

# China Reform Monitor No. 1371

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## **EX-CIA AGENT TURNED CHINESE SPY PLEADS GUILTY**

Jerry Chun Shing Lee, who worked for the CIA between 1994 and 2007, has pleaded guilty to spying for China. Lee is responsible for having helped dismantle the U.S. espionage network in China. In 2007, Lee left the CIA and moved to Hong Kong where he was recruited by Chinese intelligence agents in 2010. The naturalized American citizen was paid hundreds of thousands of dollars between May 2010 and December 2013 to divulge information on U.S. covert assets, which led to the killing of about 20 informants between 2010 and 2012. In 2012, FBI agents searched Lee's hotel room in Hawaii and found a day planner and address book containing the identities of CIA agents, meeting locations, phone numbers, and covert facilities. Lee was arrested at JFK airport in January 2018 and will be sentenced in August. Lee's case was the third involving U.S. agents and China in less than a year. "Every one of these cases is a tragic betrayal of country and colleagues," said John Demers, Attorney General for National Security. (BBC May 2,2019)

#### PENTAGON: CHINA TO BUILD OVERSEAS BASES TO PROTECT BRI

"China's advancement of projects such as the 'One Belt, One Road' Initiative (OBOR) will probably drive military overseas basing through a perceived need to provide security for OBOR projects," the Pentagon has outlined in its annual report to Congress on China's military and security developments. Beijing currently has just one overseas military base in Djibouti, but last year there were discussions with Afghanistan about erecting a base in the Wakhan corridor. "China will seek to establish additional military bases in countries with which it has a longstanding friendly relationship and similar strategic interests, such as Pakistan, and in which there is a precedent for hosting foreign militaries," the report said. (Agence France-Presse, May 3, 2019)

## **BEIJING MAKES MOVES IN THE ARCTIC**

China's scientific research and "Polar Silk Road" for trade through the Arctic will strengthen its military presence there, according to the aforementioned Pentagon's annual report to Congress. "China's words and actions raise doubts about its intentions. Beijing claims to be a near-Arctic state. Yet the shortest distance between China and the Arctic is 900 miles," U.S. Secretary of State Mike Pompeo told the eight members of the Arctic Council in Finland. Pompeo said China is furthering its military objectives under the guise of civilian polar research. Last Fall, China launched its second polar icebreaker, the "Snow Dragon" (Xuelong 2), which can crunch 5-foot-thick ice, and is building a nuclear-powered icebreaker and fleet of ice-capable patrol boats. China opened a research station in Iceland in 2018 to study space weather, has another in Norway's Svalbard Island, and inked an agreement in April with Russia for a joint research center to forecast the ice conditions along the Northern Sea Route and advance Arctic economic development. Scientists from China's Geological Survey have spent several years visiting mineral sites in Greenland where Chinese interests are backing five big mining or development projects in the country. In 2017, plans for a joint China-Greenland polar research base and a satellite ground station for climate change research were announced. (Wired, May 7, 2019)

### **WIKIPEDIA NOW BANNED IN ALL LANGUAGES**

China has expanded its ban on Wikipedia to all available languages. A previous ban barred Internet users from viewing the Chinese version of the crowdsourced info site, as well as the English-language pages for sensitive search terms such as Dalai Lama and the Tiananmen massacre. Wikipedia joins the list of websites that cannot be accessed in China, which now includes Google, Facebook and LinkedIn. Meanwhile, virtual private networks (VPNs) which can bypass the "Great Firewall" have been banned. Reporters Without Border's 2019 World Press Freedom index ranked China 177 out of 180 countries, and found that China is infiltrating foreign media in an attempt to deter criticism and spread propaganda. (BBC, May 15, 2019)

#### **CHINA'S ROLE IN THE F-35**

Exception PCB, a printed circuit board manufacturer located Gloucestershire, England, but owned by Chinese interests, produces circuit boards that "control many of the...core capabilities" of the advanced F-35 fighter jet, including "its engines, lighting, fuel and navigation systems," according to the British Ministry of Defence. When asked about its Chinese ownership and what due diligence the UK had carried out, a spokesman said: "Exception PCB produces bare circuit boards and as a result there are no risks associated with their product in the F-35 aircraft supply chain." A director from the company said there are "clear firewalls in place" between Exception PCB and its Chinese parent company, Shenzhen Fastprint. Former British defense minister Gerald Howarth disagreed, however: "We have been completely and utterly naive about the role of China and it is only now that people are beginning to wake up." (Sky News, June 15, 2019)

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