

CSIS

CHINESE BUSINESS & ECONOMICS



Newsletter

February 2026

This month, the Trustee Chair launched our new video explainer series, *China Pulse*, which examines critical trends in China's macroeconomy, its high-tech drive, U.S.-China economic competition, and China's influence on the global economic order. The series is available on **YouTube** and our **program website**. As part of the launch, we published two explainers, exploring **why Chinese EVs are sparking trade disputes in the West** and **how China's export composition shifted in 2025**.

Our experts were also featured across several platforms, offering insights on the recent **Supreme Court ruling limiting the use of the International Emergency Economic Powers Act (IEEPA)**, **developments in U.S.-China relations**, and **geopolitical aspects of U.S.-China tech competition**.

Finally, our team is pleased to mark the launch of Trustee Chair Scott Kennedy's forthcoming report on Chinese tech innovation, *The Power of Innovation: The Strategic Value of China's High Tech Drive*. In conjunction with the release, we will host an event titled "**China's Great Tech Leap Forward and the Implications for the United States**" on Monday, March 2, from 10:00 am to 11:15 am ET. The discussion will feature Deputy Director and Senior Fellow Ilaria Mazzocco as moderator alongside a panel of leading experts.

Featured Analysis

State of Play: The Global Impact of the SCOTUS Decision on IEEPA Tariffs

Commentary, February 20, 2026

Read Here

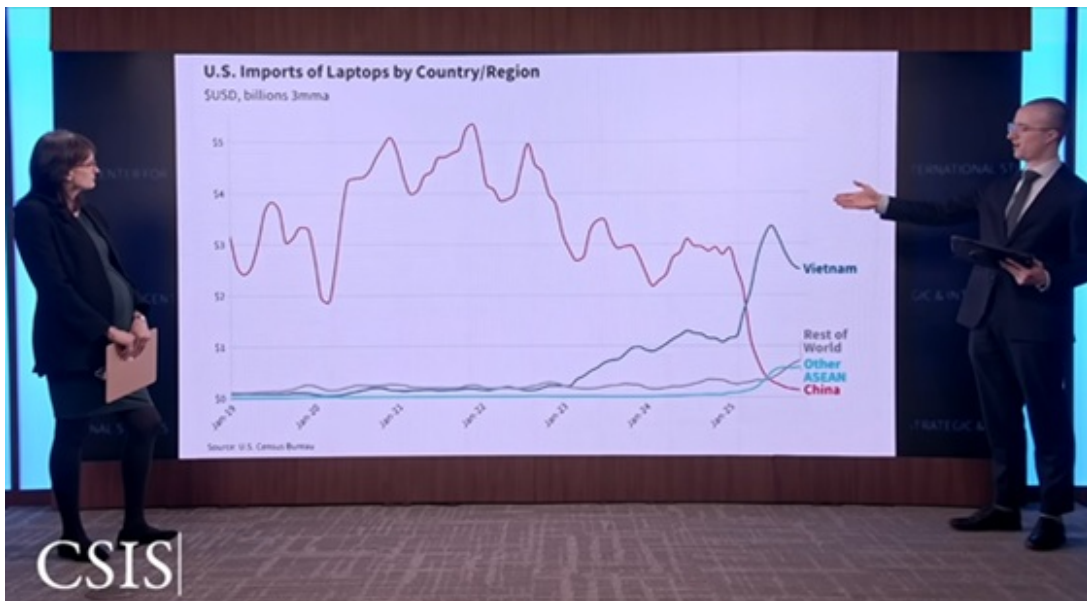


On February 20, 2026, the Supreme Court declared President Donald Trump's use of IEEPA to impose global tariffs against U.S. trading partners illegal. The Supreme Court did not address whether the administration will have to refund tariff revenues collected from over 300,000 companies. In this commentary, **Scott Kennedy** and other leading CSIS experts assess how governments and key sectors around the world are likely to interpret and react to the decision.

