

China and America The Great Decoupling?



What Caused the Trade War: Trade Deficit?

US goods trade deficit
12-month moving sum, \$ bn

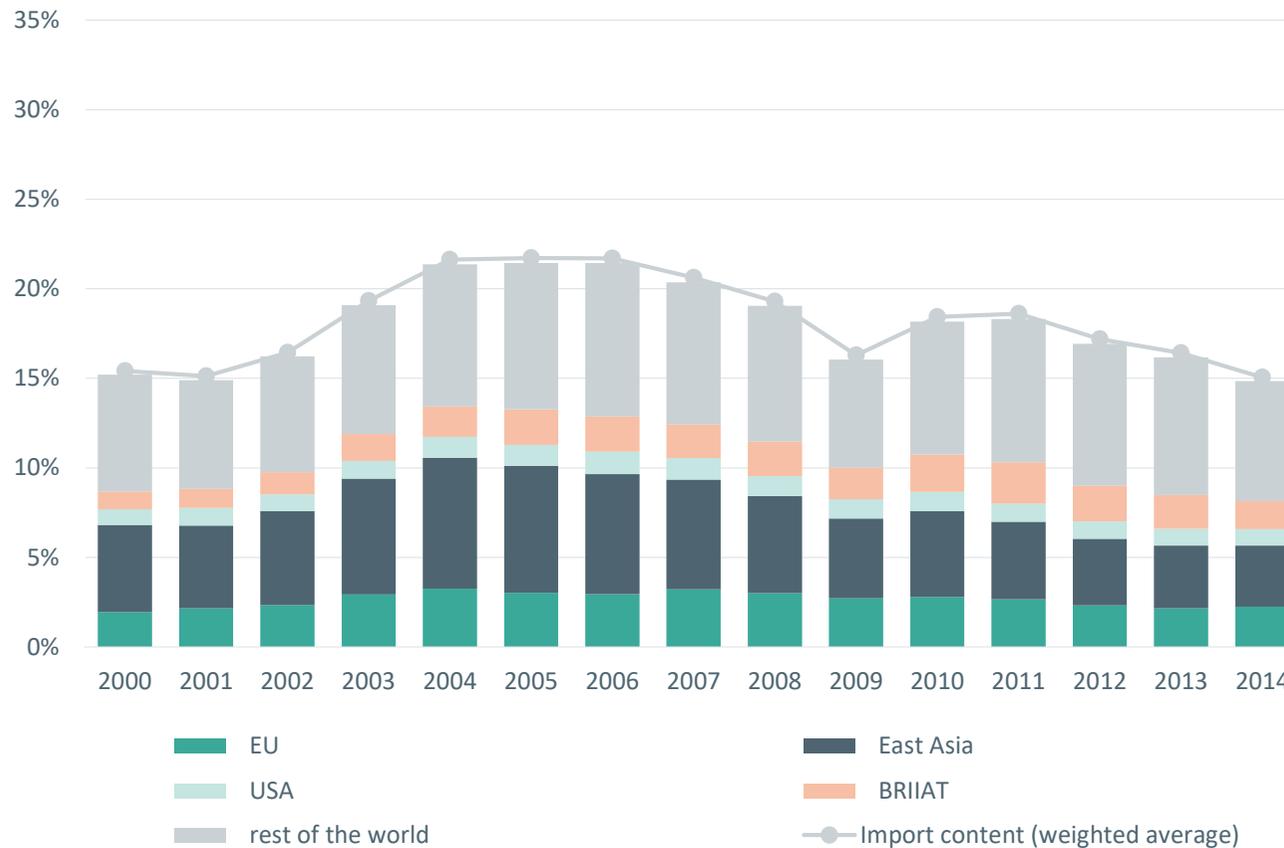




From Trade War to Tech War: Made in China 2025

China has risen up the value added chain

