure by China. Little Taiwan, with 23 million people, [produces 90% of the world's most sophisticated semiconductor chips](#). If cut off, it could be disastrous for U.S. civilian and military needs.

Moreover, if Taiwan falls, the security of U.S. allies in Seoul, Tokyo, and Manila, with whom America does have military commitments, would be at deep risk.

Equally troubling, Trump's Mideast war has [drained missile interceptor stockpiles](#), including Patriot missile batteries and other weapons that are vital to dissuade Xi from taking rash steps. It is hard to believe a president who has acted so fecklessly on Iran strategy has any adequate plan for handling a meeting with China's leader, except possibly to cave on supporting Taiwan.

Meantime, Councilor Tung admits that Kinmen will have little say over its future. "We are a tiny island," he said with a wry smile. "There is now no way for us to counter an attack if China tries to invade Kinmen."

However, he also believes "a direct attack on Taiwan in a conflict is more likely than targeting offshore islands such as Kinmen."

The 50,000 or so permanent residents of Kinmen just hope the status quo can endure for a few more years.

## ***Taiwan's new opposition leader wants to talk to Xi Jinping***

**Cheng Li-wun tells *The Economist* she hopes to meet China's president early this year**

*The Economist*, Jan 29th 2026

Risk comes naturally to Cheng Li-wun, Taiwan's opposition leader. She began her career as a student activist in the 1990s, seeking independence for her homeland and castigating the Kuomintang (kmt), the ruling party at the time. Then she stunned colleagues by joining the kmt. Now, as that party's new leader, she is making her biggest gamble yet. As China steps up military drills around Taiwan, which it sees as its territory, she is blocking efforts to boost defence spending. She thinks Taiwan's people should accept that they are Chinese. And she hopes to bring her party back to power by pursuing reconciliation with China's leader, Xi Jinping.

"The most important task of my tenure is to advance peace across the Taiwan Strait," she told *The Economist* in an interview on January 27th. To that end, she revealed that after a nine-year hiatus, the kmt will resume dialogue with China's Communist Party in early February, starting with exchanges between their think-tanks. She says she hopes to visit China in the first half of 2026 to meet Mr Xi (who sent her a congratulatory telegram after her election in October, expressing hope that they could work together towards unification). "We must stop deliberately vilifying everything related to China," she says.

It is a controversial strategy, even for some within her party. The kmt lost the past three presidential elections to the Democratic Progressive Party (dpp), which views Taiwan as a separate country. Opinion polls show that a majority of Taiwan's people distrust China's government, have little appetite for unification and consider themselves Taiwanese rather than Chinese. Ms Cheng's platform is also troubling for America, which is committed to helping the island defend itself but insists Taiwan must spend much more on its own armed forces. American officials believe Mr Xi has ordered his generals to be capable of taking Taiwan by 2027.

Yet Ms Cheng, 56, believes that she can help avert an attack—and win round voters by the time of the next presidential election, in 2028. She admits that her views on national identity are out of step with public opinion but blames the dpp’s efforts to “de-Sinicise” Taiwan. Besides, she believes that national identity will not be the defining political issue of the next few years. “What matters more is cross-strait relations,” she says. “That’s what I believe will truly determine how people vote.”

Her message plays on two main fears. One is that if the dpp wins again in 2028 China’s leadership could lose hope of peacefully unifying Taiwan with the mainland. “Once it holds no expectations for Taiwan, the only way it can resolve or address the Taiwan issue would be through means none of us wish to see,” she says. The other fear is that American support for Taiwan is wavering. She cites President Donald Trump’s demands that Taiwan increase defence spending to 10% of gdp and shift to America 40% of its semiconductor industry, which produces most of the world’s top-end chips. “For many Taiwanese, piecing together this information makes them feel that America is abandoning Taiwan,” she says.

