

New Tarif Narrative, China Winning Friends, Taiwan Changing | Arnaud Bertrand

You know you are nearing the end of empire when the chief extortionists start asking for ever more money for ever less return. The US is caught in a spiral of economic and moral bankruptcy. To help us take a step back and look at the big picture, I've got today Arnaud Bertrand back on the channel, one of Twitter/X's best and most profound political analysts. Links: Arnaud's Twitter/X Profile: <https://x.com/rnaudbertrand> Our new Goods Shop: <https://neutralitystudies-shop.fourthwall.com>

#M3

It's almost like your business model is getting worse and worse. What used to be enough to make you profitable as a country is no longer enough. So you need to get more from the world, to a stage where it's so one-sided—sucking the world so dry that there is bound to be a counter-reaction from the world saying, "Are you kidding me? We're effectively dying because of you, under your foot, and on top of that, we need to pay you guys?"

#M2

Hello everybody. This is Pascal from Neutrality Studies, and today I'm joined again by Arnaud Bertrand, one of Twitter/X's best and most profound political analysts. Many of you have probably seen him here on this show and a few others. And if you are not subscribed to his Twitter/X feed, I highly recommend doing so. He always delivers very insightful reports, both in short and long form, about China and the world. Arnaud, I'm very glad you're back here again.

#M3

I'm very pleased to be back. Thank you. Thank you, Pascal.

#M2

So I wanted to talk to you originally about two weeks ago about the tariffs and the own goal that the United States is committing with them. But a lot of things have developed since then. Could you maybe update us on how you see the tariff saga unfolding, especially vis-à-vis China and Southeast Asia?

#M3

Sure. I mean, the tariffs still really puzzle me because I still can't understand why Trump did that. And I actually wonder if Trump's administration even themselves know why. Because you keep hearing, you know, conflicting—like, so many explanations that don't make sense together. So one day you hear that it's all about making deals and that the tariffs will be removed when they make a deal with this or that country. Another day you hear that it's about reviving manufacturing in the U.S. Another day you hear that it's about raising money—a new form of taxation in order to finance the U.S. budget.

And all of those are mutually exclusive, right? So if it's about making deals and the tariffs will get removed at some point, then you can't revive manufacturing, because as a manufacturer, you wouldn't invest in a new factory in the US on the basis of the tariffs if you know they're going to go away. Then your business plan is not going to be commercially viable anymore. So those two contradict each other, right? And I really have the feeling, from what the Trump administration is saying, that the narrative is evolving in real time. The justification for the tariffs is evolving in real time based on, you know, the reaction.

So, you know, about three weeks to one month ago, Scott Besant was saying that thanks to the tariffs, they could put in place a grand encirclement around China. That was his justification at the time. And, you know, Bloomberg did a big piece about that. The plan was to get Japan, South Korea—I mean, China's neighbors—to, you know, due to the pressure of the tariffs, agree to a deal with the U.S. where the U.S. would remove the tariffs and in exchange they would, you know, do less business with China and as such kind of starve China's economy. But what you're seeing happen is the exact opposite. I mean, you're in Japan yourself, so you know how it's going.

Japan has had extremely strong words against the tariffs. I mean, you know that better than I do, which is actually quite unusual for Japan to have such strong language against the U.S. and to push back so much against an American initiative. And you've even seen recently a joint statement by the finance ministers of Japan, South Korea, China, and the ASEAN countries. They were all gathered, I think, in Italy. So the finance ministers and the central bankers issued a joint statement basically saying, "We as a region, we as East and Southeast Asia, are going to act together to make our region more resilient against all this trade uncertainty." So this is the exact opposite of an encirclement plan against China.

It's kind of bringing Asia—well, East Asia and Southeast Asia—together to de-risk themselves from the U.S. So, you know, the narrative is going to have to evolve there because it can't be an encirclement plan against China anymore. That's why it's so hard to comment on tariffs, because things move all the time, and based on the reaction, the Trump administration keeps saying, "Oh, it's not about that; in the end, it's about this other thing." In the end, I think it was probably just a big mistake that they can't admit, and they're trying to rationalize it based on whatever they can.

