

Center for Strategic and International Studies

TRANSCRIPT

EST Rapid Roundup:
**“How Will the Supreme Court’s IEEPA Ruling Impact U.S.-
China Tech Competition?”**

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Navin
Girishankar:

Good morning, again. This is Navin Girishankar, president of the Economic Security and Technology Department here at CSIS. Welcome to segment two of our EST Rapid Roundup on the IEEPA tariff ruling last week by the Supreme Court. Just as a reminder, this morning we had a wonderful conversation, a deep dive with three of our top trade experts, Angela Ellard, Bill Reinsch, and Phil Luck. And now we're following up with a conversation about implications for U.S.-China competition, U.S. reindustrialization, and including U.S. energy security.

Just as a background, the Supreme Court decision, six-to-three ruling, of *Learning Resources versus Trump*, that the court held that IEEPA does not authorize the president to impose tariffs. This is a landmark decision, as we said. It reaffirms the power to tax. And in fact, tariffs are a power to tax – tariffs are taxes. It belongs to Congress. And even though the decision has come down, there is still a great deal of uncertainty. The administration moved to institute 122 authorities with a 15 percent tariff across the board. It's loaded up on Section 232 and 301 authorities. And still there's about \$150 billion in tariff revenues that are sitting in legal limbo with no clear refund roadmap. We've talked about this from a trade perspective. Let's talk about it from a technology and competitiveness perspective, and a U.S.-China perspective.

I am lucky to have with me three of my colleagues. Scott Kennedy, who is the trustee chair for China business and economics, our leading expert on Chinese economy and business here in CSIS. Sujai Shivakumar, who leads our Renewing American Innovation Program here at CSIS, focused on industrialization and innovation policy. And Joseph Majkut, who leads our energy security and climate change program on all things energy markets, finance, and trade. So this is going to be a very interesting conversation. It's building on this morning's talk, because we want to approach this from different perspectives, different angles.

I'm going to divide this into two rounds of questions, and then we can take the conversation where we go – wherever we want to go from there. First things, first short term impacts. So, Scott, I'm going to start with you, because, you know, what's ahead of us is a planned Trump-Xi summit. How are the Chinese thinking about this ruling and what it might mean for negotiations between China and the U.S.?

Scott Kennedy:

Sure. Well, Navin, thanks for pulling us all together quickly to give a readout on this very important decision that the Supreme Court handed down, with huge implications for the American economy, global trading system, certainly U.S.-China relations. I'd say in a nutshell, the Chinese have to be quite happy that the Supreme Court ruled this way. But they're not idealistic in believing that it will fundamentally lead to a

return of American trade policy to where it was before President Trump took office in January of 2025.

Certainly, you know, the Chinese Ministry of Commerce has already spoken on this and said that they're studying the ruling. And they, you know, already have said they oppose unilateral trade measures and they wanted the U.S. to withdraw all of its unilateral tariffs, not just against China but against others. So from a propaganda perspective this is great for them. Also in the short term, you know, China is going to have lower tariffs that it faces against it because – assuming the fentanyl tariffs, the 10 percent, were eliminated, and also the 122s, which are lower than what China had been facing before.

You know, China's tariffs are probably cut by about 40 (percent) to 50 percent for the moment. I'm not sure that's going to lead Chinese companies to ramp up exports quickly to the United States, but it's going to certainly make whatever they're selling here more competitive, even though we have to still remember 15 percent is still sky high tariffs.

I do think going into the summit, because the tables were already turned on the U.S., the Chinese already had gotten an upper hand using rare earth restrictions as a way to push back against President Trump, this makes things even more comfortable for them as they head into the summit.

We're going to see them, fine, accepting President Trump's visit. I don't expect the U.S. to be able to amass any kind of pressure on China to push for China stepping back on industrial policy, rebalancing its economy, being able to say that the U.S. is in lockstep with its allies so China has to do those things.

This is going to be a very comfortable meeting for the Chinese. Of course, President Trump will trumpet, pardon the pun, whatever results come out of the meeting as the most important summit in global history, but I think this is going to be relatively tame and mild, despite the theater and the Supreme Court ruling makes that a more likely result.

Mr. Girishankar: Yeah, it's a great perspective. I want to come back on that.

Let me shift to energy because that's an important piece of the story and I'm going to go to Joseph. Now, a couple of things, Joseph. The energy supply chain picture has been in flux for some time now and this sort of adds to that. So just a little double click here – 232 investigations were already pending for polysilicon wind turbines and critical minerals, and new 301 investigations have just been launched, and now you add to that the 122s, which will be in effect for a hundred and fifty days or so.