Critics view such talk as scaremongering. Although China has developed formidable capabilities to invade or blockade Taiwan (and often practises doing so), it is far from clear that it could succeed without suffering huge losses and devastating the global economy. Mr Xi has also just purged his military leadership. dpp leaders accuse Ms Cheng of echoing Chinese propaganda and endangering Taiwan’s security by blocking defence spending. Taiwan’s president, Lai Ching-te, has pledged to increase military spending to 5% of gdp by 2030. He has also proposed a \$40bn supplementary defence budget this year, mainly for American weapons. Yet both plans are being blocked in parliament by the kmt and its allies, which together hold a majority.

In Ms Cheng’s telling Mr Lai is to blame for not providing more details of his military spending plans. The figure he has proposed “crowds out all other needs”, she says. She declines to specify how much Taiwan should spend on defence, but says it can never match China’s firepower. Instead, she argues Taiwan’s security should be achieved through “reasonable” military spending combined with negotiations with Mr Xi. And she faults Mr Lai for refusing to accept the consensus agreed with China in 1992, when the kmt was in power. That stipulated that both sides of the Taiwan Strait are part of “one China”, while allowing for different interpretations. Because the dpp rejects that formula as legally invalid (and a trap), China has suspended official talks since it came to power in 2016. Embracing the 1992 consensus today “would significantly reduce the likelihood of military confrontation”, Ms Cheng says.

As to the desired outcome of such negotiations, Ms Cheng chooses her words carefully. In meeting Mr Xi, she says her main goal is to secure an explicit public commitment that both sides should work to maintain peace, acknowledging that war would bring “unimaginably catastrophic consequences”. Can he be trusted? To avoid damaging its international image, China must “be true to its word”, she says. “Credibility is paramount.”

For the longer term, she declines to say whether the ultimate goal should be peaceful unification (as a former kmt president has suggested). Within her four-year term, she says it would already be a big achievement to set up a framework for maintaining peace. “As for whether the status quo might change thereafter, I only hope it occurs under circumstances acceptable to people on both sides,” she adds.

Her talk of reconciliation is all the more striking, given her past. Though her father was a soldier in the Nationalist army that fled to Taiwan from the mainland in 1949, she became a student protester who was drawn to the dpp. She left it in 2002, disillusioned by what she saw as corruption and intolerance of dissent within its ranks. Joining the kmt three years later, she quickly earned a reputation as a combative public speaker. But she only recently became more outspoken about her own sense of Chinese identity.

Whether she will be the kmt's presidential candidate in 2028 is unclear: she says she is focusing on her current job. But as the party's chairwoman, she will shape its platform for local elections this November, as well as the presidential vote. Already, she is shaking up Taiwan's politics in ways that could alter the precarious balance of relations between Taiwan, China and America. The stakes have never been higher. And Ms Cheng is all in. ■

## *Xi Jinping's purge should worry the world*

### **Installing his yes-men to lead China's army could be dangerous for Taiwan**

*The Economist*, Jan 29th 2026

"In an uncertain world, China is the biggest certainty." So proclaimed a Chinese spokesman in December. Amid a war in Europe, turmoil in the Middle East and America's rewriting of the geopolitical order, some in the West may be inclined to agree. As *The Economist* went to press, Britain's prime minister, Sir Keir Starmer, was visiting China's president, Xi Jinping, the latest among a series of Western leaders who have headed to Beijing in search of deals and dependability.

Yet in recent days politics in China has proved anything but certain. On January 24th the defence ministry said that the most senior uniformed officer, Zhang Youxia, and another top general, Liu Zhenli, were under investigation for violating discipline. Not since 1971 has there been such a purge at the apex of China's armed forces. That was when the heir-apparent to Mao Zedong, the defence minister, Lin Biao, died in a plane crash after an alleged coup attempt against the chairman.

The purge at the top of the 2m-strong People's Liberation Army (pla) has come along with a huge increase in [actions against party members and officials](#). Although China's politics is a black box, the signs are that this is a measure of Mr Xi's total command over the Communist Party. The question left for the outside world is what the purge means for China's readiness to launch an invasion of Taiwan.