#M2

Also, the way it was done, right, with this very strange calculation that was stupid from the beginning, and the fact that they said, "Oh, we're going to put tariffs on everybody because they rip us off, because we have a trade deficit with them." But you even put 10% on those that you have a trade surplus with. So obviously, I mean, it's just very blatantly untrue, the statements—which begs the question: is it just a blunder, or are we just being misled, right, and there is a 3D chess game or 4D chess game going on? But as you correctly point out, I mean, even the Japanese are now highly alert.

They were already angry with the United States during the first Trump administration. And now the second one is driving home the point that this is not an anomaly, but really what the United States is about. And Japan is very much reminded of the 1980s right now, you know, when Japan was on the receiving end of the stick. So do you also think that we now, for the first time, have a chance of more structural cooperation between Japan and China? And, you know, the two have already been cooperating on the business level very, very deeply. I mean, China is Japan's first or second most important trading partner, right?

#M3

I think it's the first.

#M2

It's probably the first. And China has always been something that Japan tried to approach pragmatically but carefully, because of the risks involved, also in local regulations. But do you think that we might see more of an integration? Because when the TPP got killed off by Trump the first time, Japan kind of picked it up and actually kept working on these trade agreements. And there is a trade agreement also including China. So how do you see the East Asian situation evolving?

#M3

Yeah, I mean, clearly, I just need to base myself on the declarations of the various players. Clearly, Japan doesn't want to be pressured to have to choose between the US and China because it would be suicidal from an economic standpoint for them, since China is their main trading partner. And what we're seeing is that the more the U.S. kind of forces their hand to choose—and that's not only with Japan, that's with a lot of other countries too—a lot of those countries are kind of like, "Okay, if you force me to choose, you might not like the answer, because I actually do much more business with China than I do with you." And, you know, China is actually a much more stable player in their relationship with me.

I mean, the very definition of Trump is instability. From one day to the next, you don't know what to expect, right? Policy changes with every Truth Social post. He might come up with a crazy thing tomorrow and everyone needs to change their whole economy based on that. You can't deal with

that as a country. You can't deal with that level of chaos and uncertainty. So it's kind of natural for countries to want to insulate themselves from that sort of uncertainty, especially when, on the other side of the ledger, you have China, which is anything but unpredictable. It's extremely stable, with the same government for decades, the five-year plans. You know exactly where they stand, what they want, what they're going to do.

And they also don't have the same conditions. Like, China is never going to tell Japan—it's never told anybody—you need to choose between us and the U.S. It's just like, you know, you do what you want. We just don't want you to be hostile toward us, but we are fine with you being friendly with the U.S. So there is much more flexibility there than you see from the U.S. side. So all of this is kind of... I don't think Japan especially wants to be closer to China. I mean, there is a lot of history there. The Japanese and Chinese don't really like each other, and so on. But the U.S. is kind of forcing their hand; they progressively have less and less choice other than having to do so. And that's the case for a lot of other countries in the region too.

#M2

You're there, you're in the region. Do you hear any talk from Malaysia, Indonesia, China—colleagues talking about this? How do they interpret that?

#M3

Yeah, in Malaysia, it's quite clear that they're also getting much closer to China. Xi Jinping was here just two weeks ago, if I'm not mistaken. And I tweeted at the time about the declarations of the prime minister here. It's the most China-friendly declaration by a Malaysian prime minister ever. It was even too much, I would say. So that's pretty clear. Vietnam is also getting closer to China. Recently, you had the military parade that included Chinese troops in Vietnam, which was unprecedented. And you had Vietnam officially acknowledging—which was a taboo for decades—that China had significantly contributed to help during the Vietnam War against the U.S. China had been saying that, I think, since the 1990s, that they were participating in the war and helping Vietnam. But, you know, in Vietnam, there was a lot of national pride, saying, no, no, we defeated the U.S. on our own, and so on.

#M2

And a war in '79 between Vietnam and China. I mean, relations...

#M3

Yeah, exactly. Yeah, you're right. You're right. But now Vietnam has officially acknowledged that 300,000 PLA soldiers were actually there fighting with them during the Vietnam War. So you're seeing a lot of signs in a lot of countries of more friendship, a closer relationship with China.

#M2

Can we talk a little bit about Vietnam? Because, you know, one and a half years, almost two years ago, Biden was in Hanoi, right? And he was celebrating this new strategic partnership with Vietnam and even shaking hands with a party official who, back in the day, was in the trenches fighting against the Americans. And, you know, the Biden administration seems—apart from everything else that they forgot—they also completely forgot that they're here having a strategic partnership with North Vietnam, right? The current... The current government of Vietnam is the government of North Vietnam. And they were all smiles and all happy.