Total import content of Chinese goods and services by region

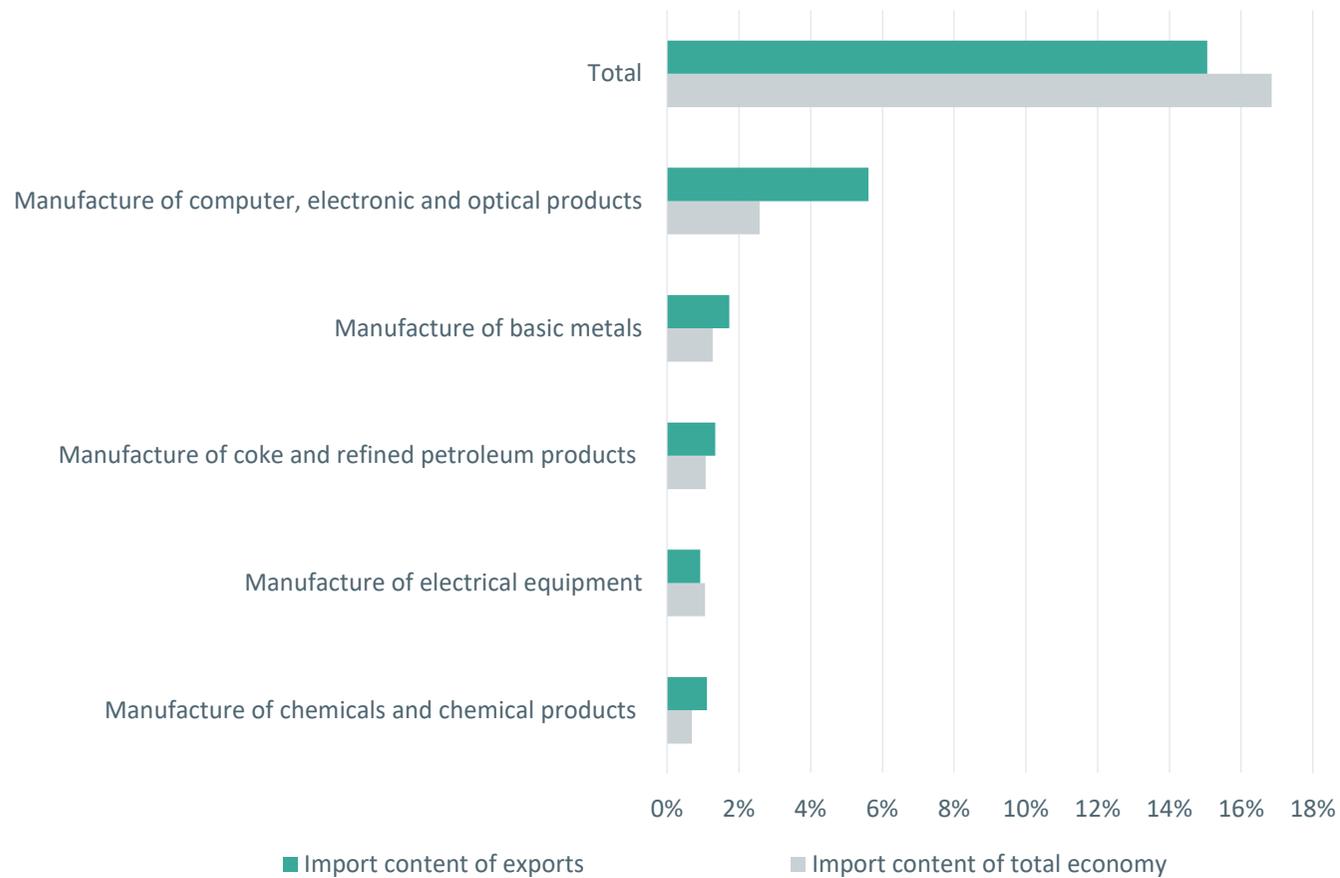


Source: Enodo Economics, OECD



Electronics Have the Highest Foreign Content

China's top five industrial sectors with the highest share of imported content in 2014