How should we think about what's happening with the energy supply chain?

Joseph Majkut: Well, since the start – since Liberation Day, the last time we did one of these events, it's been clear that there's a fundamental tension between the Trump administration's approach to tariffs and the affordability agenda, especially as it relates to energy resources.

So where do we stand today? Well, as IEEPA tariffs fall and we move to Section 122, the administration apparently has the ability to exempt certain classes of goods, right, and we've already seen that they're planning to exempt energy imports in the context that they think about energy, so that means oil, natural gas products.

But we expect to continue to see 122 tariffs fall on a lot of the equipment necessary to develop energy, and that has two flavors. That could mean the equipment necessary for upstream oil and gas development, steel for drill bits, pipelines, LNG export facilities. It can also mean transformers, electrical steel for developments of the grid system or the sort of existing tariffs on wind, solar, and other energy infrastructure.

So we continue to see tension there but there is – there is a tension being paid by the administration on not increasing immediate fuel costs for Americans as part of the tariff agenda.

Mr. Girishankar: Yeah. Keep going. I interrupted you.

Dr. Majkut: No, no, no. I'm happy to have a conversation.

I mean, the other thing that I think we're going to, like, kind of continue to see is that, as Scott said, there's a variety of other tariff authorities the administration is already using, has already been using, and plans to use more in the future.

For all of those input goods, that second class that I was talking about – steel for infrastructure, you know, electrical equipment for the grid – I think we will expect to continue to see tariffs applied on those goods, increasing costs for project developers so long as they're continuing to have to import, because it's consistent with the administration's overall trade agenda, and for the time being they're prioritizing the trade agenda over the cost agenda when it comes to the underlying kit necessary for a strong, resilient, and, I would say, dominant energy system.

Over.

Mr. Girishankar: Well, you know, it's interesting. Let me – let me double click on that because, you know, Scott alluded to this. You've mentioned this. You know, energy is an important component of the U.S.' goal to establish national power through economic power globally, and we are now an energy exporter. We are making moves vis-à-vis a number of countries where we're trying to deepen alliances. And if you have a tariff agenda that cuts against the competitiveness of U.S. energy exports, what does that mean? Is your sense that the administration is thinking through this or should be thinking through this?

Dr. Majkut: I think – I think it's on the administration's mind. I mean, we've seen at various points, you know, the industry coming to the White House and saying, hey, there's – there is dissonance here between the – what you're asking us to do in terms of drill, baby, drill, energy dominance, and/or build out the grid to facilitate AI datacenters and manufacturing, and the – and the tariff agenda, which is trying to achieve a host of other policy goals that we heard about this morning and wanted to talk about related to balance of trade and reshoring of manufacturing, right? You know, I think it's now kind of clear that the administration is navigating those two considerations and looking at the reshoring and balance-of-trade issues as being more important on a lot of – in a lot of cases.

Now, what does that mean for project developers for the energy dominance agenda? They are seeing higher costs for developing LNG export terminals, for building out pipelines because the input costs of steel and other equipment have gone up. In many ways, you know, if you talk to an LNG project developer, an LNG export facility is, like, a paragon of globalization, right? You get stuff from all over the world to build what is essentially an enormous freezer. And the tariff agenda is increasing costs.

Now, is that canceling projects? I don't think we've seen that yet either. So while it may be increasing costs on the margins, I'm not sure that it is a dispositive factor in the U.S.' ability to build this new kit. So I think we're going to continue to see management; we're not going to see fundamental changes.

Mr. Girishankar: Yeah. And just one last thing to ask you about is the refunds, because if you look at the 150 billion (dollars) or so of tariff revenues and the anticipated refunds, which Secretary Bessent said will go through the lower courts and they will respect those decisions, if that's actually to happen a meaningful share of those revenues come from energy. You talked about that and you've written about that. What does that mean

for the investment climate related to energy from the point of view of energy investors?

Dr. Majkut:

I mean, I think there's tremendous uncertainty. Right now when we're looking at what industry's thinking about, what they're saying, trying to even unpack the tariff burdens that they've felt over the last 12 months is still a challenge, right, because you've got a sort of stack of tariffs applied to steel via 232 or 301, various other kind of tariffs on the country level assessed on some things, and then you've got the IEEPA tariffs on top of those, right? The IEEPA tariffs can now be refunded, but all that other stuff is still there.

