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CSIS  
CHINESE BUSINESS & ECONOMICS



## Newsletter

### March 2026

This month, Trustee Chair Scott Kennedy published a **new report** on Chinese tech innovation titled: *The Power of Innovation: The Strategic Value of China's High-Tech Drive*. In conjunction with the release, we hosted a **rollout event**, "China's Great Tech Leap Forward and the Implications for the United States," on Monday, March 2, featuring a panel of experts who discussed the report, its key findings, and policy implications for the United States.

Following the launch of the report, the team has published several follow-on blog posts and video explainers examining issues such as **China's changing position in the global IP landscape** and the **uneven success of the country's industrial policies**.

Beyond industrial policy, the team has also produced several **China Pulse** videos, including **one unpacking key takeaways from China's latest Government Work Report and the 15th Five-Year Plan**. The team also examined major shifts in China's solar industry and their global implications in a **new CSIS Brief** by non-resident expert Michael Davidson and Sandy Qian.

### Featured Analysis

**How is the War in Iran Affecting China's Energy Security?**

China Pulse Video explainer, March 30, 2026

[Watch Here](#)



With the war in Iran entering its second month and the protracted closure of the Strait of Hormuz, volatility in oil prices is increasingly a concern globally. Senior Fellow and Deputy Director **Ilaria Mazzocco** and Associate Fellow **Ryan Featherston** of the Trustee Chair in Chinese Business and Economics discuss what it means for China. They look at: imported oil dependency, how China's energy mix and shift towards electrification may potentially insulate it more than in the past from energy shocks, and how China's dependency on exports could make it more vulnerable in the medium term to a global recession.

## From Midshipman to China Expert: An Interview with Maggie Jackson

Blog Post, March 23, 2026

[Read Here](#)



Earlier this month, Program Manager **Isabella McCallum** interviewed **Maggie Jackson**, a non-resident expert with the Trustee Chair. In this discussion, Maggie spoke about how she became interested in China, her experience in government, and her view of trends in climate policy and clean tech.

## China's Solar Shakeup And What It Means for the World

Watch Here



The upheaval in China's solar industry — price wars, consolidation, mass exits — raises critical questions for the rest of the world. Does this erode China's dominance, or entrench it further? Is it a window for rivals to close the gap, or a prelude to deeper market displacement? Deputy Director and Senior Fellow **Ilaria Mazzocco** speaks with non-resident expert **Michael Davidson** to unpack these questions and more.

## China's Solar Industry Is in Upheaval—The Effects Will Be Global

Brief, March 12, 2026

Read Here



In this Trustee Chair brief, non-resident expert **Michael Davidson** and **Sandy Qian** argue that China's solar sector is undergoing a brutal shakeout driven by overcapacity, collapsing prices, and policy pressure, but that this turbulence is more likely to strengthen than weaken China's long-term dominance. Rather than creating space for foreign competitors, they contend, the current

consolidation is producing a leaner, more resilient Chinese industry that will remain deeply embedded in global solar supply chains.

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## **Industrial Policy Without Illusions: What China's EV Boom and Aviation Struggles Really Tell Us**

Blog Post, March 11, 2026

[Read Here](#)



