

## INSIGHTS

## Anthropic's Push Against Chinese AI Is Driven by Anxiety

Clear Voice

By LIANG Yilian &amp; HU Dingkun

On May 14, Anthropic, a U.S. artificial intelligence (AI) company, released a policy paper that was inexplicably ill-timed. Rather than advocating dialogue and cooperation between China and the U.S. on AI, Anthropic instead advised Washington to adopt tougher measures to slow down China's AI development.

The paper, "2028: Two Scenarios for Global AI Leadership," sketches out two possible futures for AI by 2028. In one scenario, the U.S. maintains a 12 to 24 month lead over China and dominates the formulation of AI rules and governance standards. In the other, China and the U.S. stand on roughly equal footing, with China's strength in real-world AI applications shifting the balance of power in Beijing's favor.

Anthropic leaves little doubt about which future it prefers. According to the paper, the first scenario requires Washington to pursue three key policies: tightening export controls on AI chips destined for China, restricting Chinese laboratories' access to U.S. AI models while penalizing alleged "distillation" practices, and aggressively promoting American AI technologies internationally.

Setting aside the merits of these proposals, Anthropic is primarily a technology company — not a professional think tank specializing in international affairs. Rather than concentrating on technological innovation, it has taken



Visitors watch a demonstration of an embodied robot at an Expo in Tianjin on May 28. (PHOTO: XINHUA)

on the role of advising the U.S. government on how to contain China's AI sector, a role that is clearly outside its lane.

Anthropic's geopolitical position did not emerge overnight. In March and April this year, the company publicly recruited multiple "geopolitical analysts." One role specifically called for tracking "full stack of AI competition" and delivering high-quality briefings to government stakeholders, with annual compensation reaching as high as 295,000 USD.

In truth, Anthropic's growing investment in geopolitical analysis appears less about providing objective policy recommendations or informing the public about global AI trends, than about advancing its own commercial interests. The newly released paper ap-

pears more like a public relations or lobbying document, than an independent research report — one that appears to pursue at least three objectives.

First, it seeks to elevate itself by diminishing others. By portraying China's AI progress as heavily dependent on American chips and on "distilling" U.S. large language models, Anthropic casts doubt on Chinese AI companies while reinforcing its own perceived technological superiority.

Second, it seeks to weaken competitors. By encouraging Washington to adopt harsher restrictions against Chinese AI companies, Anthropic appears eager to leverage political power to constrain market rivals.

Third, it seeks commercial gains

abroad. By pressing the U.S. government to more aggressively promote American AI technologies in international markets, Anthropic stands to benefit directly from expanded access and increased demand.

A deep dive into these objectives gives an indication of Anthropic's anxiety over market competition.

Anthropic ranks among the most expensive large-model providers in the industry. According to an analysis by U.S. AI benchmarking company Morph, comparing the Application Programming Interfaces (APIs) of 11 leading AI models worldwide, Anthropic's products are priced significantly above those of its competitors. Generating 50 million tokens using Anthropic's models reportedly costs two to three times more than comparable OpenAI offerings and dozens of times more than China's DeepSeek models.

For a company that has invested heavily in compute-intensive AI development and relies on premium pricing to recover those costs, competition from increasingly capable and affordable Chinese models presents an obvious challenge.

Whatever the motivation, publicly urging one's own government to suppress foreign competitors is unlikely to win broad support, nor will it resolve the commercial pressures Anthropic faces.

For Anthropic, a more convincing strategy might be to reduce the charging fee of its AI models and increase their accessibility to businesses, developers and users worldwide, rather than hiring geopolitical analysts or producing policy manifestos.

Voice of the World

## China Pulls Ahead in AI Video Race

Edited by GONG Qian

The *Financial Times* (FT) recently reported that Chinese AI tech companies have moved ahead of U.S. rivals in video generation. By highlighting ByteDance's Seedance 2.0 and Kuaishou's Kling, the report said that their models now produce more realistic, stable and controllable videos, driving rapid commercial adoption, in comparison with their Western competitors.

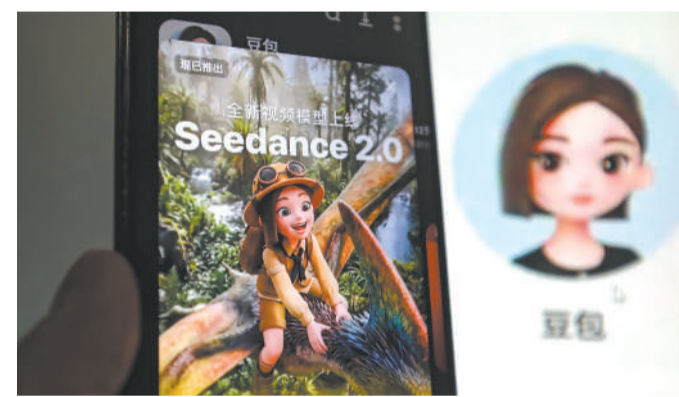
The FT said the shift marks a divergence in the AI race: while OpenAI, Google and Anthropic lead in large language models and areas, their video tools are falling behind Chinese alternatives in both quality and usability.