And so we still, I think, are – you know, we're waiting to see how people account for the changes they see, what a refund structure is even going to look like. But I would imagine that we're going to anticipate some pretty significant uncertainty on that front over the next few years. If it ends up creating a little bit of extra capital on the table of energy investors, maybe we'll see some of that go toward further investment. But I think it's too early to make a strong call there.

Mr. Girishankar:

Yeah. Thank you for that.

Let me shift gears to Sujai. Sujai, you know, you deal both with the industrial policy agenda over the last few administrations but also the innovation policy agenda. You know, so much of what's behind the tariff agenda is an assumption that import substitution is going to lead to reindustrialization, and some of that is also buttressed by investment agreements that go along with a number of these trade agreements that have been negotiated. I wanted to get your perspective, as you shift now from IEEPA tariffs to 122s, where are we on the industrialization agenda? And do you see those agreements as potentially unraveling, which could have a knock-on effect on investment agreements that have been signed?

Sujai
Shivakumar:

Yeah. So three quick points. You know, first of all, you know, as Joseph pointed out, industrialization and innovation are extremely complicated and globally distributed processes. And they tend to grow in an environment of calm policy. So the IEEPA tariff environment, in fact, has been anything but calm. It's been hugely disruptive. And rather than making any types of long-term investment, what many firms are doing is just waiting out the volatility the best they can.

Secondly, you know, what we are seeing as a possible replacement, the Section 122, might be lower for some. You know, the flat 10 or 15 percent global tariff can still increase costs for critical components. I mean, you know, we take advanced ships from Taiwan. Previously I

think they benefited from exclusions. And third, again, echoing Joseph's point, you know, there's still volatility, given the 50-day limit on Section 122, and the launch of potentially more targeted Section 301 or 232 investigations. These could impact a series of precision technologies. Think the EUV machines that manufacture the advanced chips, many of which come from Europe.

If this environment of uncertainty persists, this makes long term capital investments in the stack technologies, you know, increasingly difficult. So this really hasn't solved too many questions in terms of the larger environment that we need to have to regrow our innovation system and our manufacturing systems.

Mr. Girishankar: Yeah. You make such a great point. You know, my shorthand of this a few months ago was that you can't fight a tech war if you're fighting a trade war. And what I meant by that – it's exactly what you said. All these technology value chains, the energy technology value chains, are global in nature. And so when you think about these kinds of tariff initiatives that we've seen from the administration, whether it's the IEEPA tariffs or the 122, or the 301s, or the 232, the compounding effect of these things is that it can make it much more challenging to establish technology advantages. Even as the PRC is moving quite far ahead, as we can see, in a number of these areas. Or, at least on the heels of the United States, including in stack technologies.

And so I think you made a really, really powerful point there. Double-click for me on different types of technologies, which we highlight in our Tech Edge report, and what that means for the tariff agenda. You talked about stack technologies like AI as an example. You also mentioned in our previous conversation precision technologies, like jet engines. Or some people might argue that quantum is a precision technology. Can you elaborate on this a little bit with respect to their value chains?

Dr. Shivakumar: Yeah. So, you know, precision technologies, you know, in the semiconductor world, these are pretty much your EUV machines that actually make the chips. And so, again, if you have an uncertain tariff environment, you know, the semiconductor industry is extremely globally integrated and extremely – lots of different parts coming in from different places, including the workforce and the manufacturing aspects of it. If you're – if there's uncertainty about the price and, you know, the complex value chains that put together these precision equipment, that raises the price. That raises more uncertainty. It makes it more – you know, business is much more difficult. And then, you know, once you have the chip, then you can talk about stack technologies that those go into. And so the – you know, some of these impacts cascade down the process.

You know, the broader point is that, you know, if – for example, if, you know, subsidies under the CHIPS Act were carrots, tariffs sort of replaced them as sticks to hasten the onshoring of semiconductor manufacturing. But, you know, essentially, both face the same challenge. You know, after years of offshoring manufacturing, the U.S. has had to build – or, needs to build a skilled workforce, build the infrastructure that Joseph was talking about, you know, streamline the regulatory environment that supports domestic manufacturing. These are the fundamentals that we actually need to invest in. A lot of, as you say, you know, the tariff debate is sort of displacing what we need to be talking about, which is the main job at hand. So that’s – you know, I would come back to the – come back to your point, which is actually quite on point.

