



China Reform Monitor: No. 1271

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Related Categories: Africa; China; Taiwan

January 20:

Xinjiang will spend over 1.5 trillion yuan (\$218 billion) on infrastructure this year, the official *China Daily* reports. Last year, Xinjiang invested 998.4 billion yuan on 62 major rail, highway, and energy projects. This year, to further boost regional economic growth, the government plans to increase investment by 50 percent, primarily in transportation infrastructure. This includes more than 200 billion yuan on new roads, 34.7 billion on the rail network, and 14.4 billion yuan to upgrade the Urumqi airport. The region also plans to invest over 227 billion yuan in projects including water diversion, power transmission and cloud computing. "Upgrading infrastructure in Xinjiang is important for tackling overcapacity, deepening supply-side reform and supporting China's 'Belt and Road' initiative," according to a provincial work report.

January 23:

Beijing's municipal internet watchdog has ordered 17 websites to be shut down for "breaching rules," including several websites linked to prominent liberal economist Mao Yushi who had criticized Mao Zedong. Mao's Sina Weibo account has also been deleted. *The Hong Kong Economic Journal* says the economist drew criticism from Mao Zedong supporters after he published a controversial article dismissing official narratives that portray the former leader's "god-like legacy." Chinese authorities have recently penalized several scholars and officials who have questioned or criticized the Chairman. Last week, Zuo Chunhe, deputy of a local media watchdog in Hubei, was sacked after he said online that Mao supporters were "worshipping the devil." Deng Xiangchao, an academic from Shandong, was sacked from a government post after he made similar comments.

January 24:

Taiwan's last two African allies, Burkina Faso and Swaziland, will not break ties with Taipei despite Beijing's generous attempts to woo them, Bloomberg reports. "We get outrageous proposals telling us, 'if you sign with Beijing we'll offer you \$50 billion or even more.' Taiwan is our friend and our partner. We're happy and we see no reason to reconsider the relationship," said Burkina Faso's Foreign Minister Alpha Barry. Taiwan's deputy foreign minister flew to Burkina Faso in September to discuss projects resulting in \$47 million in subsidies over the next two years in various industries from agriculture to defense, he said. Swaziland spokesman Percy Simelane agreed: "We're very happy with our relationship and intend to maintain it for a very long time because our friendship is based on our national interests and not on the size of Taiwan's wallet." A spokeswoman at Taiwan's Ministry of Foreign Affairs echoed the sentiment: "Our relations are concrete. All cooperation projects are being processed as planned."

[Editor's note: Last month the tiny island nation of Sao Tome and Principe split with Taiwan cutting to 21 the number of its diplomatic partners. The prime minister of Sao Tome and Principe denied asking for money, but said the decision to break with Taiwan would improve the lives of his people. China is sending medical aid and has expressed interest in building a deep-water port, according to the *Macau Daily Times*.]

After U.S. President Donald Trump's executive order withdrawing from the Trans Pacific Partnership (TPP), "China should proactively push forward negotiations for the Regional Comprehensive Economic Partnership (RCEP)," the official *People's Daily* reports. "As the TPP suffers from setbacks, the RCEP is the free trade agreement that is easiest to accomplish with the most visible results. Talks on the RCEP have accelerated recently - there were six rounds of talks in 2016." The official *China Daily* agreed: "Asian nations can no longer expect to develop their economy by providing ever increasing exports to U.S. markets. It is time for Asian economies to start relying more on regional and neighborly ties. A much more accommodative reality, as China realized a few years ago, is that Asian nations focus on forging stronger economic ties among themselves." The *Global Times* reports that "the TPP has only had a 'fake death' and that Trump may replace it with something that is 'even harsher' on China. We must not have the fantasy that the U.S. is genuinely handing control over to China."

January 25:

The Pakistan Army has proposed a new alternative internet network be laid along the China-Pakistan Economic Corridor (CPEC) route to secure the flow of online traffic. Director General of the Special Communications Organization Major Gen. Amir Azeem Bajwa told the National Assembly Standing Committee on Information Technology that the network that currently brings internet into Pakistan is routed through submarine cables developed by a consortium that has Indian companies either as partners or shareholders. To address this "serious security concern," Bajwa proposed a new alternative network system that will require the laying of over 800 kilometers of fiber optic cables along the CPEC, Pakistan's the *Dawn* reports.