Seedance 2.0 made international headlines with its February upgrade, hailed for outstanding performance of generating cinema-quality videos. "Many industry experts and filmmakers believe Seedance is a new chapter in the development of video-generating technology," BBC reported at the time.

AI ethics researcher Margaret Mitchell told BBC that it stands out by integrating text, visuals and audio into a single system. The complex action sequences it is producing look more realistic than its competitors, David Kwok, who runs a Singapore-based animation studio, told BBC.

"Seedance 2.0 is one of the most well-rounded video generation models I've tested so far. It genuinely surprised me by delivering satisfying results on the first try, even with a simple prompt," Hugging Face's Yakefu told CNBC, adding that it demonstrates enhanced controllability, speed and production efficiency.

Besides Seedance 2.0, other Chinese AI video tools like Kling and Happy-Horse 1.0 are now the definitive world-building engines, as proved by multiple usage leader boards.



AI video generation model Seedance 2.0 is developed by Chinese tech firm ByteDance. (PHOTO: VCG)

## AI Boom Sends China's Optical Fiber Market Soaring

Opinion

By LIANG Yilian &amp; FU Lili

Since the beginning of this year, China's optical fiber industry has witnessed a rare simultaneous rise in both prices and output.

According to industry sources, the price of G.657.A2 specialty optical fiber — used in specific high-performance scenarios — has surged from 32 RMB to 240 RMB per core-kilometer over the past year, an increase of up to 650 percent. First-quarter production and sales across the sector rose by more than 35 percent, with some companies reporting growth of nearly fivefold.

What drives this unusual price-volume rally?

"Optical fiber used to be laid to households; now it is laid next to every GPU," said Gu Rentao, a tenured professor at the School of Information and Communication Engineering at Beijing University of Posts and Telecommunications.

He said the logic underpinning demand has undergone a structural transformation — from traditional 5G deployment and fiber-to-the-home toward high-speed optical interconnects in intelligent computing centers.

As generative AI models scale to trillions of parameters, data traffic within data centers is growing exponentially.

In 2025, global demand for data center optical fiber and cable surged by 75.9 percent year on year to 69.6 million core-kilometers. In 2026, it is projected to exceed 100 million.

While advanced optical switching architectures can help ease the pressure of surging "east-west" traffic within data centers, a hyperscale intelligent computing center may still require five to 10 times more fiber than a traditional facility, Gu explained.

Surging demand is colliding with rigid supply constraints. Around 70 percent of profits in the optical fiber value chain is concentrated in the upstream preform segment, which has high technical barriers, long expansion cycles of 1.5 to two years, and requires heavy capital investment.

During the previous industry downturn, many small and medium-sized producers exited the market, while leading firms adopted cautious expansion strategies. The result is a significant shortfall in effective global supply capacity today. According to Gu, this is a classic lag effect in a technology-intensive industry — the supply-demand imbalance cannot be corrected overnight.

Chinese manufacturers have emerged as key suppliers amid global supply shortages, leveraging their technological capabilities and reliable delivery.

Data shows that overseas sales of Chinese optical fiber companies rose by more than 55 percent year on year in the

first quarter, with orders in North America and Southeast Asia already booked in to the first quarter of next year.

"The sharp increase in overseas sales reflects comprehensive competitiveness," Gu said. He attributes this growth to several factors.

First, technological breakthroughs: Chinese firms have mastered the three mainstream preform manufacturing processes — PCVD, OVD and VAD — while also advancing frontier technologies such as hollow-core fiber. Second, advantages in cost and delivery speed, supported by a highly integrated domestic supply chain. Third, enhanced supply chain resilience through localized global production networks.

Chinese manufacturers now account for more than 60 percent of the global optical fiber and cable market, with roughly 70 percent of global preform and fiber capacity concentrated in China. Industry leader Yangtze Optical Fibre and Cable Joint Stock Limited Company stands out as the only company worldwide to master all three preform technologies, achieving full self-sufficiency and commanding 80 percent to 90 percent share of the high-end G.654.E segment.

Other companies, including Hengtong Optic-Electric Co., Ltd. and Jiangsu Zhongtian Technology Co., Ltd., also hold leading positions in specialty fibers and preform production.

Despite the short-term dividend of "rising volume and prices," the industry

faces potential price pressure as new capacity comes online over the next two years. Gu emphasized that Chinese firms must build durable competitive advantages through high-end, technology-driven differentiation.

Frontier innovations such as hollow-core and multi-core fibers are now accelerating toward commercialization. At the 2026 Optical Fiber Communication Conference and Exhibition in the United States in March, Chinese companies drew attention with next-generation ultra-low-loss hollow-core fiber, which reduces transmission latency by 31 percent compared with conventional fiber.