In 2025 Chinese authorities investigated over 1m people for corruption and deviant politics, 60% more than two years earlier and the most since Mr Xi came to power in 2012. Most of these purges are not the result of a power struggle, but a consequence of how the Communist Party disciplines itself. Above the law and without any scrutiny from a free press, the party has instead to depend on its own internal police to keep cadres on the straight and narrow.

In October, when senior officials met in Beijing, 37 of the 205 full-time members of the Central Committee were missing, presumed under investigation. However, the purge also reaches down into the lower ranks, terrorising party members, forcing mistrustful cadres into close personal networks where they feel safe, and paralysing some of those who favour reform.

The effect on the pla is particularly potent. The army's newspaper vaguely linked the toppling of the two generals to the war on corruption. But it also, in essence, accused them of insubordination towards Mr Xi. Calling the two officers' influence "extremely vile", it said they had caused "immense damage" to the "political ecology" of the pla as well as to the building of its "combat capability".

If the generals' downfall did that to the pla you might conclude the West should celebrate. Chinese forces are a growing threat. The navy is now bigger than America's. The Pentagon reckons it plans [six more aircraft-carriers by 2035](#), giving it nine compared with America's 11. China's nuclear arsenal is expected to have at least 1,000 warheads by 2030 on missiles, submarines and planes—fewer than America and Russia, but double its stockpile in 2023.

In fact, the consequences of the purge are more complicated. A Pentagon report in December suggested that in the short run Mr Xi's campaign could disrupt the operational effectiveness of the pla, whereas in the longer term cleaning up the army could make it more proficient. However, the graver risk is one that the Pentagon passed over. This is the hollowing out of the team that would advise Mr Xi if a military crisis occurs, especially one over Taiwan.

American officials believe that China's president has ordered the pla to be able to take Taiwan by 2027. Some suspect that the island could not defend itself for long without outside help. Although America supplies arms to Taiwan, including a record \$11.1bn package agreed on in December, it might not help repel an invasion—no treaty requires it to do so. Fears of China's military prowess are causing some leading Taiwanese politicians to wonder whether pouring money into building up the island's defences is [worthwhile](#).

The seas around China are fraught. The country contests islands with Japan in the East China Sea. Several countries jockey with it over territory in the South China Sea. The Taiwan Strait is a perennial flashpoint. China is staging ever more shows of force in the area. American aircraft and warships patrol these waters; other Western countries sometimes join them. Western officials accuse Chinese forces of deliberately taking risks close to these patrols. Following a mishap, cool military heads would be needed to prevent escalation. To whom would he turn?

One such person was General Zhang. He was a rarity among China's top brass, with experience of the horrors of fighting a war, against Vietnam. Western analysts believe that he could stand up to Mr Xi. Family connections between the two men date back to the party's guerrilla days before it seized power in 1949.

Now that he and General Liu have gone, the Central Military Commission, the pla's high command, is thin. Since 2022 China's president has ejected five of its six uniformed officers. The only two people left are Mr Xi himself, who heads it, and a political commissar in charge of fighting graft, who has little experience of military operations.

Imagine that Mr Xi appoints yes-men to fill the empty slots. Would his pliant new advisers be willing to tell him that, even with all its new hardware, China would still face enormous risks were it to mount an invasion of Taiwan?

## **Après the purge, c'est Mao**

To be sure, Mr Xi himself must be aware of the potential costs. He will have studied Russia's disastrous campaign in Ukraine. He has heard from Western leaders how an attack on Taiwan would harm China's economy.