Mr. Girishankar: Yeah. Let me come back to Scott here. Scott, like, let’s go beyond, like, the upcoming summit, and think of the long game, right? Something you’ve been writing about quite a bit. If you think of the U.S. technology long game, or just the U.S. economic long game vis-à-vis the PRC, how should we be thinking about the tariff agenda as informing that or getting in the way of that in a significant way? And is there a way off of – off the – is there an off ramp?

The reason I ask that is we we’re talking this morning with Angela, Bill, and Phil. And the idea is that perhaps this gives a moment of pause for people on Capitol Hill to think strategy, to think what is the role of tariffs in America’s economic policy strategy more broadly. Perspectives on that?

Dr. Kennedy: Sure. Well, if this isn’t a moment to try to rethink things, I don’t know what is. So if you just step back and look where we are and what the results have been, the raising tariffs sky-high, replacing MFN tariffs with reciprocal tariffs of all sorts, and the fentanyl tariffs, that was part of a strategy to try and reduce the U.S. trade deficit overall, reshore manufacturing, and address a whole bunch of challenges.

And the results so far have been quite lukewarm and perhaps negative. So the U.S. trade deficit last year was record high. U.S. budget – federal budget deficit, crazy high. Loss and actually decline in manufacturing jobs in the United States. And at the same time, although our bilateral trade deficit with China was lower, China’s overall trade surplus was even higher. In addition, they’re exporting – they’re investing around the world, getting behind trade walls, becoming more entrenched in technology value chains outside the United States. And so China’s not rebalancing their economy; quite the opposite.

And we have not found a way to derisk. I mean, we just had a meeting a couple weeks ago in Washington about the challenges with rare earths and minerals, and we're a long way from solving those challenges.

So if we're not rethinking things right now, then it's because facts don't matter. And facts should matter. That's what CSIS exists for. And our thoughts should be, you know, how do we, with our allies and others, develop a strategy which tries to, where necessary, properly derisk from China and mitigate the challenges we face by investing in ourselves and our allies, using scale because of our collaboration, as you and our colleagues wrote in the "Tech Edge" report and we trumpet regularly? And how can we figure out how to get whatever advantages we can out of interdependence with China? Very prickly to work with them, but you – you know, in EVs, I don't see a path to EV success and actually parts of the energy transition without having China as at least a small part of the solution equation. You can't make them the main part because you don't want to be dependent on them, you don't want to give them that much leverage, but to fully isolate and – I think the – I think what we're seeing is those kind of strategies that are purely defensive in nature, whether it's subsidies or tariffs or export controls, done only on themselves end up backfiring.

So finding that right mix of offensive and defensive tactics in combination with our allies, that's what Congress needs to be thinking about – hopefully, the White House and others as well. And this is a moment for us to come back with a better plan.

Dr. Majkut: Can I jump in here briefly, Navin?

Mr. Girishankar: Please do. Yeah.

Dr. Majkut: So, I mean, just –

Mr. Girishankar: Great points by Scott, by the way.

Dr. Majkut: Yeah. I mean, that was a – that was, like, a remarkable contribution, and I think there's a lot of wisdom in what Scott's saying.

You know, by my math, you know, even right now with the fall of IEEPA tariffs the tariff burden, for instance, on grid storage batteries, which are, like, growing explosively – well, bad term; are growing, you know, quickly in various power markets around the country as we try to figure out how to meet peak demand and store excess renewables for the right time of day, there actually are going to be, I think, short-term cost reductions for American importers of those goods because so much of it comes from China and because the tariff structure is changing so

quickly. There might be a moment of opportunity for the kind of economic collaboration that Scott describes, even if long term that creates, you know, security concerns for a variety of folks.

But the more important aspect, to Scott's answer, I think really is that if you – if you read the statements of Gorsuch, of Kavanaugh, of Roberts, you know, they – the Court here is calling Congress to task, that we – that we really cannot ask the president to, you know, effect trade policy, effect taxes in this way unilaterally. And that's going to raise some very interesting questions, because if Congress takes up that mantle we can go about doing this in a much more thoughtful way than standing up generalized tariffs. Regardless of how you feel about them, right, I think we've learned some interesting stuff over the last year. But they are a very blunt tool that, you know, if we look at even measures that have been introduced in Congress – take, for instance, Senator Cassidy's Foreign Pollution Fee bill, a huge sense of unfairness in the United States about the shift in manufacturing toward China and other emerging economies as companies can build a factory there, pollute with abandon, and here in the United States we're not able to do that, despite having way more carbon-efficient, energy-efficient, and less-polluting manufacturing industries here.