And, you know, it just shows the ridiculousness, the utter lunacy of the Vietnam War itself—this idea that, oh, with this regime, you could never, this regime could never be a normal regime, and stuff like that, right? But now, two years later, we have the next administration, which basically just kicks Vietnam where it really hurts. I mean, it's no coincidence that Vietnam was the first country that rushed immediately to the US because its dependency on exports to the US market is just so large, since they are the manufacturing hub, right? What do you hear from Vietnamese colleagues about their situation now?

#M3

So I'm not anything like a Vietnam specialist, and I don't have any Vietnamese colleagues. I'm just checking the news, basically. And I don't think that there was ever a possibility of Vietnam, you know, choosing between the U.S. and China. I think Vietnam has always been very smart about positioning itself in the middle between the U.S. and China, not antagonizing one or the other. But it's the same situation as we were speaking about earlier with Japan—with these extremely hostile moves by the U.S., by Trump. I think Vietnam was in the top five countries most affected by tariffs, the first after Liberation Day, if I remember correctly.

I think that probably scared a lot of people in Vietnam when they realized the risk inherent in their exposure to the American economy—that one day the U.S. could come up with such measures and the impact that would have on Vietnam's economy. So my bet is that there is a lot of strategic rethinking in Vietnam, where they're like, "Okay, we have a major risk here and we need to insulate our economy from that, not be that dependent on the U.S., and probably on exports in general."

#M2

And in the short term, the problem is that these trade links, of course, are something that takes time to build up. And then once they're in place, I mean, it really, really, really hurts. Also, in Malaysia, where you are, do you see any mitigation strategies in order to kind of deal with this? And even in the United States, we are not quite sure just yet about the impacts because there's about a two or three month delay there, between, like, you know, the tariffs starting to hurt and when we see certain US companies actually developing strategies. Who was it—Microsoft?—that said it's going to

raise the prices on its devices globally in order to offset, you know, the hurt for the US consumer a little bit. Because actually the tariffs would only bite in the US, but you can mitigate that by increasing prices everywhere. But do you see strategies that Southeast Asian businesses are taking at the moment?

#M3

I mean, the bigger strategy, I think, that we're seeing is increasing trade with the non-US world. So, increasing trade within the region, trying to increase trade with Europe, with Africa, and so on and so forth, in order to de-risk themselves from the American market. Actually, I was recently, last week, on vacation in Indonesia, and I spent five days on a boat with a good friend of mine who is a managing director for one of the world's top logistics companies—one of the top three. So he knows everything about trade flows because that's his daily job. And what he's seeing is that not only is there a major, major drop in trade between China and the U.S.—on the order of minus 40, minus 60 percent.

But you're not seeing an increase, a counterbalance from other countries. You would think that what the U.S. doesn't import from China, it would get from the rest of the world. But you're not seeing that. On the contrary, the decrease in trade to the U.S. seems to be quite generalized. And what he's saying is that in Malaysia, there are directives not to do that specifically—they don't want to do that. They don't want, you know, Chinese companies kind of cleaning their products through Malaysia, making them Malaysian, and sending them to the U.S. And overall, they don't want to increase their exposure to the U.S. market because that would put them in a more risky situation all in all. So I think that is the strategic thinking in most countries.

#M2

Do you think it might happen that the U.S. will actually experience serious consumer goods shortages? You know, like empty shelves? Is that a possibility?

#M3

I think it's a very strong possibility, yeah. And I think it's going to come soon. I think probably—I mean, Liberation Day, if I remember correctly, was the 2nd of April. And, you know, it takes about one month or so for those cargo ships to arrive. So I think we're starting to enter the period where the drop, bit by bit, in shipping is going to start to be seen on the shelves in the shops. If not this week, if not next week, maybe the week after. I don't see how you can avoid that with a 40 to 60% drop in shipping from China and then a drop in shipping from the rest of the world. Like, it's almost mathematical. You will see an impact.