Takes Two to Tango: China's Record Exports and Shifting U.S. Imports in 2025

China Pulse Video Explainer, February 13, 2026

Watch Here

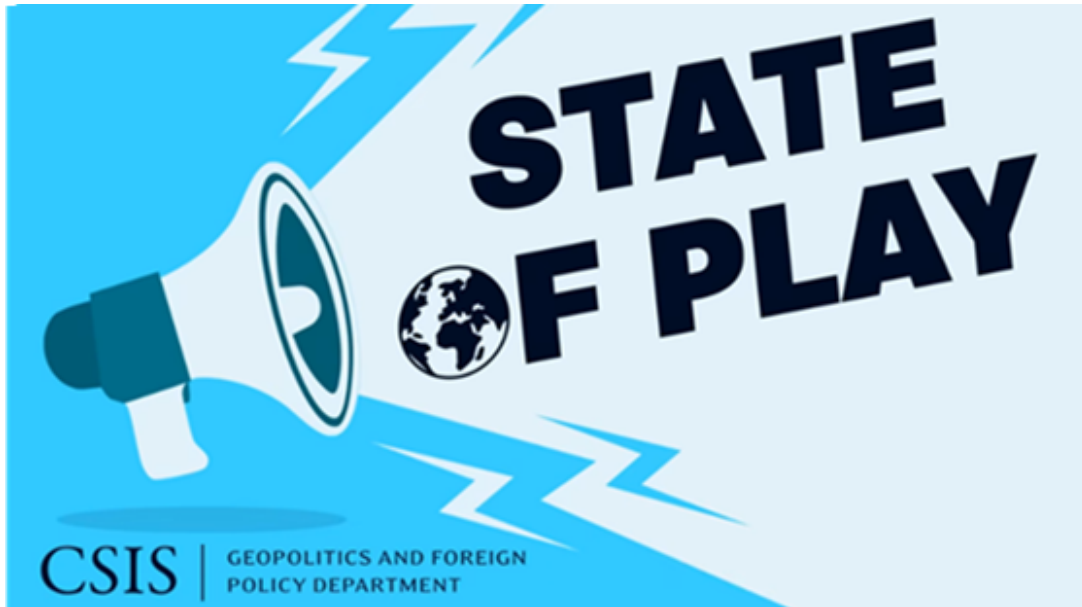


China recorded a historic trade surplus last year despite an intensified trade war with the United States and mounting tensions with major trading partners. In this video, Senior Fellow and Deputy Director **Iliaria Mazzocco** and Associate Fellow **Ryan Featherston** examine this, evaluate how China's export composition shifted in 2025, and unpack what those changes mean for the United States.

Are we thinking about tech competition with China the right way?

CSIS State of Play Podcast, February 12, 2026

[Listen Here](#)



Technological advances are not just about economics, but also power and leverage. In this episode of the *State of Play* podcast, Mark Dallas and **Ilaria Mazzocco** joined Will Todman to explore the geopolitical aspect of tech competition. They discuss each state's key technological advantages, what geopolitical power they bring, and how the United States should compete better.

From bicycles to “build your dreams” — how China conquered the global car market

Rear Vision Podcast, ABC Radio National, February 6, 2026

[Listen Here](#)



Photo: STRINGER/AFP/Getty Images

Only a few decades ago, China was known as the land of the bicycle. Today, it is an automotive goliath. The PRC is now the world's largest car manufacturer and exporter, and it boasts the largest domestic car market. In this episode of ABC Radio National's *Rear Vision* podcast, **Illaria Mazzocco** joined host Antony Funnell and fellow guests Dr. Tessa Thorniley, Zeyi Yang (WIRED), and Mike Colias (Reuters) to explore how China achieved such a dramatic transformation in just a few decades, and the role European and American carmakers inadvertently played in creating a formidable rival.

US-China relations in an era of illiberalism with Dr. Scott Kennedy

LSE: *The Ballpark Podcast*, February 3, 2026

[Listen Here](#)



Photo: The White House

In this episode of LSE's *The Ballpark* podcast, the Phelan US Centre spoke with **Scott Kennedy** about the October 2025 deal between U.S. President Donald Trump and Chinese President Xi Jinping, the state of U.S.-China relations during the first months of the second Trump presidency, and the insights that can be gained from engaging with scholars and experts on the ground in China.