However, although Chinese politics is more than capable of packing surprises, few analysts doubt that the 72-year-old Mr Xi will use a party conference next year to underline that he intends to prolong his rule, and that he prizes obedience at all levels of the party. In an uncertain world, such a certainty offers no solace at all. ■

## ***America's dangerous pursuit of critical-mineral dominance***

### **With a more focused approach, it could break China's chokehold**

*The Economist*, Feb 26th 2026

In 1973 a club of Arab petrostates held the world to ransom by halting crude-oil exports to countries they accused of supporting Israel. Petrol prices soared; Western economies buckled. Today the danger is that China will use its grip on other natural resources to achieve its aims, such as seizing Taiwan. It has already shown its power by choking off exports of rare-earth metals last year. That is why America is staging its biggest intervention in commodity markets in decades.

The battleground is the supply of "critical" metals, a group of minerals vital to making military, electrical and computing infrastructure—everything modern economies need to be safe, high-tech and green. China supplies most of these: it mines about 80% of the world's tungsten, for instance, and refines 99% of its gallium. This is spurring America into an all-out campaign to diversify its sourcing of 60 minerals. It has pledged billions of dollars to dozens of mining projects at home and abroad, floated plans to create price floors and trade blocs, and announced a vast stockpile to cover months of national needs. The risk now is that America depends too much on its scattershot efforts—and that, in seeking control, it breaks the flexible and resilient system of market incentives that ensures the smooth functioning of the global economy.

China's grip on critical minerals has exposed the West's most serious strategic weakness in many years. Last April, during its trade war with America, China restricted exports of seven crucial rare earths; it targeted another five in October. Nearly a third of Pentagon procurement programmes faced the risk of shortages, as did industries from carmaking to renewable energy. The prospect of large-scale disruption prodded President Donald Trump into a trade truce with Xi Jinping, as well as a relaxation of American controls on some technology exports. Yet Mr Xi can deploy the weapon again whenever he chooses. Meanwhile, exports of rare earths for dual-use applications—the expanding grey zone between military and civilian uses—remain largely barred, sapping Western efforts to rearm.

It would be nice to say that the best defence against China's tactics is to double down on global markets. They certainly have a part to play. The oil crises of the 1970s boosted the development of commodity trading—in which prices for key materials are set on exchanges by millions of buyers and sellers entering 40m derivatives contracts daily. Time and again, hit by wars, industrial strikes and natural disasters, markets have handled shocks better than government planners ever could.

However, America is right. China's dominance over critical minerals means that continuing to place full faith in the invisible hand would be naive and unsafe. China has spent decades building control over minerals, bankrolling projects at home and acquiring assets abroad. Its producers have consolidated into behemoths that the state can control and which have the market power to deter would-be competitors by flooding global markets—even if that means taking temporary losses.

America's task, therefore, is to strike a balance. On the one hand, it needs to insure against the risk that China cuts off exports again, and to deter it from doing so by raising the cost of further restrictions. On the other, it needs to nurture markets. Subsidies and stockpiles are expensive. State-to-state mineral agreements invite rent-seeking, side deals and corruption—a risk with the Trump administration. Dirigisme muffles the price signals that encourage conservation and innovation.

Unfortunately, America is [mismanaging these trade-offs](#). Officials seem to deem almost any expense to be an acceptable price for security. Money is being spread wastefully thin, not focused where China's grip is tightest, in refineries and smelters. From Delaware to the Democratic Republic of Congo, chancers are pitching the administration dud projects in the hope of easy money. In return for peace in Ukraine (on his terms), Vladimir Putin is promising Mr Trump a bogus \$12trn in deals, including lots in energy and mining.

America's campaign should instead follow three principles. The first is to narrow the scope. Not all 60 minerals it deems critical genuinely are. Aluminium, lead and zinc are abundant, recyclable and substitutable; China would struggle to corner vast industrial-metal markets like copper. America should therefore concentrate on niche, vital metals, such as some rare earths, where China can more easily restrict exports. Priority should go to critical industries—defence, and perhaps health care—leaving carmakers to fend for themselves. America should focus on projects near completion. Even keeping a small share of supply out of China's control can break its chokehold, because Mr Xi will know that America has alternatives.

