

# China Reform Monitor: No. 684

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### January 15:

For months, the West has strained to generate pressure on Burma's military junta for its gross violations of human rights. But China, it seems, is moving in the opposite direction. The *New York Sun* reports China is nearing a deal with the Burmese leadership for a new natural gas pipeline, drawing reserves from Burma's offshore Shwe field. However, the modest gas pipeline may be little more than cover for China's real interests in Burma: a more direct route to the Middle East's rich oil reserves. Currently, Gulf petrol exports must pass through Southeast Asia's congested (and U.S.-patrolled) waters en route to China – a course taken by 80 percent of China's imports. If unloaded at Burma's Bay of Bengal and shipped to China via a new pipeline, however, China's oil imports become cheaper, more reliable, and virtually immune from the American interdiction.

Admiral Timothy Keating, America's top military commander in the Pacific, used a recent trip to China to call for greater military transparency and better communication among the region's two superpowers, the Agence France Presse reports. "Concerned" about ballistic and long-range cruise missiles, as well as China's nascent anti-satellite programs, Keating pressed his counterparts on a string of Chinese refusals to U.S. warships seeking port in Hong Kong in recent months – a move that has been dismissed by China as merely procedural. Taiwan's recent elections also made their way onto the agenda, but military transparency remained the focus of the talks, with Keating insisting his visit was intended "to get to this question of intent... as misunderstanding can lead to conflict or crisis."

## January 17:

After leading the global gold mining industry since 1905, South Africa has finally ceded the world title for gold production to China, whose 276 tons of output in 2006 places it at the top of the global rankings. Declining production in the United States, Africa, and Australia means worldwide gold production has fallen nearly 7 percent in as many years, according to the *Financial Times*, while the price of the precious metal has roughly tripled over the same time period, to \$850 an ounce. China also claims the global title for aluminum, zinc, and lead production, and ranks in the top 10 for tin, copper, nickel, and silver.

### January 19:

China is on track to seize the record for the world's most Internet users from the U.S., reports London's *Telegraph*. The Middle Kingdom added 70 million web users in 2007, bringing its total to 210 million – just five short of the United States. And while Beijing hosts an "army of internet police and censorship regulations" to closely monitor politically sensitive internet activity, it seems Chinese citizens see a less subversive use for the World Wide Web: over half are online video game subscribers.

## January 21:

Taiwan's uphill battle to remain officially recognized in the world's capitals has suffered a series of blows in recent years, not least on the African continent. As China has focused its surging economic and political clout on the dwindling band of countries that recognize Taipei, it has won a steady stream of converts on the African continent—where China's influence has arguably grown the strongest. Malawi recently became the latest defector, reports the Agence France Presse, bringing to four the total number of African countries which have switched "diplomatic allegiance" to China since 2000. All of which suggests that the vast sums of cash Taiwan has lavished on its African allies to sustain their loyalty may no longer be enough, says Edge Kanyongolo, a political analyst at the University of Malawi: "Malawi was afraid it would be left behind. It was a bandwagon mentality."

[Editor's Note: Malawi's defection leaves just four African countries that formally recognize Taiwan.]