The Emperor has no clothes and no cards

By Frank , 13 May 2026

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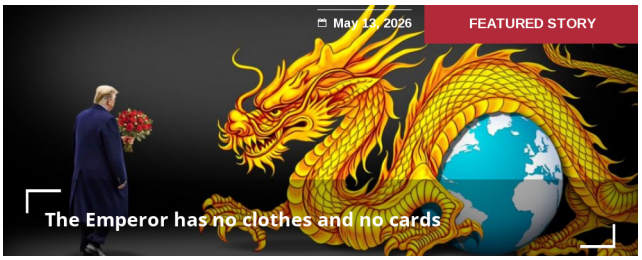
SHANGHAI – China’s powerhouse moves on like a speed-breaking EV. The atmosphere is electric. At a business dinner in a landmark Cantonese restaurant, Trump’s visit to China at least propels the conversation towards something more tangible: the conflicting paths for future generations from the West down to the East. Business Shanghai is not exactly impressed by the arrival of the Emperor of Barbaria. Even if every possible geopolitical variable may be at stake in what is arguably the most important diplomatic meeting of the Year of War 2026, with possible trade and security decisions bound to affect the whole Global South.



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Let’s start with pedestrian American concerns. A master in the Art of No Empathy, Trump at least may have vociferated the whole game away: “I don’t think about Americans’ financial situation. I don’t think about anybody.”

And yet he does. He’s terrified of becoming a fat lame duck after the mid-terms. So he will pressure Beijing to buy more soybeans – to appease his Midwest base – and more Boeings. He will pressure Beijing to export rare earths – to appease the industrial-military complex.

And of course he will exercise maximum pressure on Xi to press Tehran to open the Strait of Hormuz, so oil prices will come down, inflation will be reduced, and the Fed will cut rates. He holds zero cards to achieve this agenda. On the tech war, his maximum pressure only led to China spectacularly bypassing U.S. suppliers, over and over again. On the trade war, China amply diversified exports and even got a record

trade surplus.

Iran of course is the key – not least by showing for all the planet to see the glaring structural mega-holes of the “indispensable nation”. What will Trump do? Threaten Xi because Iran is using the Chinese BeiDou satellite system, which de facto reduced the whole of West Asia to a glass house for Iranian ballistic missiles?

Iran never lost its oil connectivity corridor to China when the Emperor of Barbaria came up with the “blockade”. The flow is on, via the shadow tanker network navigating close to Iranian and Pakistani territorial waters, ship-to-ship transfers, disguised cargoes, and now Chinese refiners told by Beijing to absorb the sanctions risk.

That’s not a fight in effect only in thalossacratic terms, but also in Eurasia overland terms – via the Eurasian rail corridor, those trains running from Xian to Tehran and vice-versa. Railways may still not match the volume of maritime exports, but strategically that’s absolutely key, driving the point that maritime pressure is completely different from overland economic strangulation.

The “brilliant” American idea of suffocating China’s oil supply chain – from Venezuela to Hormuz – plus sanctioning Chinese teapot refineries only led to China emerging as one of the key real mediators during the (non-stop broken) ceasefire, alongside Russia.



The whole Hormuz game, played to perfection by Iran, has had very little impact on Chinese imports, as much as restricting exports of Nvidia H100 and H200 to “control” Chinese AI had next to zero impact. After all, China de facto ignores NVIDIA. The DeepSeek V4 model uses local chips. And the H200 is not sold in China.

Xi won’t even need to tell Trump face to face that if he insists on deploying financial war by shutting down the financial institutions behind the teaport refineries, Beijing will have no trouble into deploying full-scale economic war.

Taiwan is not the only remaining card. Taiwan is not even a card. Taiwan is an internal security matter for Beijing. Everything else is just spin. Beijing may invest in persuading Trump about nullifying the $11 billion weapons sale to Taiwan, including Aegis-equipped destroyers, F-35s, (inefficient) Patriot missiles and E-2D Hawk eye aircraft for early warning signs. But even that is peripheral.

So what's left after all the (reduced) pomp and circumstance? At best the current, quite precarious status quo.

The Chinese tech war plan

In a nutshell, Trump's game is to force Xi to apply diplomatic pressure on Iran into accepting Barbaria's terms on ending the war. That's a major non-starter on every aspect.

> Even if that happened, in exchange Trump might offer "stable" U.S.-China trade relations; extensions to trade truces; and concessions on tech controls. Xi is not impressed by any of it – as much as he knows, following Lavrov's maxim, that he U.S. is "non-agreement capable". The badly burnt BRICS brand may not even feature in the discussions. China will address its serious internal challenges separately, in the meeting of Foreign Ministers in India nearly simultaneous to Trump-Xi in Beijing.

Xi also may suspect that Trump's real handlers – Tech Feudalism, Big Banking and assorted scions of Zionism Inc. – have concocted a sequenced, systemic world war that is already being waged, from now to roughly 2040, targeting essential global infrastructure, trade and energy, designed to collapse the old order and install a real Great Reset, in way more profitable terms.

That's the exact, blunt, brute opposite of the official Chinese policy, which seeks to form a community for a shared future for mankind. Xi won't deviate one millimeter from this policy, actually his policy, to appease the outsized ego of a pathological, psychopathic Narcissist.



Xi is already concentrated on the 141-page Five-Year Plan, unveiled in March, which refers to AI over 50 times; targets 70% AI penetration across the Chinese economy by 2027; and commits to space-Earth quantum communication networks, nuclear fusion timelines, and brain-computer interfaces.

The Five-Year Plan also declares "extraordinary measures" for rare earths and semiconductor self-reliance – tightening a supply chain without which the U.S. military simply perishes. The Chinese plan foresees AI implemented all across the economy; robotics as the industrial backbone; space infrastructure; quantum computing; and total strengthening of rare earth processing dominance.

Call it a de facto Chinese war plan – to the level of national security priority – in a direct confrontation with the U.S.. To believe that Trump would be able to alter any of it with a stack of empty promises is beyond naïve.

> The historic record shall be written. What is already certain is that the idiocy of trying to retain global dominance by strangulating emerging superpower China via a “blockade” of Iranian ports and the Strait of Hormuz and setting the whole of West Asia to go up in flames while bankrupting their own economy in the process must feature in the Top Three of the long series of idiocies produced by the deeply deluded U.S. Deep State.



Pepe Escobar for SCF