A second principle is to use all the tools at hand. America's targeted stockpiles can cover immediate needs in a crisis, and its purchase contracts at pre-agreed prices can attract private investors and get projects off the ground. But it must also attend to refining and processing. Refiners that produce one main metal often leave critical by-products in waste rock, because processing costs too much. Conditional state backing could change their calculus.

Throughout, however, America must strive to ensure that price signals get through—the third principle. The economy will continue to adapt and innovate only if buyers and sellers face high prices when supply is limited. By contrast, low fixed prices will exacerbate dependence.

### **Shovel ready**

For the Trump administration, national security means America First. That is translating into a race to lock up scarce supplies at others' expense, causing its allies to worry they will be left behind. But even an administration that doubts the utility of military alliances should work with others over natural resources. Europe has engineering expertise; Japan, an earlier victim of China's mineral blackmail, has experience in securing supply chains. Together they bulk up the market. Against China's geology, industriousness and political system, America's ability to work with others is its greatest asset. ■

## *Hurricane Trump threatens to blow China off course*

### **Chinese elites do not agree on who may win from the war in Iran**

*The Economist*, Mar 31st 2026

If China's ruling elites could decide the duration of President Donald Trump's war on Iran, two months would be a popular choice. A short war would not hurt America enough, is the icy verdict of a policy adviser in Beijing. His calculus reflects a consensus in national-security circles: that Mr Trump's Middle Eastern campaign is at once a daunting display of firepower and a historic act of self-harm. Against that, experts agree, a longer conflict would damage China too much. As the biggest importer of energy and largest exporter of goods, China would suffer if high oil and gas prices or closed shipping routes were to trigger a global recession.

Those same elites concur on one more point: probably, China will do little to shape how or when the Iran war actually ends. If that stance sounds oddly passive, given all that the country has at stake, this columnist can only agree. The Telegram just spent 12 days in Beijing and Shanghai, meeting serving and retired officials and military officers, government advisers, scholars of America and of the Middle East, and foreign-policy commentators with millions of followers on social media. When such experts discuss America's president and his growing appetite for risk and disruption, they often sound strangely fatalistic, like sailors discussing a dangerous but unavoidable storm.

Mr Trump's demands that China help him open the Strait of Hormuz, given that Chinese ships are heavy users of that passage, provoke scorn. China will not be an accomplice to a war it condemns, says a scholar. For good measure, an insider recalls a high-level policy debate in Beijing, a decade ago, after America asked China to do more to protect high-risk global energy routes. The country's response was to enlarge its domestic oil-storage capacity, so that it now has reserves lasting many months. That is how China thinks, the insider proudly concludes. The tale offers a neat example of how senior Chinese talk to foreigners behind closed doors. Rather than hide China's self-interested worldview, they embrace their country's opportunistic ways and unblushing materialism. In a cynical world, it is implied, China can be relied on precisely because it is all about business. Explicit contrasts are drawn with America. That superpower is called an unpredictable bully that once invaded countries in democracy's name but now—in Mr Trump's second presidency—bombs them to take their oil.

Chinese analysts express puzzlement over Trumpian moves that seem to lack logic. One cites Mr Trump's apparent tolerance when Israel killed Ali Larijani, a relative pragmatist in Iran's leadership, even as he loudly declares his interest in finding an Iranian negotiating partner. Rather often, Chinese analysts solve such puzzles by blaming Israel. They accuse its prime minister, Binyamin Netanyahu, of plotting to reduce Iran to a state of helpless anarchy. There is much talk of Mr Netanyahu tricking Mr Trump into doing his bidding, with the help of a Jewish lobby in America.

In official responses to the Iran conflict, China chides America and Israel for flouting the UN Charter and international law. It has also jointly issued a boilerplate call for peace with Pakistan. The country's tightly controlled news outlets emphasize the war's human toll. Many ordinary Chinese are indignant. On a side-trip to the sleepy eastern city of Qufu, the temple-filled hometown of Confucius, locals demanded to know whether this columnist is American. A man showed smartphone videos of bombs falling on Iran, and asked why the poorest and humblest are always the first victims of the

“warmonger Trump”. Though Chinese outlets censored news of Iranian protesters being murdered by security forces in January, anger towards America and Israel is unfeigned.