This breakthrough could significantly shorten cross-node communication time in distributed AI training, boosting overall computing efficiency. Domestic telecom operators have already begun pilot deployments.

"The rollout of AI computing infrastructure, together with the 'East Data, West Computing' initiative and the integrated national computing network, will support strong industry momentum through 2027," Gu said.

China's optical fiber industry is now at a critical juncture, transitioning from cyclical undervaluation to a leap in value. Going forward, mastering core technologies and high-end product positioning, while carefully managing the pace of new capacity expansion and uncertainties in AI deployment, will be key to the industry's healthy development.

strategic importance, and circuit innovation, architectural changes, and system-level optimization can help close the process technology gap to deliver high-performance chips.

However, since it is a newly proposed methodology, the Tau Law's applicability across different scenarios and its full adaptation to existing electronic design automation tools and ecosystems still require further validation and optimization.

## Tau Scaling Law: New Semiconductor Evolution Path

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Huawei has designed and manufactured 381 chips over the past six years based on this framework.

The Kirin 2026 chip, to be launched in autumn, will be the first full implementation of logic folding, expanding from single-layer to dual-layer design. By 2031, Huawei expects its high-

end chips to achieve transistor density equivalent to the 1.4nm process node.

Industry impact

The Tau Law is expected to reshape the semiconductor industry's basic development principles.

First, it shifts the focus of semiconductor evolution from geometric scaling to time scaling, and based on this frame-

work, progress will depend on full-stack collaboration covering devices, architectures, software and systems, rather than on lithography scaling alone.

Second, it provides strategic guidance for supply chains. "Chip manufacturing does not need to rely excessively on cutting-edge lithography equipment," Zhou said. Advanced packaging will gain

In early April, Alibaba's Happy-Horse-1.0 climbed to the top of blind-test rankings for both text-to-video and image-to-video generation on the benchmarking platform Artificial Analysis.

According to Stanford University's AI Index Report 2026, Chinese models captured eight out of the top 10 places in the authoritative VBench-2.0 ranking.

Why is China leading in AI video generation?

Vast volumes of proprietary video data are one of the important factors. "ByteDance and Kuaishou operate some of the world's largest short-video platforms, giving them a training advantage that is difficult for competitors to replicate," the FT reported.

Furthermore, it could be attributed to China's overall strength in AI competition. Mohit Kumar, Jefferies global macro strategist, told *Fortune* that China has emerged as the major victor in the AI race due to its "valuation, wider adoption of AI, [and] an advantage in power generation."

Computing power, data center infrastructure and energy can constrain a nation's AI capabilities, and China already outpaces the U.S. in energy production and transmission, Ellen Zentner, chief economic strategist and global head of Thematic and Macro Investing at Morgan Stanley, said in an analysis report.

Where Western entertainment industries are hesitant to use AI, China's micro-drama industry has embraced mass commercial application of AI-generated video.

"China has demonstrated repeatedly that it can match or exceed Western AI capabilities at a fraction of the cost, and the micro-drama industry is the most commercially visible example of that principle, applied to content creation at industrial scale," new-tech platform The Next Web reported.

## Sci-tech Ties Nurture China-Serbia Ironclad Friendship

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Joint sci-tech poverty alleviation empowers rural vitalization

Building on these achievements, CAAS and the China Rural Technology Development Center undertook the China-Serbia Joint Center for Poverty Alleviation through Functional Plant Science and Technology (hereinafter referred to as the joint center) project in 2024, with centers in Belgrade and Beijing. Marking an upgrade from pure academic research to people's livelihood-oriented industrial cooperation, the project has delivered tangible benefits to Serbian rural development.

According to Zhang Xiuxin, specialist of China Agriculture Research System-Chinese Materia Medica, the demonstration center has established ties with eight Serbian research institutions and enterprises, completing bilateral personnel exchanges 22 person-times.

Following targeted poverty alleviation principles, the project selected 17 Serbian rural households for precise support. The selected households are mainly young families under 45 years willing to engage in stable rural operations and with a higher education background, capable of adopting modern technologies and becoming local demonstration models.

Facing common rural dilemmas in-

cluding population aging and backward agricultural infrastructure, these households have gained new development momentum through technological empowerment. Ten of them have already finished field surveys and professional training.

The experts have jointly developed intelligent agricultural equipment adapted to Serbia's agricultural conditions. Five sets have been assembled and delivered to local farmers.

Asked about the priorities of the joint center, Dr. Dušan Nikolić, research associate from the Institute for Science Application in Agriculture, highlighted three areas: smart farming solutions, high-tech processing technologies and green technologies for sustainable production. "We are also very interested in the application of artificial intelligence in agriculture to enhance efficiency, optimize inputs, and support precision farming practices," he added.

Dr. Prijčić believes that this exchange of knowledge can significantly contribute to the modernization of medicinal plant cultivation and the development of safer, higher-quality products.

As both sides prepare for the July training in Belgrade, the partnership stands as a replicable model of technology-enabled, people-centered international cooperation.