If we want to realize the benefit of all those attributes, we need a tax policy, including potentially a tariff policy or trade policy, which will incorporate some measure of the externalities associated with all that bad stuff, right? So that U.S. manufacturers can get market value or market recognition from being cleaner, not just being domestic. I hope we see from Congress a real effort to think about what are the different challenges we've got, particularly with U.S.-China trade, what are the sense – where is their unfairness that they need to represent, and then how do we treat those symptoms rather than the overall trade balance with China as being things that public policy can make a meaningful contribution toward?

Mr. Girishankar: Excellent points. And the number of threads here between you and Scott, just to pull one, is something that I'm hearing is some notion of a détente, or a floor, or at least some kind of floor in the competition or the adversarial dynamics with China that is in our own best interest. And clarifying what that is, is what I'm hearing going into the Xi-Trump summit, and beyond. Secondly, which is really interesting, which is that Gorsuch and other justices, their opinions really push the ball back to Congress and say, well, define what the agenda here is around tariffs. And I wonder where there's an opportunity here for a public debate, as I was saying this morning, on import substitution.

I mean, we know, anybody – (laughs) – who’s been around this for some years knows, this has at best a mixed track record, if not a terrible track record. And somehow we have now gone full-throttle into an import substitution policy in the United States that has not been subject to debate. And this is to the point Scott is making about what Congress should be doing. You’ve just made that point as well, Joseph. And, you know, Sujai has been echoing that point. So I want to just pause a moment to underscore the opportunity there. Having said that, I don’t think the tariff agenda is away from us. We have 122s. We have these other instruments. And so I think we have but no choice but to debate it.

Third point, I want to go back to this with – Sujai, your question here is that, even if we could say that tariffs will help in some ways with, you know, onshoring, is it enough? And I think you’ve written a lot about all the ingredients that are needed to develop an innovative and competitive technology sector, or technology sectors. Tell us a little bit more about what’s missing here.

Dr. Shivakumar: Yeah. I mean, clearly we need to be, you know, much more focused on building the various parts of our innovation ecosystem. The Tech Edge report that our department published recently makes a very persuasive case that we need to actually play all the keys here. We can’t just do one aspect of this and think that the rest will, you know, take care of themselves. So it’s a much more integrated and thoughtful approach that both Scott, and Joseph, and you have echoed just now.

I just want to – there is a sort of a troubling aspect to this, and I’m – for the future – which I just will – I may just worry with you a little bit. You know, a lot of these – the tariff was used as a mechanism to pressure other countries, not necessarily as a purely economic tool but also in other realms. You know, with the tariffs perhaps taken off the table to some extent, there is also the concern that there may be a move towards using other tools that the government has, including the military or even export controls as a tool. And so, you know, that aspect of it continues to keep me up at night.

Mr. Girishankar: Well, look, you raise a really good point, which is something I mentioned in our newsletter this week, which is the use of economic coercion as a(n) approach to extracting what we think is needed in terms of leveling the playing field or achieving national security goals. And I think there’s a fundamental question around U.S. strategy here, which is what balance between leverage or coercion and alliance building is going to work for the long term? And I think the tariff agenda has – the tariff gambit has largely been viewed as a coercion tool, and that’s how it’s been used.

So it – and at the same time, the administration does have an instinct for some alliance building. We've seen that with Pax Silica. We've seen that with the relationships that are being forged in the Middle East, for example.

So what's the right balance? And I think at some point, one has to start to choose what is the primary modus operandi. I think that's what you're kind of alluding to.

And with that I'm going to come back to Scott here, because if you look at China's relationship with its trading partners around the world and diff that with the U.S.'s relationship in the recent 10 – last 10 months with its trading partners, tell us how you're assessing this and whether this is sustainable.

Dr. Kennedy:

Yeah. If you're – if you're looking at the relative state of connectivity or isolation, China is not where we thought it would be or where the U.S. was aiming for it to be. We have seen a series of state visits to China, Australia, Canada, Great Britain, this week Germany. We'll see the Japanese go there after Trump, most likely.

The Chinese have put on a very sympathetic posture, which is only possible by the U.S. looking like the rogue actor, having destroyed the international multilateral trade order with these tariffs and looking like a bully.

