# **China Briefs**

## Biden's Sanctions on China's Microchips Won't Work, Says Nvidia CEO

Jensen Huang, the CEO of Nvidia Corp.—which has been making headlines with its "AI chips" revenue and profits—surprised Wall Street with a public, polite denunciation of the Biden Administration's chip war against China. Sanctions announced in February, amounting to an attempted embargo of sales of chipmaking equipment or technology to China from anywhere in the world within the reach of "global NATO," were widely acclaimed by financial media as capable of collapsing China's semiconductor industry.

Huang said the opposite in a May 24 <u>interview</u> with the *Financial Times*:

"If we [the whole semiconductor sector —ed.] are deprived of the Chinese market, we don't have a contingency for that. There is no other China."

Huang's remarks that there would be "enormous damage to American companies" if they were unable to trade with Beijing, came just before China banned imports of chips—the semiconductors themselves—and circuit boards made by Norwood, Massachusettsbased Micron Technology, Inc., based upon a cybersecurity review.

U.S. Commerce Secretary Gina Raimondo said May 27 that the U.S. "won't tolerate" China's ban on purchases of Micron Technology microchips and is working closely with allies to address such "economic coercion." Although the U.S. used anti-free trade policies to ban the sale of U.S.-produced chips to China, China doing something similar is against the "rule of law" for Raimondo: the Micron ban targets "a single U.S. company without any basis in fact, and we see it as plain and simple economic

coercion and we won't tolerate it, nor do we think it will be successful."

#### Xi Jinping: Synergy of Eurasian Economic Union and Belt & Road

On May 24, the same day that China's President Xi Jinping met with Russian Prime Minister Mikhail Mishustin in Beijing, he <u>addressed</u> the Eurasian Economic Union's (EAEU) plenary session in Moscow by video. He said,

"Eurasia is the region with the largest population, the largest number of countries, and the most diverse civilizations in the world. How to proceed with the Asia-Europe cooperation in a turbulent and changing world not only bears on the well-being of the people in the region, but also has a profound impact on the development orientation of the world."

China's Belt and Road initiative, now marking its 10th anniversary, has, as its mission, to discover and realize the path for the common development for countries, and so to open a "path of happiness" that benefits the entire world. China's development, Xi noted, depends upon that of Eurasia, and vice versa. In building for the third Belt and Road Forum for International Cooperation, to be hosted by China later this year, Xi expressed hope that the EAEU and Belt and Road nations would continue to cooperate to "write a new chapter in the progress of civilization in a multipolar world."

## Major China-Russia Economic Deals Signed During Mishustin Visit

A day before participating in highlevel meetings in Beijing, Russian Premier Mikhail Mishustin attended a major business forum May 23 in Shanghai, along with some 1,200 Russian entrepreneurs who flew to Shanghai for the event, when 500 were expected. Energy and agricultural products were emphasized.

Pipelines are proliferating. The Russian government approved May 12 an agreement with China to supply Russian gas: China will import up to 10 billion cubic meters annually. On May 15, Gazprom announced that design and survey work on the 962 km Soyuz-Vostok gas pipeline across Mongolia, with a capacity of 50 billion cubic meters annually, was nearing completion. Additionally, the route and conditions for construction of the Russia-Kazakhstan-China gas pipeline are being discussed. Completion of these projects will increase Russian gas supplies to China above 100 billion cubic meters annually.

A new Russia-China land corridor for grain is also in the works, "in order to increase grain production in the territories of the Far East, Urals, and the Siberian Federal Districts, as well as the volume of its exports to the market of the People's Republic of China." Trade in agricultural products increased by 40% last year and is growing.

#### Naryshkin: UK-U.S. Trying To Undermine Success of China with Iranians/Saudis

Sergey Naryshkin, Director of Russia's Foreign Intelligence Service (SVR), issued a stark message to London and Washington, May 24, as reported by *RT*: Leave Iran alone. He advised the "Anglo-Saxons to take care of their own internal civil conflicts. Or better yet, go to their old pal—the devil." Washington and London, he said, view the recent normalization of relations between Iran and Saudi Arabia negatively, seeing

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Beijing's diplomatic activities for peace in the region as threatening their long-term strategy to weaken Iran.