#M2

Well, this is going to change something. I mean, if people on the ground actually see that—if shelves are empty—like, I've experienced it only once or twice in Japan, when, due to natural disasters, basically typhoons and so on, people start buying convenience stores empty. And if you go into a convenience store or some store and most of the shelves are empty, it impacts you. You get slightly scared because you realize, "God damn it, where else am I going to get it from other than the shop?"

#M3

Yeah. And I think even the Trump administration acknowledges that this will probably happen. I mean, you probably heard Trump's comments about how you're going to get two dolls instead of 30 dolls for Christmas. Did you hear that one? No. No. What was that? Well, he was asked questions about shortages and things getting more expensive. And his answer was basically, you know, acknowledging that will happen—that instead of buying 30 dolls for your daughter for Christmas, you will only get her two dolls, and that's going to be okay. Yeah.

#M2

Yeah, right, because he isn't even willing to give the toy manufacturers an exemption. I mean, he even hits the toy sector. This is just one of several policies that, to me, I cannot interpret any differently than the United States taking down the last bit of its soft power. The other one that I would like to get your take on is what the Trump administration is doing with the education sector—I mean, cracking down on foreign students. Because this is one of the things we must acknowledge: even Chinese cadres still send their kids to U.S. schools because they are just the best—the higher education system is considered the best. I mean, they do offer very good education, right? For a lot of money, but they do offer good education. And now this also, to me, seems to be changing. I mean, what's your take on this?

#M3

Yeah, I mean, it's... Chinese parents sending their kids to the US is happening less and less. If you look at the number of Chinese students going to the US, it has been dropping already for a few years, precisely because they feel that they are less and less welcome. And you've had a lot of initiatives that were very hostile to either Chinese students or ethnically Chinese academic staff, like the China Initiative by the FBI that was launched, I think, during the first Trump administration, or things like that. That deters people from going to study in the US or working in the academic field in the US. At the same time, you have Chinese academic institutions that are getting better and better.

If you look at the university rankings, like Tsinghua, which is the top—I think it's in the top three in the world right now in most fields. So it's really up there. And all in all, as with all the initiatives by Trump and the Trump administration in general, it's pretty hard to understand. I liked the way a Chinese scholar wrote about it. His name is Koji Mao. He's actually a former Tsinghua student who now studies at Harvard. And he compared it to both what Khrushchev did in the Soviet Union and

the Cultural Revolution in China. So, the way he compared it to Khrushchev is—Khrushchev was very intent on showing that he differed from Stalin. And so he had all these reforms, and he pushed away a lot of important officials under Stalin and so on. He really wanted to do a clean break with the era of Stalin.

And that actually is the thing that triggered the Sino-Soviet split, because that meant there was no more ideological unity between the Chinese take on communism and the Soviet take. When there was no ideological communion anymore, there was that split. In some way, that's what we are witnessing with Trump. He clearly wants to make a clean break with the past—with Biden, with any previous American presidents—which, I mean, he insults them all copiously. And what he's doing is clearly a big ideological break from the past. I mean, anyone can see that. That is inducing a split of some sort between the US and its previous partners—Europe first and foremost, but probably also countries like Japan or even South Korea. "We don't frequent you anymore."

We thought we were on the same page, but clearly, no. We have a very, very different understanding of the world that we should live in at this stage. Maybe ironically, China is probably a better defender now, today, of the principles and the ideology that the U.S. used to stand for. Like, who is defending the WTO, for instance, and the U.N., international rules, and so on? China defends them more than Trump. That's pretty factual to see. So it's really, really bizarre. So that's one thing. And then there was the Cultural Revolution comparison, where what Mao did at the time was he took some outsiders to the political system, and he also tried to get the population on his side to fight against the system, against the elites.

And he purged the elites, of course. He sent them all to work in the countryside and so on. And there is also some of that with Trump. I mean, he's getting outsiders like Elon Musk or, well, Kennedy—who is kind of an outsider in health—those types of profiles. And he also constantly tries to get his MAGA base on his side, directly speaking to the people to get them to... to start a movement that changes America, like a real cultural revolution of some sort. But probably, like the Cultural Revolution in China, there is a lot of movement, a lot of enthusiasm, but concretely, not a lot of things that actually make the country's living conditions progress.