Chinese elites draw different lessons from raids on Venezuela and Iran. They express alarm at the sight of American forces using advanced ai tools for targeting and for high-tech command and control. Comparisons are drawn to China’s shock as American precision weapons destroyed Iraq’s armies in the first Gulf war. Some fear that China may need years to catch up.

Very probably, the Iran war will leave Arab monarchies more reliant on America for security, it is said in Beijing. China’s best hope is to offer the Middle East opportunities to rebuild or modernize war-battered countries. Globally, China expects soaring demand for its "greentech," as countries diversify away from oil.

### **The end of Chinese freeriding on America**

Well-connected Chinese scoff at the notion that Mr Trump’s campaigns in Venezuela and Iran reveal a grand strategy to contain their country. For one thing, China focuses on countries’ abiding interests, not the regimes that hold power, they say. China has quite good relations with Delcy Rodríguez, the pliant Venezuelan leader who took power thanks to Mr Trump, adds an analyst: and when Venezuelan oil exports resume, China will be one of its best markets. For another, China has chokeholds to use in retaliation, including its control of rare-earth minerals. If America breaks the rare-earth vice, China has other dependencies in reserve. That intimidates Mr Trump, who is already seen in Chinese policy circles as usefully uninterested in ideological contests, and mostly interested in deals that suit his own interests. In a sign of the cynical mood in Beijing and Shanghai, a veteran America-watcher suggests a new worry for China: that an Iranian debacle will so weaken Mr Trump that China hawks in his administration and Congress will regain the influence they enjoyed in his first presidency.

Some Chinese analysis tips into smugness. It accuses Mr Trump of destroying his presidency (and the American-led international order) in Iran. This chaos is a vindication of China’s efforts to be self-reliant in key technologies. Shrewder voices note how China profits from globalization, open sea lanes and other goods that America used happily to defend. China is unready for a world without rules. Riding out the storm will not be enough. ■

### ***War-driven energy crisis boosts China’s sales pitch for renewable tech***

As the oil and gas crisis set off by the war in Iran drives governments to accelerate their transitions to renewable energy, one country above all stands to benefit.

by Rudy Lu, Washington Post, April 6, 2026, 3:24 p.m. ET

TAIPEI, Taiwan — As the oil and gas crisis set off by the war in Iran drives governments to accelerate their transitions to renewable energy, one country above all stands to benefit.

China dominates renewable energy supply chains, producing a vast majority of the world’s solar panels, wind turbines, batteries, and electric vehicles. Exports of these technologies were already climbing to new heights in the first two months of 2026. Now volatility in the supply of fossil fuels is set to give sales another big boost.

Since the United States and Israel launched attacks on Iran in February, the Chinese battery maker CATL has seen its Hong Kong-listed shares jump 29.5% and its Shenzhen-listed shares rise 13.6%. The electric car giant BYD's exports and overseas vehicle sales rose 65% in March year over year, according to the company's chief executive. And Jinko Solar, one of the world's largest solar panel manufacturers, says exports have grown since the war.

China is seizing opportunities in renewable energy as the Trump administration pulls the United States back from the emerging sector in favor of fossil fuels. Last week, as the Trump administration was agreeing to pay nearly \$1 billion to stop a French company from building wind farms off the East Coast, officials in Beijing said they intended to raise the share of non-fossil fuel consumed by the country from 21.7% to 25% by 2030.

While governments are responding to immediate energy needs by ramping up coal production, many are also expressing greater interest in renewable energy.

Indonesian President Prabowo Subianto said in March that his government would build 100 gigawatts of solar power in the next two years. Philippines' state-owned pension is offering loans of up to \$8,300 for members to buy and install solar power for their homes.