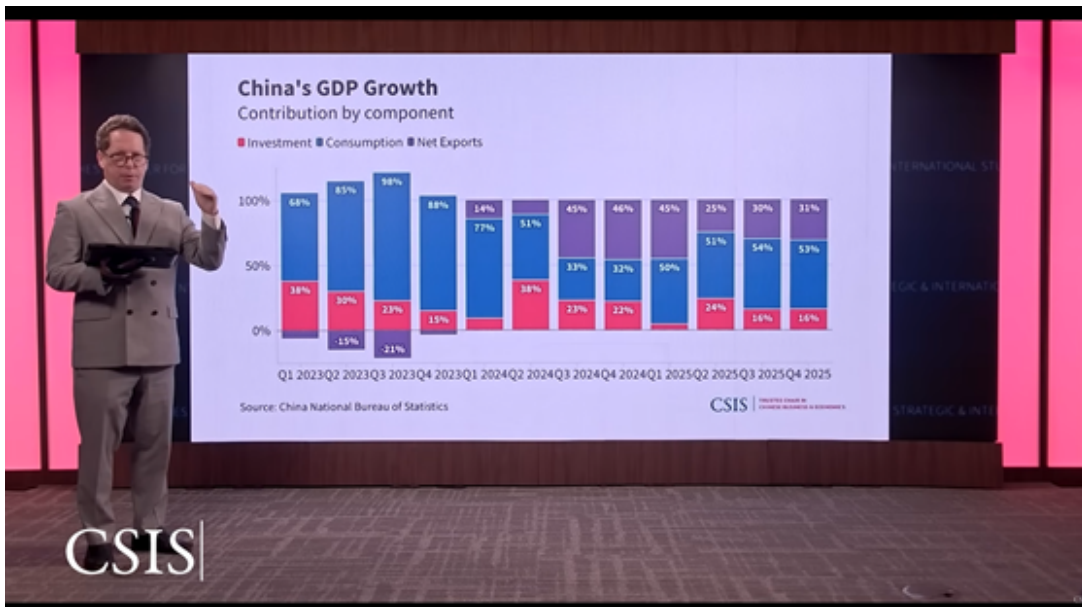
In this blog post, Trustee Chair intern **Antonio Tintoré Vicent** argues that China's industrial policy record is far more uneven than either admirers or critics often claim: it has produced major gains in EVs, but much weaker results in commercial aviation. He contends that China succeeded in EVs because policy support aligned with an emerging, competitive sector, while its aviation struggles show the limits of state-led innovation in industries defined by extreme complexity, slow learning cycles, and dependence on tacit expertise.

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## **Refinement or Copy & Paste? Initial Takeaways from China's Annual Legislative Session**

China Pulse Video Explainer, March 6, 2026

[Watch Here](#)



CSIS Trustee Chair **Scott Kennedy** offers his initial assessment of the highlights from China’s latest Government Work Report and 15th Five-Year Plan, both of which were presented at this year’s annual legislative session. Optimists could frame these documents as constructive refinements for a strategy that has been largely successful. Skeptics are more likely to describe policy continuity negatively and as unlikely to effectively address the substantial — and growing — headwinds at home and abroad.

**Ep 58 - FYP, GDP, and Ilaria Mazzocco on NEVs**

*The Trivium China Podcast, March 6, 2026*

[Listen Here](#)

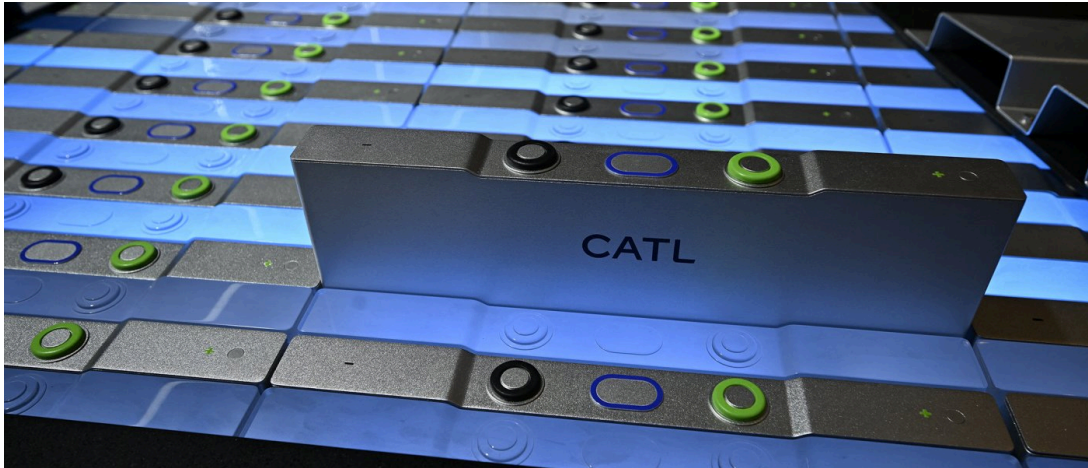


In the podcast by Trivium China, Deputy Director and Senior Fellow **Ilaria Mazzocco** examines the rise of China’s electric vehicle industry and what it reveals about the strengths and limits of the country’s industrial policy. She highlights how government support and a dynamic private sector have combined to drive China’s global EV leadership, while also noting areas where policy outcomes have been uneven.