It's more about ideology for the sake of ideology—to mark a change, to mark a step change—more than the changes themselves, if that makes sense. And probably that is the key thing that we may remember about the Trump presidency: not so much the actual changes that he made, which often don't make any sense, but more the fact that his presidency constituted a change in itself, like there was a before and after. And I'm sure that at some point, some rationality is going to come back, but it will be a very different America from the one we had before. It's more the chaos agent, like the guy that kind of kicks the hornet's nest, bringing a lot of chaos. That marks the beginning of a new chapter, basically, I think.

#M2

Yeah, I agree. On the other hand, I constantly have at the back of my mind the argument that Brian Berletic makes on The New Atlas, which is like, guys, forget it. It's all pretense. You know, overall, what we are seeing is continuity of agenda from Obama to Trump one to Biden to Trump two. What we are seeing is a constant drive, for instance, when it comes to Ukraine, to the militarization of Ukraine and for its use in different ways, in different shapes, with different narratives. But that one has continued also during the Trump period.

Trump is the one who already escalated things in West Asia by recognizing the Golan Heights as part of Israel. So, overall, what we're seeing is just a different version, a different flavor of essentially the same playbook. And although Trump is pretending to take down parts of the US deep state, he doesn't touch it where it hurts. He doesn't touch the finance sector, right? Not at all. He supports the finance sector, which has hollowed out much of the productive use of US capital, right? I mean, capital is not allocated to companies anymore because the finance sector is just more... the gambling casino is more productive for the financiers, right? For the rentier class. What's your take on that?

#M3

I mean, that's an interesting question. I think there is definitely some sort of struggle with inertia, right? I mean, the US is a very, very big boat, with a lot of inertia. But I do think that there is a genuine attempt by Trump to change things. I don't think it's all theater. I really don't think that. I think he really wants to implement change. But I also think that there is incompetence at play. He promises a lot of things he can't deliver on. So, for instance, let's take Ukraine. I do genuinely think that he wanted to bring about a peace deal. And, you know, he said that during the campaign.

And I don't see how he could have said, "I want a peace deal now," without rewording it, because that was going to be a major embarrassment to him, right? If he didn't deliver—which is what's likely to happen—then he would not have said that. He would not have said, "I'm going to solve it quickly, in 24 hours," and so on. I think there is a real intention there. But then, when you look at how he went about it, it looked extremely amateurish. He sent one guy, Vitkov, to Moscow—a guy who was not even a professional negotiator, who just doesn't have the profile to negotiate those types of deals.

And then he did it in a way where he majorly antagonized the Europeans, who then, of course, were going to be completely against the deal. And then Ukraine was going to be against the deal as well, because now they know that the Europeans have their back, and therefore they have leverage to be against the deal. He went about it in an extremely incompetent way, which enables things to kind of not change and remain the same, with the U.S. in the end not managing to make a deal and still having to support Ukraine. Because if he doesn't do that now, after the deal is likely to collapse, then Ukraine is going to be in total collapse, and that's going to look even worse for him. So I think it's

more that sort of dynamic. I don't buy that it's all just theater and he's not genuine about what he wants to do. I think there is some genuineness there, but he just has a very, very hard time delivering.

#M2

Yeah, no, I think the argument is not that he doesn't want to try to change something with Ukraine. The argument is that it's not coming from a place of trying to actually get the United States on a more peaceful footing. It's more, okay, the US ran into a brick wall. Now you need to somehow deal with that fact and take some of your force back in order to refocus it on either West Asia or East Asia, right? Because the thing that would need to happen is actually cracking down on the military-industrial complex.

Trump has been cracking down on USAID, has been cracking down on some of these aid institutions, but there we don't know where that is coming from—whether this is just him thinking that the US is throwing money out the window for aid, or if this is actually Tulsi Gabbard telling him, "Look, these regime change operations have been very bad for us," and he actually goes after that. But the military-industrial complex, the machinery that creates the incentive for the US to try to use as much of its military capacity as it has—that one has been left untouched, just like the finance sector has been left untouched. So, in a sense, the pillars of the US empire in the world are still very much standing there. So I wonder.

#M3

Yeah, so I mean, there is a bit of "we want to have our cake and—what's the expression again?"

#M2

We want to have our cake and eat it too. We want to have our cake and eat it all.