Naryshkin further alleged that American and British government agencies have been tasked with derailing China's diplomatic efforts and discrediting its role as a mediator. He added, however, that the U.S. and UK are unlikely to succeed with their supposed smear campaign "in the new geopolitical reality." He explained that, while Western powers could play a role in ensuring global security and prosperity, the "insane vanity" of these nations precludes them from acting on an equal footing with others.

#### Manned Shenzhou-16 Is on Its Way to Fully Operational Tiangong Space Station

On May 30, the China Manned Space Agency launched the *Shenzhou-16* ("Divine Vessel") spacecraft to its now fully operational *Tiangong* Space Station. The three taikonauts will begin the phase of development and space applications, said Lin Xichang, Deputy Director. For the first time, a civilian payload expert, Professor Gui Haichao from Beihang University, is on board.

The crew will install electric propulsion cylinders; lift extravehicular cameras; complete installation of large extravehicular application facilities, including radiation biological exposure experiment devices; and carry out large-scale in-orbit tests expected to produce high-level scientific achievements in the research of novel quantum phenomena, high-precision space-time-frequency systems, verification of general relativity, and study of the origin of life.

# Uzbekistan Poverty Reduction Program Underway on China Model

A nationwide \$1 billion poverty reduction program, "20,000 Entrepre-

neurs—500,000 Qualified Specialists," will get started June 1 in 14 districts in Uzbekistan, based on the China model, through which some 800 million people in China were lifted out of extreme poverty over two decades.

On May 15, Uzbek President Shavkat Mirziyoyev met by video conference with representatives of the first 14 districts where the programs will start. According to a report posted by gazeta.uz, Mirziyoyev said, "If we complete the experiment and implement the Chinese experience, we will implement it throughout the country next year." Trained people will be in the villages to work with residents on programs involving road transport, energy, communications, tourism, agriculture, and industrialization. Mirziyoyev wants to see 10 high-yield agriculture projects by year-end. Activity will be coordinated with Chinese centers, so that 9,445 aides to localities will be trained. Some 200 who achieve good results will go to China for more training.

# Eritrean President on State Visit to Beijing

Eritrean President Isaias Afwerki, on his first state visit in 18 years, met with President Xi Jinping in Beijing May 24, ahead of commemorating the 30th anniversary of establishing diplomatic relations. The two discussed the potential of expanding economic relations in the context of the Belt and Road Initiative, the Forum on China-Africa Cooperation, and the Outlook on Peace and Development in the Horn of Africa.

In an <u>interview</u> with CGTN, Afwerki noted the difference between "western lessons" and those of China. While the West has imposed sanctions on Eritrea as part of its policy to carve up Africa into centers of influence and maintain their domination, China pledged to change the quality of life of the Chinese and made "tremendous" achievements. Citing support China gave to Eritrea's independence struggle, he said that the two nations are working together to create a new global order, and he refuted allegations that the Belt and Road Initiative is a "debt trap."

With its ports on the Red Sea, Eritrea can play a key role as a transport hub for East Africa, especially land-locked Ethiopia with which it shares a border.

# Direct Afghan-China Flights Begin as China-Pak-Afghan Cooperation Grows

Continuing efforts are underway on economic programs to engage Afghanistan in regional development with Pakistan and China, after their foreign ministers met May 6 in Islamabad and agreed to collaborate on furthering development projects in Afghanistan. Chinese Foreign Minister Qin Gang and Pakistani Foreign Minister Bilawal Bhutto Zardari pledged that their nations would work together in many ways, under the rubric of the BRI, including taking the China-Pakistan Economic Corridor (CPEC) into Afghanistan.

In his keynote address to the May 18-19 China-Central Asia Summit, Xi Jinping noted China's commitment to aid Afghanistan. The Xi'an Declaration of China and the five Central Asian Republics also pledged support to rebuild Afghanistan and increase stability in the region.

On May 23 in Kabul, Chinese Ambassador to Afghanistan Wang Yu met with Afghanistan Foreign Minister Amir Khan Muttaqi to discuss bilateral programs, including copper mining, increasing Afghan exports, and renovating the Jumhuriyat Hospital, a 350-bed facility in Kabul originally built in 2004 by Chinese engineers and Afghan labor. Non-stop flights on Ariana Afghan Airlines resumed between Kabul and Urumqi in Xinjiang the next day, after a hiatus of three years.

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