## Translating IP Into Revenue: China's Changing Place in the Global IP Landscape

Blog Post, March 5, 2026

[Read Here](#)

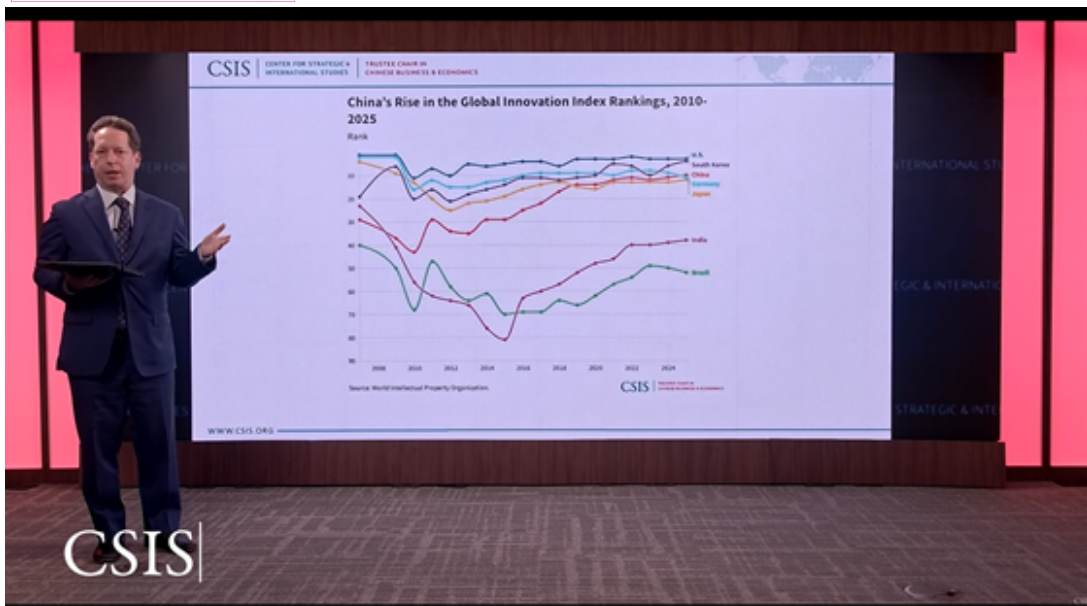


In this blog post, Associate Fellow **Ryan Featherston** argues that although China remains a net payer for foreign intellectual property, it is steadily improving its position as a global source of IP revenue. He shows that Chinese firms are earning more from licensing and royalties—especially in sectors such as telecom, batteries, and biotech—suggesting that China's innovation system is becoming more capable of generating commercially valuable technology, even if it still trails the world's leading IP exporters.

## China's Tech Performance & Its International Power: A Primer

China Pulse Video Explainer, March 3, 2026

[Watch Here](#)



In this video, Trustee Chair **Scott Kennedy** provides an overview of his latest report and argues that China's advances across high-tech sectors have

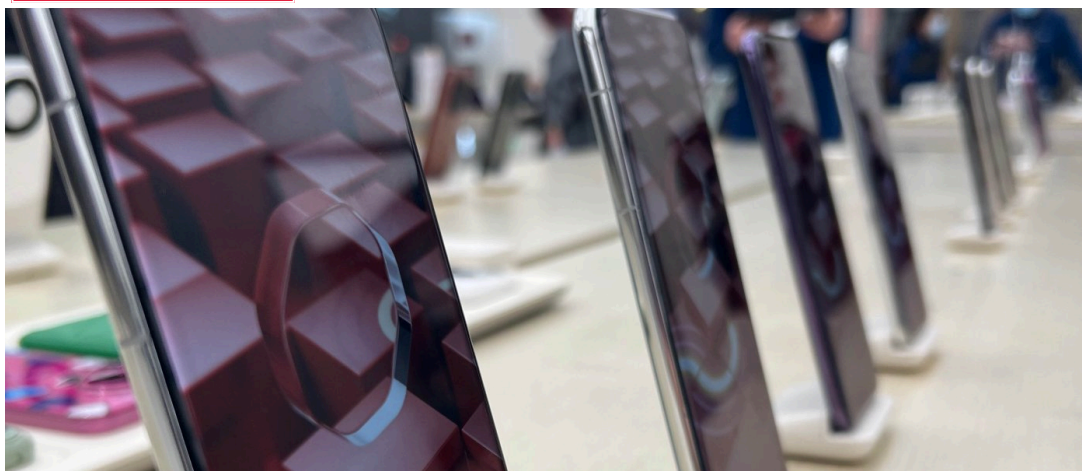
strengthened the country's international power and influence. He notes that other governments should respond pragmatically to reduce potential risks while maximizing the opportunities created by these developments. The video also highlights the gaps in existing research that the report seeks to address and contrasts China's performance in two technologies: pharmaceuticals and pen tips.