Even in Europe, which has not been hit as hard by fuel shortages as Asia, governments are increasing investment in renewables. Germany last week introduced an 8 billion euro package to expand wind power capacity and subsidize electric vehicle sales.

These commitments will bring business to China's door, said Lin Boqiang, director of the China Center for Energy Economics Research at Xiamen University. Chinese clean tech companies have cornered the market for most products needed for renewable energy production and developed "absolute competitiveness" in terms of cost and quality, Lin said.

In 2025, clean tech sectors accounted for more than one-third of China's economic growth, according to the Finland-based Center for Research on Energy and Clean Air.

"This is part of a longer trend, not just an immediate response to higher oil and gas prices," said Yang Biqing, a China analyst at Ember, a London-based energy think tank. "Energy security is becoming more important on governments' agenda, and the shift toward clean energy is increasingly being seen as something that can reinforce energy security."

Chinese companies are "in a prime position" to take advantage, analysts at the Council for on Foreign Relations wrote, and this opening comes at a critical time.

After years of heavy state subsidies and price competition, manufacturing overcapacity and falling prices had dogged the so-called "new three" industries of solar, batteries, and electric vehicles. In 2024, solar manufacturers recorded \$40 billion in losses, which drove China's top five solar companies to cut their workforce by more than 30%, according to Reuters. In 2025, the International Energy Agency said the world made more than twice as many solar panels than it actually needed.

Rising overseas demand could now absorb much of this production, though in parts of the world, particularly in the West, deal making could be impeded by national security concerns.

In an executive order last July, President Donald Trump said so-called green subsidies threatened national security by making the United States dependent on supply chains controlled by foreign adversaries, and directed federal agencies to end tax support for green energy.

In March, the United Kingdom blocked a plan by Chinese wind turbine manufacturer Ming Yang to build the country's largest wind turbine factory in Scotland, citing national security. Lawmakers had raised concerns that Chinese-made turbines could pose remote-access and surveillance risks to critical energy infrastructure.

Beijing has rejected these assertions. On Friday, China's Ministry of Commerce launched a trade barrier investigation into U.S. measures obstructing trade in Chinese green products, including restricting China's exports.

"For the future of the energy system, geopolitics matters just as much as a country's economic choices," said Li Shuo, director of the China Climate Hub at the Washington-based Asia Society Policy Institute.

The extent to which countries decouple from China, reducing their reliance on Chinese products, will influence their ability to decarbonize, Li said.

"Increasingly, this is no longer simply a choice between fossil fuels and green energy," he said. "To some extent, it is also a choice between two camps in the world — and how countries position themselves within that divide."

### ***Russia says it regrets expiration of last nuclear arms treaty but Trump says he wants a new pact***

The end of the treaty would effectively lift the last remaining caps on the two largest atomic arsenals for the first time in decades.

by Vladimir Isachenkov, Associated Press, Feb. 5, 2026

MOSCOW — The Kremlin said Thursday it regretted the expiration of the last remaining [nuclear arms pact](#) between Russia and the United States, while President Donald Trump declared he was against keeping its limits and wants a better deal.

The pact's termination left no caps on the two largest atomic arsenals for the first time in more than a half-century, fueling fears of [an unconstrained nuclear arms race](#)

Russian President Vladimir Putin last year declared his readiness to [stick to the treaty's limits for another year](#) if Washington followed suit, but Trump has ignored the offer and argued that he wants China to be a part of a new pact — something Beijing has rebuffed.

"Rather than extend 'NEW START' (A badly negotiated deal by the United States that, aside from everything else, is being grossly violated), we should have our Nuclear Experts work on a new, improved, and modernized Treaty that can last long into the future," Trump posted on his Truth Social network.

Putin discussed the pact's expiration with Chinese leader Xi Jinping on Wednesday, noting the U.S. failure to respond to his proposal to extend its limits and saying that Russia "will act in a balanced and

responsible manner based on thorough analysis of the security situation,” Kremlin adviser Yuri Ushakov said.