Will Chinese Cars Drive on U.S. Roads? NCUSCR Virtual Event, February 2, 2026

Watch Here



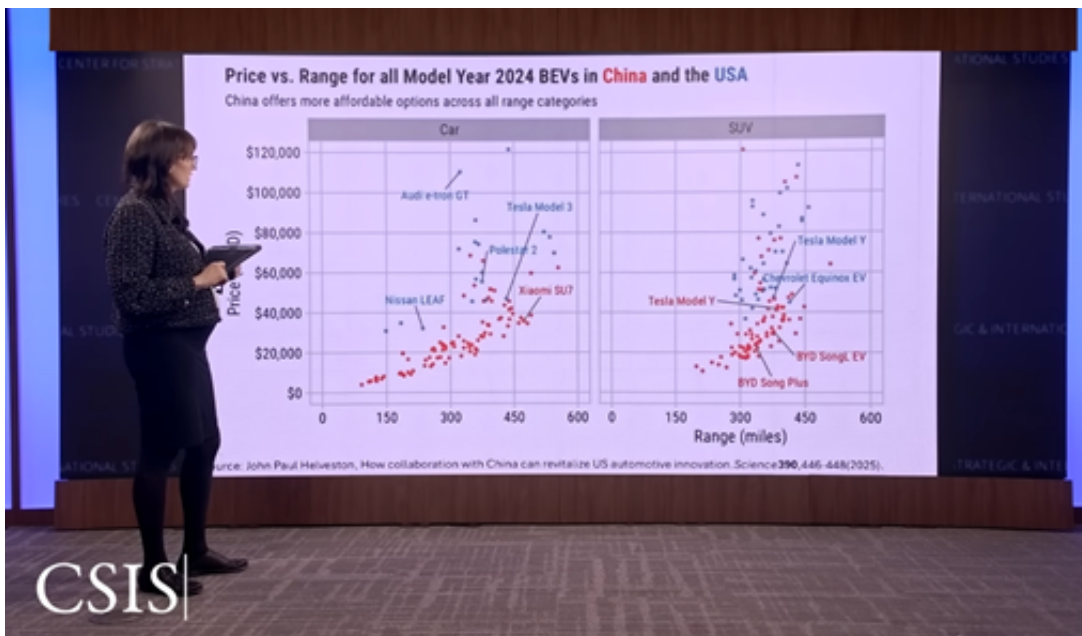
Will Chinese EVs Drive on U.S. Roads?

ILARIA MAZZOCCO, JAMES ROWLAND, & GREGOR WILLIAMS

As Washington and Beijing prepare for the upcoming Xi–Trump summit in April, a key question has emerged: could Chinese automakers, particularly EV manufacturers, invest in the United States? Firms such as Geely and Xiaomi have signaled interest in U.S. partnerships or production, and President Trump has publicly suggested that some form of Chinese auto or EV investment might be permitted. In this NCUSCR virtual event, **Ilaria Mazzocco** and James Rowland joined Gregor Williams to explore the feasibility, challenges, and implications of such investment—from national security reviews and export controls to the broader geopolitical context.

Why Chinese EVs Are Sparking Trade Fights in the West China Pulse Video Explainer, February 2, 2026

Watch Here



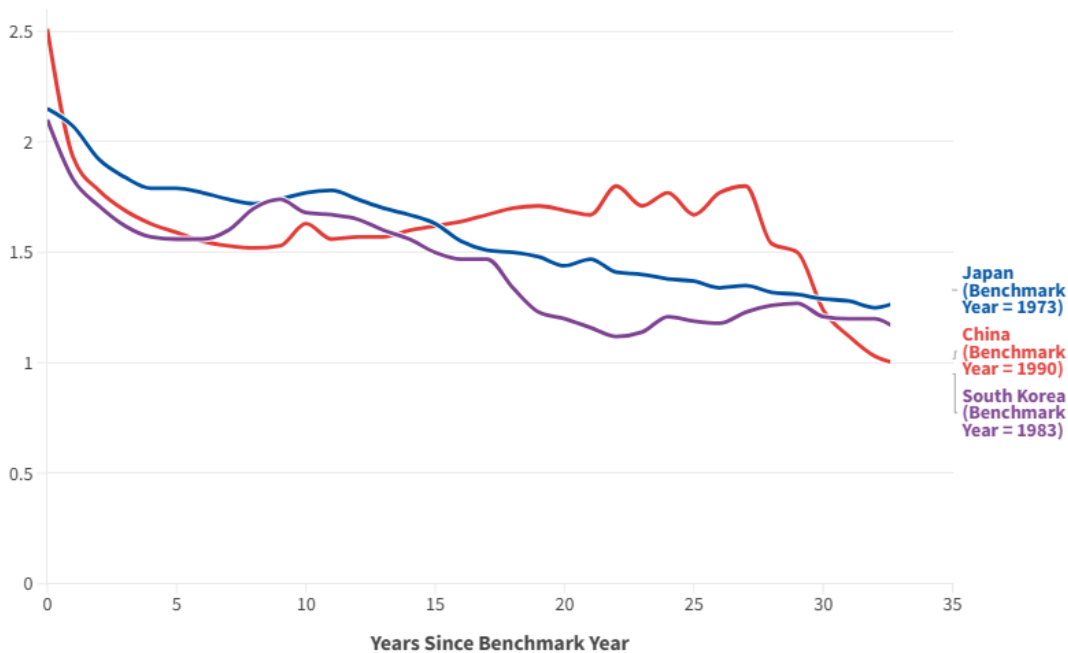
Chinese EVs and trade tensions between China and the West are back in the news. Canada just cut tariffs on some Chinese electric vehicles, while the EU and EV producers in China are negotiating minimum price agreements as an alternative to current tariffs. What's driving these disputes—and what do they mean for the United States? In this video, **Ilaria Mazzocco** breaks down the economic data and the geopolitical context.