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## **The Power of Innovation: The Strategic Value of China's High-Tech Drive**

Report, March 2, 2026

[Read Here](#)



This report, by Trustee Chair **Scott Kennedy**, argues that China's advancement across high-tech sectors has directly strengthened the country's international power and influence, and that other governments need to respond pragmatically to reduce the downside costs and raise the upside opportunities to make the most of these developments. Based on several years of fieldwork and analysis of quantitative data and primary-source documents, the report first evaluates China's high-tech drive in general and with respect to specific industries. It then analyzes the effect of these developments on China's military capabilities as well as its role in shaping international technical standards. The study concludes by suggesting that the United States and like-minded countries should pursue a pragmatic strategy, which the report calls "calibrated coupling," to maximize the opportunities and minimize the risks to themselves of China's high-tech drive.

## **Events**

### **NSF's National Security Mission for the Twenty-First Century**

April 3, 2026

[Watch Here](#)

In this CSIS Renewing American Innovation (RAI) event, RAI Director **Sujai Shivakumar** and NSF Acting Director **Brian Stone** host a half-day, multi-panel discussion on the National Science Foundation's national security mission and how it can address the challenges of the twenty-first century, including the rise of China as a technological and military competitor. The event features Trustee Chair **Scott Kennedy** and non-resident expert **Jeanette Chu** alongside other leading experts.

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## **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** discussed the report's key findings and event host **Ilaria Mazzocco** then invited 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 **Jeanette Chu** (National Foreign Trade Council). The event concluded with a discussion of the policy implications for the United States.

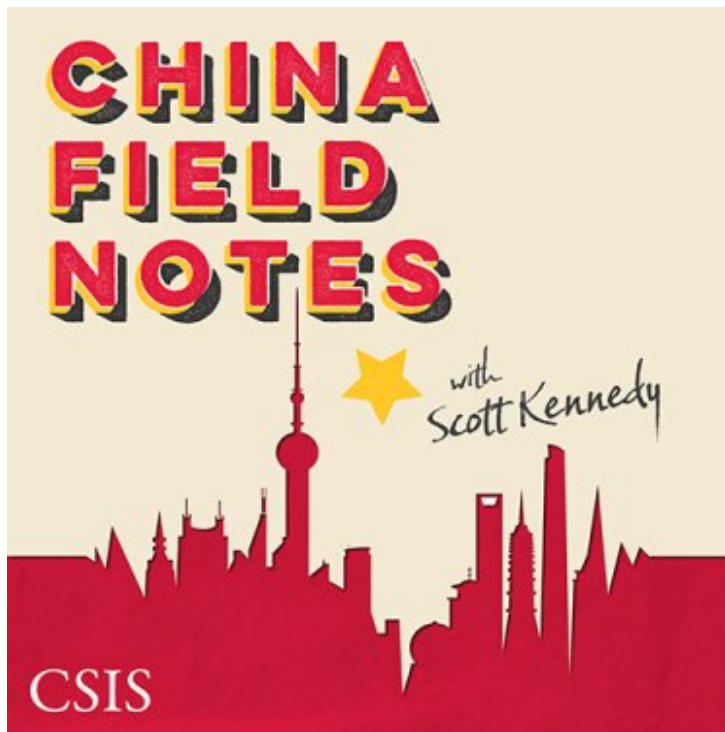
## **Big Data China**

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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

### **China's Iran War Energy Problem: Even if the factories are running, who will buy the goods?**

*Domino Theory*, March 25, 2026

“What China is really concerned about is the overall energy crisis that this might be creating, and volatility and prices,” said **Ilaria Mazzocco**, an expert on Chinese energy policy at the Center for Strategic and International Studies. It’s not that China is directly dependent on Iran for its oil imports, she said, but it’s “very dependent on global markets.” [Read here.](#)

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### **U.S. Leaders Need to See What's Happening in China**

*The New York Times*, March 22, 2026

According to data compiled by the scholar **Scott Kennedy**, 177 U.S. lawmakers took part in 59 congressional delegations to China from 2010 to