#M3

Yeah, exactly. So I'm reminded of that article that one of Trump's key economic advisors wrote. I think his name is Steve Miran. I know his last name is Miran—I can't remember if his first name is Steve. Anyway, he wrote a big article, like a kind of scholarly article, to try to explain Trump's economic theory. He especially focused on the dollar as a reserve currency. What he was saying is that we both want to keep the dollar as a reserve currency, but we also think it's a burden. And because it's a burden, then... you guys—the world collectively, all the other countries—you need to pay for it, pay for your use of the dollar, remunerate us for this burden, and that's why we put the tariffs and so on.

It's just a way to kind of get credits or get remuneration for us to assume this common good, this global common of providing the dollar out of the kindness of our heart as a reserve currency. So it's just so bizarre to me because the dollar as a reserve currency is what former President Valéry Giscard d'Estaing used to call the "exorbitant privilege." As you said rightly, it's one of the foundations of US power. It's the reason why they can do all the sanctions; it's how they control the world's finances. It's the reason why they can have such a huge trade deficit. Because what is the trade deficit? At the end of the day, it's countries sending their goods to the U.S., and the U.S. in exchange gives them little pieces of paper with the heads of presidents that they print for free, right?

Essentially, because the dollar is the world's reserve currency, a lot of what the US imports from the rest of the world is effectively free to them, because they can print as many dollars as they want and they won't have a liquidity crisis. Presenting that as some burden that they need to somehow bear, and saying that it means the rest of the world is taking advantage of them, that's just... bizarre, right? So there is that kind of duality, where there is some understanding of the foundations of US power—like, yes, the dollar as a reserve currency is very important for us. But at the same time, they're like, we also see that as a burden. So it's strange.

#M2

It's highly confused. It's highly confused. And you know, the situation is even worse because they don't even send the little bills with the pictures of presidents abroad anymore. It's really just a spreadsheet entry in a US bank, usually, right? Exactly. In exchange for real stuff that you have, and that creates the material wealth. Yeah, exactly. But it goes hand in hand with all of these other bizarre framings of what's going on. I mean, by now, we know the proxy war in Ukraine. And by the way, I'm going to make a program about this. I will stop calling it a proxy war. I will call it an implementation war.

Because proxy wars are between proxy armies of the superpowers. This is Ukraine being the implementation partner—or the implementation victim—of a long-hatched strategy toward Russia, and then also, like, commanded. We know—the New York Times has told us in two articles, we know now—this was even run by the United States from Germany, right? And this solves a big problem, the Vietnam War problem, which was that the United States in the end had to retreat because it lost too many people, right? Treasure is one thing, but losing blood is another. So the U. S. had to figure out how to use its treasure in order to get the blood of others.

And that's the Ukrainians. It was the Afghans before in the '80s, and now it's Ukraine. But now the United States even demands payment from Ukraine, having had its implementation partner do these policies. So in a sense, it's becoming too obvious by now—the heavy-handedness of these policies—whereas other administrations tried to hide this, right? They tried to hide that under all the rosy

liberal and neoliberal, neoconservative language of values and so on. And Trump, doing away with the value and the rhetoric about this, doesn't it also give us a bit more clarity about the situation, in fact?

#M3

Maybe. I mean, maybe one way of seeing it is that it is basically, you know, trying to suck as much from the world as possible. So, like you were saying, it's in that implementation process—war—they're using the Ukrainians to weaken, I mean, at least that's the purpose, to weaken the Russians, like they did in Afghanistan and so on. Whereas in the Afghanistan war, that was enough. I mean, they were grateful for the Afghan soldiers, the Mujahideen and so on, to do their dirty work for them. Now they want even more.

They want some sort of retribution from the Ukrainians for this. So it's almost like your business model is becoming worse and worse. What used to be enough to make you profitable as a country is not enough anymore, and so you need to get more from the world—to a stage where it's too obvious that it's so one-sided. You're sucking the world so dry that there is bound to be a counter-reaction from the world, saying, "Are you kidding me? We're dying, effectively, because of you, under your foot, and on top of that, we need to pay you guys?" Like, yeah.

#M2

Yeah. Europe. I mean, the Europeans are the ones who haven't yet said, "We seriously have had enough." I mean, they said they are pissed off with the United States and with Trump, but take Nord Stream. I mean, the Germans could at any point in time come back to Nord Stream, and the Europeans could just open up a proper investigation. They still don't do that, or they still don't actually tell us the findings. We know that the Swedes and the Danes looked into it, but they're not telling us the findings.