Featured Figure

By Ryan Featherston, Associate Fellow

Fertility Since Dropping Below Replacement Level in China, Japan, and South Korea

Total Fertility Rate



Source: United Nations Population Division

Note: Benchmark year is year prior to dropping below replacement TFR (2.1).

CSIS | TRUSTEE CHAIR IN CHINESE BUSINESS & ECONOMICS

In January, China reported its **fourth consecutive annual population decline**, with the population falling by 3.39 million in 2025. Births dropped to 7.92 million while deaths rose to 11.31 million. In response, authorities have rolled out a range of central and local pronatalist measures, including annual subsidies of **3,600 RMB per child under three years old**, extended maternity leave, and **the waiver of preschool tuition in many provinces and municipalities**. Even so, the experiences of Japan and South Korea underscore the limits of policy in reversing structural demographic decline, and China faces its demographic challenges at an earlier stage of development with lower incomes. Still, pronatalist initiatives are likely to remain a policy priority, driven by goals ranging from bolstering household consumption to stabilizing birthrates in high-productivity urban areas.

Events

China's Great Tech Leap Forward and the Implications for the United States

March 2, 2026

[Watch Here](#)

At this launch event for *The Power of Innovation: The Strategic Value of China's High-Tech Drive*, Trustee Chair **Scott Kennedy** will discuss the report's key findings and event host **Ilaria Mazzocco** will then invite several experts to offer their feedback, including: **Kyle Chan** (Brookings Institution), **Lizzi Lee** (Asia Society Center for China Analysis), **Paul Triolo** (Albright Stonebridge Group), and **Jeannette Chu** (National Foreign Trade Council). The event will conclude with a discussion of the policy implications for the United States.

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

February 23, 2026

[Watch Here](#)

In this virtual event, CSIS's **Navin Girishankar**, **Joseph Majkut**, **Scott Kennedy**, and **Sujai Shivakumar** explored how the recent Supreme Court ruling limiting the use of the IEEPA could affect energy markets, long-term innovation policy, and technology competition with China.

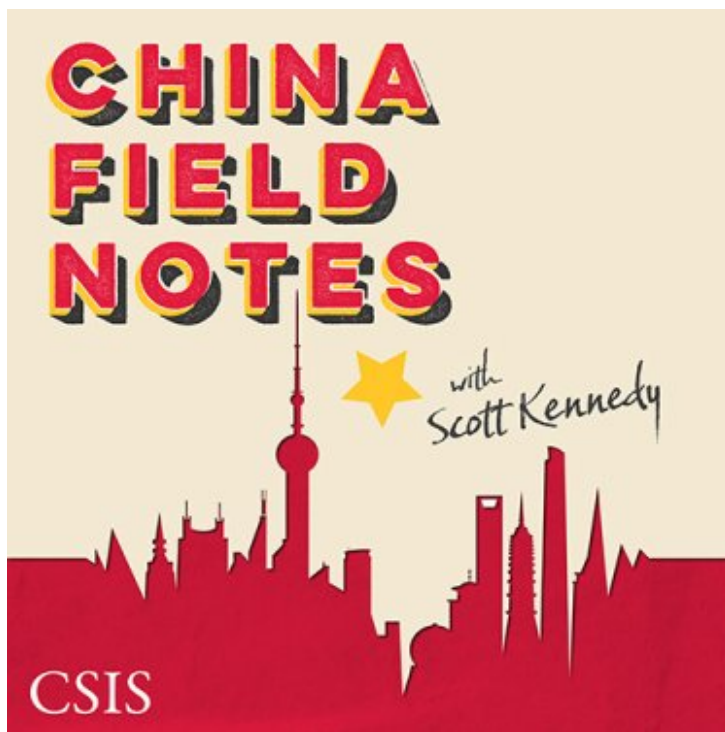
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Big Data China bridges the gap between cutting-edge quantitative academic research and the Washington policy community. Interactive features and analysis from Big Data China on topics such as significant shifts in popular sentiment in China regarding the causes of economic inequality, China's post-Reform Era trajectory, and the expansion of Chinese state sector influence over private firms are all available on our microsite **here**.