2019. Such exchanges have essentially stopped since 2020. Likewise, American presidents since Ronald Reagan had gone to China at least once during their terms, but that ended with Joe Biden, who never visited as president. [Read here.](#)

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### **What war in the Middle East means for U.S.-China relations**

*Marketplace*, March 19, 2026

In this interview, “Marketplace Morning Report” host Sabri Ben-Achour spoke with **Scott Kennedy**, senior adviser and trustee chair in Chinese Business and Economics at the Center for Strategic and International Studies, about the postponement of Trump's visit to China and the broader U.S.-China economic relationship. [Listen here.](#)

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### **US, China economic chiefs meet in Paris to clear path to Trump-Xi summit**

*Reuters*, March 15, 2026

"Both sides, I think have a minimum goal of having a meeting, which sort of keeps things together and avoids a rupture and re-escalation of tensions," said **Scott Kennedy**, a China economics expert at the Center for Strategic and International Studies in Washington. [Read here.](#)

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### **China's latest five-year plan is about more than economic growth**

*Marketplace*, March 13, 2026

In this interview, “Marketplace Morning Report” host Sabri Ben-Achour spoke with **Logan Wright** (Trustee Chair non-resident expert), a partner at the Rhodium Group who leads the firm's China Markets Research work, about the plan and what it could mean for us here at home. The following is an edited transcript of their conversation. [Listen here.](#)

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### **Beijing can't afford another crackdown on its tech companies**

*CNBC's The China Connection*, March 11, 2026

But excessive state participation hasn't been good for China's aircraft ambitions, according to a report published last week by **Scott Kennedy** of the U.S.-based think tank Center for Strategic and International Studies. Instead, he said, where China's private sector has taken the lead, such as in electric vehicles, rapid advances have bolstered Beijing's status globally as a tech power. [Read here.](#)

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### **Trump's China trip planning still scattershot, sources say**

*Semafor*, March 9, 2026

China is aiming high, according to **Scott Kennedy**, trustee chair in Chinese business and economics at the Washington-based Center for Strategic and Economic Studies and a regular at so-called Track II bilateral meetings that involve think tanks and experts with government ties. Between the fund and big-ticket Chinese purchases — Boeing aircraft, soybeans, LNG — “it's not hard to get to, overall, over a trillion dollars,” he said. One benchmark,

according to Kennedy, is the \$550 billion of investments that Japan has promised to make in the US; China will want to top that. [Read here.](#)

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### **Elevated Oil, Chip Woes Weigh on Asian Stocks**

*Bloomberg*, March 6, 2026

**Scott Kennedy** speaks on *The Asia Trade* about the possibility of U.S. permits for advanced chip sales to China, the reactions of China's government and businesses, as well as the future of China's economy and tech innovation. [Watch here.](#)

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### **Donald Trump Has Lit a Global Match**

*The New Republic*, March 6, 2026

And so China fretted about a second Trump term. “Beijing began in 2024 quite concerned that Trump would be difficult to manage because of his unpredictability and willingness to take huge risks,” said **Scott Kennedy**, trustee chair in Chinese business and economics at the Center for Strategic and International Studies. But the Chinese have been pleasantly surprised. The Trump who once seemed obsessed by the threat China posed to the United States is now far less invested in such things—a transition that has not gone unnoticed in Beijing. “Over the last year, they figured out how to manage him and believe they have the upper hand,” said Kennedy. “They feel they know what moves him.” [Read here.](#)

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### **China Bets on Technology to Resist U.S. Pressure**

*The New York Times*, March 5, 2026

The goals laid out in the plan are like “huge flashing lights that orient central bureaucrats, local officials, domestic companies and multinationals on the country’s priorities for the next five years,” said **Scott Kennedy**, a researcher at the Center for Strategic and International Studies in Washington and the author of a new study of China’s drive for technological breakthroughs. [Read here.](#)

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### **Trump’s Iran strikes shake global trade lines**

*Politico*, March 2, 2026

The summit later this month between Trump and Xi is unlikely to produce a big deal, but there could be incremental progress on some fronts, **Scott Kennedy**, a China economic specialist at the Center for Strategic and International Studies think tank, told Morning Trade. “In terms of any deliverables, the area of negotiation is likely to be quite narrow, centered around purchases of a few products and the two sides’ respective export control regimes on rare earths and semiconductors,” Kennedy said. [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)*

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