



## China Reform Monitor No. 1423

July 14, 2020 Joshua Eisenman

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### CHINA AND INDIA CLASH AMID SIMMERING BORDER TENSIONS

China has occupied more than 60 sq. km of disputed territory along the Indian border in an area New Delhi calls eastern Ladakh. On May 5th and 6th, up to 12,000 Chinese troops pushed over the Line of Actual Control into India at four points and seventy Indian troops were injured in fist-fighting and stone-throwing as they tried to stop the advance. "In the past, we have witnessed [a] face-off between two armies and the situation would cool down within hours. It's the first time we are seeing standoff for over a month," said a counselor from the area where the incursion took place. China has reinforced its defenses and moved troops to the new frontier, while India has also deployed more troops and artillery to the area. (*London Telegraph*, June 12, 2020)

### SCORES OF SOLDIERS FELL TO THEIR DEATHS AS HUNDREDS FOUGHT

In the worst fighting between India and China in 60 years, at least 20 Indian and an estimated 50 Chinese soldiers fell to their deaths during fierce clashes on the disputed border. The fighting began when an Indian patrol encountered PLA troops in a steep section of the mountainous region where they believed Chinese troops had left in accordance with a June 6th disengagement agreement. Most of the soldiers died when they lost their footing or were knocked from the narrow Himalayan ridge during six hours of intense hand-to-hand fighting in near-total darkness with stones, iron rods and other makeshift weapons. The fighting included about 600 men from both sides, who do not carry guns to reduce the chances of escalation. New Delhi accused the PLA of carrying out a premeditated and planned action against Indian troops that was "directly responsible for the resulting violence and casualties." Foreign Minister Wang Yi claimed Indian forces had crossed into China's territory on three occasions and demanded New Delhi punish the responsible soldiers. (*London Guardian*, June 17, 2020)

### PLA WARPLANES ENTER TAIWAN STRAIT

Taipei's defense ministry detected several PLA fighter jets crossing the median line in the Taiwan Strait and approaching the island, and scrambled its own warplanes to shadow, intercept and disperse them. The incident occurred a few hours after a U.S. C-40A transport plane made a rare flight over the island. The U.S. military plane took off from the U.S. airbase in Okinawa, flying over Taiwan's Keelung, New Taipei, Taipei, Taoyuan, Hsinchu, Miaoli, Taichung, Changhua, Chiayi, Tainan and into the Taiwan Strait toward the Bashi Channel. The PLA is stepping up drills aimed at Taiwan. In early June, the PLA 73rd Group Army conducted live-fire and landing drills, showing amphibious tanks storming beaches in a coordinated attack under rough sea conditions; in May, the PLA kicked off two months of saber-rattling exercises at Jingtang, Hebei. (*South China Morning Post*, June 9, 2020)

### U.S. TO SANCTION CHINESE OFFICIALS CONNECTED TO XINJIANG CAMPS

President Donald Trump has signed the Uyghur Human Rights Policy Act of 2020, which targets the CPC for creating concentration camps for Uyghurs, ethnic Kazakhs and other Muslim minorities in Western China and calls for a tough U.S. government response. Under the legislation, which passed with an overwhelming majority in both houses of Congress, the President has 180 days to submit a report to Congress identifying PRC officials and any other individuals responsible for carrying out torture; prolonged detention without charges and a trial; abduction; cruel, inhumane, or degrading treatment of Muslim minority groups; and other flagrant denials of the "right to life, liberty, or the security" of people in Xinjiang. Those so identified would then face sanctions, such as asset seizure, visa revocation, and ineligibility for entry into the U.S. Secretary of State Mike Pompeo has called Beijing's detention of more than 1 million Muslims in Xinjiang "the stain of the century." (CNN, June 17, 2020)

[EDITOR'S NOTE: The signing of the Act into law is particularly noteworthy as it comes on the heels of allegations by former National Security Advisor John Bolton, in his new book, "The Room Where It Happened," that President Trump effectively encouraged Chinese president Xi Jinping to "go ahead" with the building of the detention camps in Xinjiang.]

### **CHINA'S ZIJIN MINING TO BUY GUYANA GOLDFIELDS FOR \$238 MM**

China's Zijin Mining has acquired Guyana Goldfields, which owns the Aurora gold mine in Guyana, for \$238 million. Zijin's buyout offer was 35% higher than a previously accepted offer from Canada's Silvercorp Metals, and included a \$30 million loan to finance operations at Aurora. Zijin has been on an acquisition spree; purchasing Continental Gold for \$1.05 billion in March and in June taking 50.1% stake in a copper miner in Tibet for \$548 million. "We believe that the Aurora mine is a high-quality gold asset with significant upside potential," and look forward to "advancing and developing the next phase of the mine," said Zijin chairman Chen Jinghe. "The all-cash offer from Zijin represents a significant premium to the amended Silvercorp offer price and is an excellent outcome for Guyana Goldfield's shareholders," said Guyana Goldfields CEO Alan Pangbourne. (Reuters, June 12, 2020)