China Field Notes Podcast



Subscribe

Catch up on the current episodes of our podcast *China Field Notes with Scott Kennedy*. Understanding China has become more difficult than ever, yet also more important than ever. Hardening geopolitics has made travel to China more difficult, but not impossible. In this podcast, Scott Kennedy offers an on-the-ground look at China, featuring insights from those shaping the country and scholars studying it firsthand.

In The News

Inside the Growing Scientist Migration to Europe

TIME, February 24, 2026

Many researchers moving to China from abroad these days are U.S.-educated Chinese scientists, says **Deborah Seligsohn** (Trustee Chair non-resident expert), a professor of political science at Villanova University—people returning home, rather than immigrants. [Read here.](#)

With tariffs coming down, does the U.S. or China have the upper hand?

Marketplace, February 24, 2026

On the other hand, China still has a lot of leverage of its own, said **Scott Kennedy**, senior adviser at the Center for Strategic and International Studies. “China already had gained traction in the relationship in 2025, when the Chinese turned the tables on the United States and effectively used rare earths

as a weapon to get the Trump administration to back down some,” Kennedy said. [Read here.](#)

US tariff ruling points to steadier US–China ties ahead of April summit: analysts

South China Morning Post, February 24, 2026

Scott Kennedy, senior adviser and trustee chair in Chinese business and economics at the Centre for Strategic and International Studies (CSIS), said during a webinar on Monday that the International Emergency Economic Powers Act (IEEPA) ruling would make China “quite happy”, but China will not expect it to fundamentally reset American trade policy to before Trump took office in January last year. [Read here.](#)

China’s leverage rises before high-stakes summit as Supreme Court curbs Trump tariffs

CNBC, February 23, 2026

The ruling may have a limited impact on broader U.S.-China relations, said **Scott Kennedy** from the Center for Strategic and International Studies, who noted that tensions extend beyond tariffs. [Read here.](#)

Trump Looks Ahead to Summit With China’s Xi, but Tariffs and Taiwan Loom

The New York Times, February 22, 2026

“China had already turned the tables on the U.S. with its effective use last year of rare earth restrictions to force the U.S. to have reduced tariffs and limit its export controls,” said **Scott Kennedy**, a researcher on the Chinese economy at the Center for Strategic and International Studies in Washington. [Read here.](#)

The Future of Clean Technologies (February 20, 2026)

The Penn Project on the Future of U.S.-China Relations, February 20, 2026

On February 20, **Margaret Jackson** (Trustee Chair non-resident expert) participated in a panel organized by the Penn Project on the Future of U.S.-China Relations, discussing findings from a recent **white paper** on the impact of U.S.-China competition on the clean energy transition she published with the group. [Read here.](#)

Stock Slide and Slow Sales: What’s Happening in China’s E.V. Market?

The New York Times, February 19, 2026

Scott Kennedy, a senior adviser at the Center for Strategic and International Studies, a think tank in Washington, said the industry was entering a wartime period. The number of car companies will have to shrink from hundreds to just a handful for the industry to be sustainable in the long run, he said. [Read here.](#)

U.S.-China power struggle thrusts Panama Canal back into the spotlight

CNBC, February 6, 2026

With questions lingering over the security risks posed by CK's management of the ports and whether any mitigation measures are in place, it looks like "a simple contest for dominance in Latin America," said **Scott Kennedy**, a senior advisor at the Center for Strategic and International Studies. [Read here.](#)

US proposes critical minerals trade bloc aimed at countering China

Reuters, February 4, 2026

"I think this is a recognition by the United States that it must act in concert with others to reduce its vulnerability in areas where China has supply dominance," said **Scott Kennedy**, who leads the Chinese business and economics program at the Center for Strategic and International Studies in Washington. [Read here.](#)

Trustee Chair in Chinese Business & Economics

Scott Kennedy, *Senior Adviser and Trustee Chair in Chinese Business & Economics*

Ilaria Mazzocco, *Deputy Director and Senior Fellow*

Ryan Featherston, *Associate Fellow*

Isabella McCallum, *Program Manager*

Andy Yang, *Intern*

Antonio Tintoré Vicent, *Intern*

Jeannette L. Chu, *Senior Associate (Non-resident)*

Michael Davidson, *Senior Associate (Non-resident)*

John L. Holden, *Senior Associate (Non-resident)*

Margaret Jackson, *Senior Associate (Non-resident)*

Claire Reade, *Senior Associate (Non-resident)*

Daniel H. Rosen, *Senior Associate (Non-resident)*

Deborah Seligsohn, *Senior Associate (Non-resident)*

Logan Wright, *Senior Associate (Non-resident)*



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