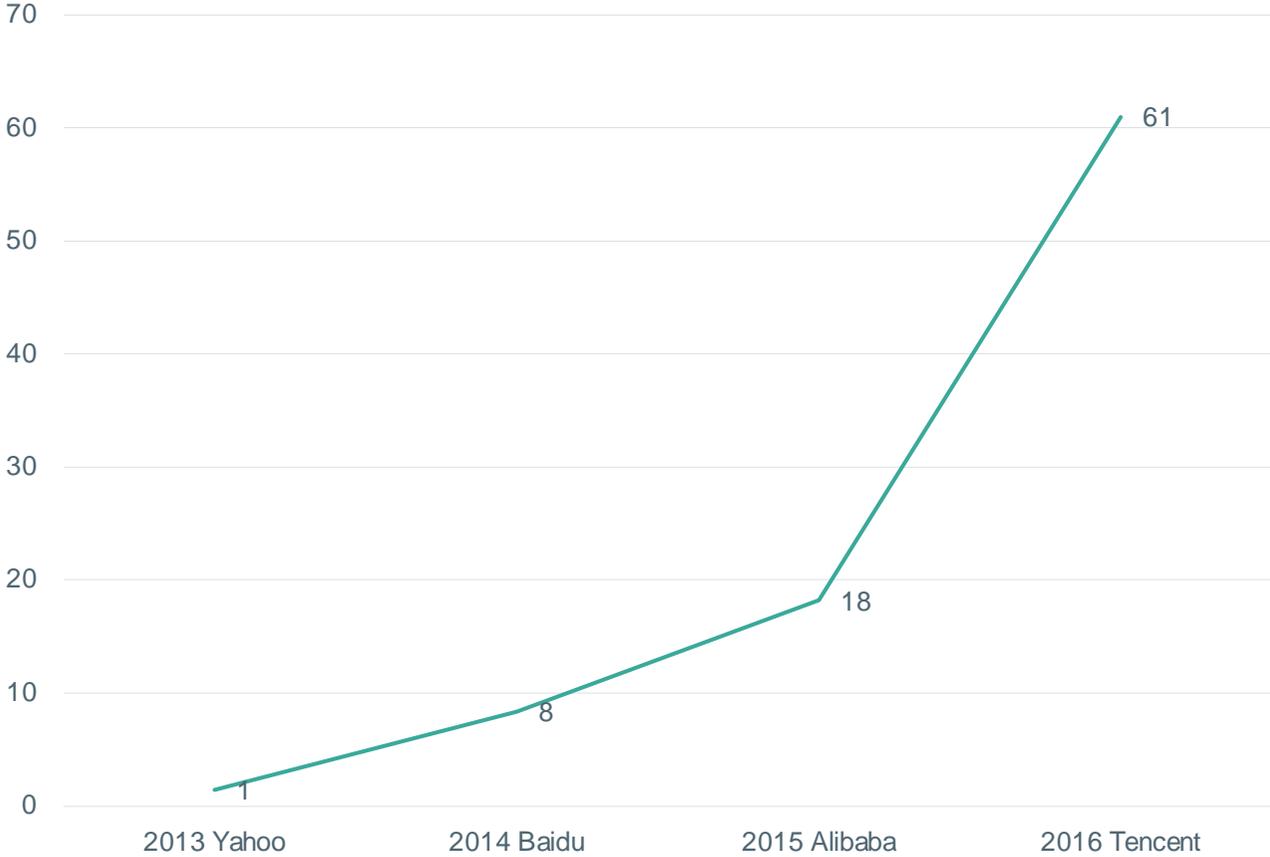
Source: Enodo Economics, OECD



China's Technological Advance Threatens the US

Evolution of world record in computing power

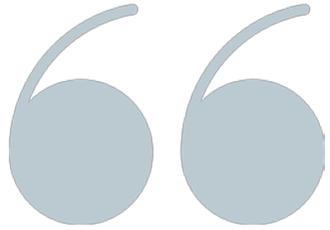
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Source: Enodo Economics, OECD



China's Ultimate Red Line: Taiwan



As democracies in the Indo-Pacific, Singapore, **Taiwan**, New Zealand, and Mongolia are reliable, capable, and natural partners of the United States. All four **countries** contribute to U.S. missions around the world and are actively taking steps to uphold a free and open international order.”

Indo-Pacific Strategy Report, June 2019

U.S. Department of Defence

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