When do you think the last straw will be so heavy that it will break the camel's back and the Europeans will, you know, seriously stand up and say, "Okay, okay, we know this. So let us show that we know this." Actually, in fact, you know, Trump the other day was joking in the Oval Office about Nord Stream, and they were kind of laughing about it. It's like, "Oh, no, well, we know, but..." Yeah, I mean, everyone knows. I mean, this was such an embarrassing moment—most embarrassing, especially for Germany. And they're still not getting to the point where they're saying, "Okay, let's show what this was about."

#M3

Yeah, I mean, I think, clearly it was embarrassing, but the most embarrassing part, I think, at the time, from Germany's standpoint, would have been to say the guys that we consider our partners, that we fight alongside, are the guys that did this. So... The embarrassing part for them was not so

much the fact that their critical infrastructure was destroyed—I mean, that's bad—but the fact that it's their friend who did that, the one that they want to present as their friend, right? And so that's why I think they didn't say it. Now that Trump is less and less seen in a good way in Europe, I think it could get revealed, but I think there is also a lot of hostility in Europe still towards Russia. That's clear. And I think now, I mean, I can only suppose that they also don't want to say this as a present to Russia, right?

Because then it would be like enacting a break—maybe a final break—within the West, saying, "Okay, the U.S. actually did an act of war against us." That's very serious, which would be kind of like if you're divorced: you first get separated for a while, but you still have the hope that you might come back together. But once you say, "Actually, my husband tried to kill me or rape me," or something like that—once you admit that there was something really, really bad that happened—then that's a final break and you're going to divorce. There is no coming back from that. So I think that's the view. That's what I suppose: that they don't want to go to that extent, because then there is no escaping the fact that the divorce will be final.

#M2

The transatlantic divorce coming up. We'll see how long it still takes. Last question, and to bring us back to Asia: on April 26, there was a large protest in Taipei against the government of William Lai, and I think you also tweeted about it. It's interesting that in Western media you never hear anything about protests when they're against governments that Western media likes. I talked to Joanna Lei earlier this week, the former lawmaker in the Republic of China in Taiwan, right? And she said, "Look, we organized this and the Western media was silent. You had CNN here, we have BBC, they have correspondents here, and they just didn't say anything about this." Was this event, which was against the ruling party—of course, a pro-independence party and a very pro-American government—did this protest actually register in Chinese media, if you follow that?

#M3

Yeah, I mean, I saw it and I do follow quite a lot of Taiwanese as well. And I do see, at least from the Taiwanese that I follow, quite a rapid change in mindsets. A lot of Taiwanese on Twitter that I follow went from having the traditional Taiwanese standpoint—like, "We want the status quo, but we are much more friendly with the US and we really don't like the PRC"—to now having some sort of mind shift. First of all, the response of China, of the PRC, to the terrorist attack was, I think, widely admired in Taiwan, even among the Taiwanese population that is typically hostile to the PRC, especially in contrast with their own government, because everyone can see that it's hostile. And it was, at the beginning, almost as hostile towards Taiwan as it was towards the PRC. And the Taiwanese government, they were quite pathetic.

Like, they were the first to rush to the U.S. And I even saw a clip where they were saying, "We can be so proud of ourselves because we are part of the first three that went there to negotiate." I

mean, there is nothing to be proud of. That's kind of shameful, right? Whereas China—I mean, the PRC from the beginning—stood firm: "Well, that's unacceptable. We're going to resist." Of course, there is much more dignity in doing that. And so I think that shift in mindset, or also everything that's happening around TSMC and, you know, the pressure by the U.S. to get them to move their plants to the U.S. and to make significant investments in the U.S. and so on, it's felt by the Taiwanese as, you know, rubbing salt in their wounds. And rightly so, because that's what it is. And so, yeah, you definitely see a mood shift—a very, very big mood shift—amongst the Taiwanese.

#M2

Interesting. I mean, that would be a positive thing, because the worst thing is blind trust in the United States, and then you end up like Ukraine. We must avoid Taiwan becoming the Ukraine of East Asia, right? That's the worst-case scenario. In any case, this was very interesting, and your insights are always fantastic. Everybody, I really recommend: go on Twitter and find Arnaud Bertrand. The link will be in the description. And we'll talk again soon. Arnaud, thank you very much.

#M3

Thank you, Pascal.