Kremlin spokesman Dmitry Peskov said Moscow views the treaty’s expiration Thursday “negatively” and regrets it. He said Russia will maintain its “responsible, thorough approach to stability when it comes to nuclear weapons,” adding that “of course, it will be guided primarily by its national interests.”

Peskov emphasized that “if we receive constructive responses, we will certainly conduct a dialogue.”

With the end of the treaty, Moscow “remains ready to take decisive military-technical measures to counter potential additional threats to the national security,” the Russian Foreign Ministry said.

“At the same time, our country remains open to seeking political-diplomatic ways to comprehensively stabilize the strategic situation on the basis of equal and mutually beneficial dialogue solutions, if the appropriate conditions for such cooperation are shaped,” it said in a statement issued late Wednesday.

Even as New START expires, the U.S. and Russia [agreed Thursday](#) to reestablish high-level, military-to-military dialogue following a meeting between senior officials from both sides in Abu Dhabi, the U.S. military command in Europe said. The link was suspended in 2021 as relations between Moscow and Washington grew increasingly strained before Russia sent troops into Ukraine in February 2022.

### **Details of the pact**

New START, signed in 2010 by then-President Barack Obama and his Russian counterpart, Dmitry Medvedev, restricted each side to no more than 1,550 nuclear warheads on no more than 700 missiles and bombers — deployed and ready for use. It was originally supposed to expire in 2021 but was extended for five more years.

The pact envisioned sweeping on-site inspections to verify compliance, although they stopped in 2020 because of the COVID-19 pandemic and never resumed.

In February 2023, Putin suspended Moscow’s participation, saying Russia couldn’t allow U.S. inspections of its nuclear sites at a time when Washington and its NATO allies have openly declared Moscow’s defeat in Ukraine as their goal. At the same time, the Kremlin emphasized it wasn’t withdrawing from the pact altogether, pledging to respect its caps on nuclear weapons.

In offering in September to abide by New START’s limits for a year to buy time for both sides to negotiate a successor agreement, Putin said the treaty’s expiration would be destabilizing and could fuel nuclear proliferation.

New START was the last remaining pact in a long series of agreements between Moscow and Washington to limit their nuclear arsenals, starting with the SALT I in 1972.

### **Trump wants China in a pact**

Trump has indicated he would like to keep limits on nuclear weapons but wants to involve China in a potential new treaty.

“I actually feel strongly that if we’re going to do it, I think China should be a member of the extension,” Trump told The New York Times last month. “China should be a part of the agreement.”

In his first term, Trump tried and failed to push for a three-way nuclear pact involving China. Beijing has balked at any restrictions on its smaller but growing nuclear arsenal, while urging the U.S. to resume nuclear talks with Russia.

“China’s nuclear forces are not at all on the same scale as those of the U.S. and Russia, and thus China will not participate in nuclear disarmament negotiations at the current stage,” Foreign Ministry spokesperson Lin Jian said Thursday.

He said China regrets the expiration of New START, calls on the U.S. to resume nuclear dialogue with Russia soon, and respond positively to Moscow’s suggestion that the two sides continue observing the core limits of the treaty for now.

Peskov reaffirmed Thursday that Moscow respects Beijing’s position. He and other Russian officials have repeatedly argued that any attempt to negotiate a broader nuclear pact instead of a U.S.-Russian deal should also involve nuclear arsenals of NATO members France and the U.K.

Arms control advocates bemoaned the end of New START and warned of the imminent threat of a new arms race.

“If the Trump administration continues to stiff-arm nuclear arms control diplomacy with Russia and decides to increase the number of nuclear weapons in the U.S. deployed strategic arsenal, it will only lead Russia to follow suit and encourage China to accelerate its ongoing strategic buildup in an attempt to maintain a strategic nuclear retaliatory strike capability vis-a-vis the United States,” said Daryl Kimball, executive director of the Arms Control Association in Washington. “Such a scenario could lead to a years-long, dangerous three-way nuclear arms buildup.”