Otherwise, I mean, it'd be really impossible, you would think, for a China run by Xi Jinping with the amount of industrial policy, political crackdown at home, to look sympathetic but they are looking that way, and they are offering a lot and getting a lot. There's a significant amount of anxiety everywhere, not just with the U.S. – if you go to Latin America, Africa, elsewhere – about Chinese exports, Chinese workers, Chinese technology, all of those things.

But they're not amassing a unified response and that's partly because the world is now divided. The U.S. is really having a hard time getting others to come along with it in a coordinated way and, hopefully – again, this is a moment where we ought to be thinking about that – not just going back to the Biden administration's sort of authoritarian versus democracies framework which left some feeling that they didn't fit in, but some combination of a coordinated defense against very, very bad negative behavior, industrial policy and those kinds of distortions and economic coercion, with offering positive opportunities to these countries.

And if we do that, then I think the U.S. will be in a much better position long term. That is a very different place than we are right now, and getting there – we're not going to do that in one great leap forward. We're not going to do that between now and the summit.

But Congress can take some initiative. I would just say, as they're doing this and thinking about the role on tariffs, the solution is not, here, Mr. President, you can do whatever you want, explicitly. It has to be, if they're going to give the executive more authority, here's precisely what you want to do in the specific areas, and we will watch you carefully and make sure these things – I actually still think Congress ought to more explicitly define how it wants to use tariffs as part of an overall strategy as opposed to just sort of passing the buck to the White House.

Mr. Girishankar: OK. I'm going to – this has been a very, very good conversation. We're trying to take very different perspectives from each of you and kind of, you know, refract that through a prism to understand the different dimensions of this IEEPA ruling.

The IEEPA ruling is more than just about tariffs is what I gather from this conversation. So here it is. I'm going to put you on the spot before we close out.

So you talked about Congress. Scott, imagine you're in the Cabinet meeting tomorrow. You got a chance to say one thing, going into the Xi meeting or beyond. What would you recommend to the president and his Cabinet secretaries around the tariff agenda and its relationship with China?

And then I'm going to do the same thing with Joseph and Sujai.

Dr. Kennedy: I would – I would be advising the others in the meeting, hey, let's not overly focus on what tariffs we're going to set against China and the others. That is water gradually going under the bridge here.

Let's see what we can do in the next few weeks to make it look – make it that Congress and the White House are standing together on a positive agenda for raising American competitiveness across technologies, up and down vertically and horizontally, and that we have closer links with our allies than people imagine. Let's use this as an opportunity. Let's take these lemons and make lemonade as quickly as we possibly can.

Mr. Girishankar: Thanks.

Joseph.

Dr. Majkut: I would – I'd call attention to all of the energy investment that has come from the trade deals, many of them provoked by the IEEPA tariffs. Let's make sure that all that money, all those projects that are at various stages of development – much of it still very nascent – let's prove that out as commercial reality and deemphasize tariffs as the driver of that kind of investment, because we need that for U.S. competitiveness. And, like, the tariff driver, I think, is not as strong as it was a week ago.

Mr. Girishankar: Great.

Sujai, we're going to end with you.

Dr. Shivakumar: Sure.

Mr. Girishankar: What's your – what's your one big thought for the Cabinet?

Dr. Shivakumar: Sure. You know, well – you know, the pandemic – remember that? – reinforced our need to reshore. And this strategic logic, in fact, has been underpinned by the tariff ruling; that is, we need more resiliency and redundancy in critical sectors in a world that is increasingly uncertain. So, you know, go back to the president's domestic agenda in terms of rebuilding this country, reinvesting in manufacturing, and all the preconditions – you know, the infrastructure, the workforce training, and the – and the ironing out of our regulatory system. That all needs to be modernized in a focus on those issues. That's a much more positive agenda than something that is creating a lot of uncertainty around the world and at home.

Mr. Girishankar: Yeah. Pivot from tariffs to technology, from tariffs to competitiveness. I think it's a great message.

This has been a really great conversation. I was reflecting on it as you were talking. In a sense, the administration and people on the other side of the aisle can agree on the goals. I don't think many people disagree on the goals of resilience, competitiveness, long-term growth, and productivity growth in the United States, and it's a question of can we play many keys on the keyboard in terms of the instruments we need to achieve them. And perhaps the IEEPA ruling gives us an opportunity to have that conversation.

Thank you all for joining this second panel of the two-part EST Rapid Response – Rapid Roundup, I should say, on the IEEPA ruling. Look forward to more research from this team. Thank you very much. This is Navin Girishankar, signing off.

(END.)

