



## China Reform Monitor No. 1439

October 22, 2020 Joshua Eisenman

**Related Categories:** Democracy and Governance; Human Rights and Humanitarian Issues; China; Europe

### CHINA TESTS INTERNET CENSORSHIP 2.0

For two weeks last month and with little fanfare, Beijing-backed 360 Security Tech Inc. released the Tuber browser application, which offered China's 904 million internet users a glimpse into various long-banned websites, including Facebook, Google, YouTube, and the *New York Times*. The browser, which was downloaded 5 million times from the Huawei app store alone, was pulled without explanation and it is unclear who or what agency ordered its removal. State-sanctioned apps like Tuber could offer a controlled environment for academics, corporations and citizens to exchange information, financial data and software, while expanding government tracking and political content screening. (Bloomberg, October 12, 2020)

### CHINA'S GLOBAL IMAGE HITS NEW LOWS

China's international image has taken a hit amid widespread disapproval over its handling of the COVID-19 pandemic, tensions in the South China Sea, Hong Kong and Taiwan, and revelations about its intimidation and influence campaigns. According to the Pew Research Center's new survey of 14,276 residents of 14 industrialized countries, 61% say China mishandled the coronavirus and 73% now see the country unfavorably – a double-digit rise over 2019 and China's worst score ever. Almost four fifths of Japanese and South Korean participants believe China's pandemic response was poor. In both the UK and Australia, more than twice as many people as last year now hold a negative view of China, and for the second year in a row the country's image has hit new lows in the U.S., Canada, South Korea, Sweden, and Holland. The proportion of respondents who have little or no confidence in Xi Jinping jumped to 78% – a new high – while only 19% believe he will "do the right thing regarding world affairs." When Pew first began the polling more than a decade ago, respondents in nearly all countries had favorable views of China. (*Wall Street Journal*, October 6, 2020)

### UK PARLIAMENT: HUAWEI COLLUDES WITH "COMMUNIST PARTY APPARATUS"

The British parliament's defense committee has found evidence that Chinese telecom giant Huawei colludes with Beijing, and said Britain may need to remove all Huawei equipment years earlier than planned. The committee did not go into detail about the exact nature of the ties, but said it had seen clear evidence of Huawei collusion with "the Chinese Communist Party apparatus." Committee chairman Tobias Ellwood said: "The West must urgently unite to advance a counterweight to China's tech dominance. We must not surrender our national security for the sake of short-term technological development." He supported Prime Minister Boris Johnson's decision to purge Huawei from Britain's 5G network, but noted that "developments could necessitate this date being moved forward, potentially to 2025." In July, Prime Minister Boris Johnson ordered Huawei equipment to be purged from the UK's 5G network by the end of 2027. Huawei, for its part, said the committee report is not credible. (Reuters, October 8, 2020)

### CHINA CALLS ON TAIWAN'S SPIES TO SWITCH SIDES

China claims to have uncovered hundreds of Taiwanese spies and has launched a campaign calling on them to switch sides. According to an editorial in the official *People's Daily*: "We welcome the wise elements in Taiwan's intelligence services who support the unification of the motherland?to completely abandon the 'Taiwan independence' ideology. The current campaign uncovered a total of several hundred cases of Taiwanese spying. The rise in the number of cases reflects how the Taiwan authorities and their spying and intelligence apparatus struggle like a trapped beast, and almost madly lash out with all sorts of spying, infiltration and sabotage against the motherland. Hopefully, we can join hands to contain 'Taiwan independence,' fight separatism, promote peace, build a hidden line of defense against foreign aggression and safeguard national sovereignty, and create a bright future for a united China."

The article accused Taiwan's President Tsai Ing-wen of "colluding with foreign anti-China forces" to undermine stability, and blasted her efforts protect Taiwan from China's infiltration. Last week, a Taiwanese man, who disappeared in China, appeared on state TV accused of "spying" for photographing the People's Armed Police massing in Shenzhen. The next day another man, who Beijing identified as former aide to Taiwan ruling party official Cho Jung-tai, also appeared on state TV. Cho said he does not know the man. (*Financial Times*, October 15, 2020)

[EDITOR'S NOTE: According to a former U.S. intelligence official, however, the true situation is substantially different. China's "political warfare is aimed at rattling the Taiwan public and damaging the image of the Taiwan government," the official said. "The reality is the opposite. Taiwan's intelligence capabilities towards China are greatly weakened, but China is making inroads infiltrating Taiwan."]

## CHINA STYMIES G20 DEBT RELIEF SCHEME

China will not allow the G20 debt relief scheme to cover "hidden loans" extended through some of its state-controlled and ostensibly private lenders. Most importantly, the massive state-owned China Development Bank (CDB), which Beijing insists is a commercial lender, will not participate. China's stance has raised concerns among western lenders that debtor countries would use funds freed up by their debt relief to repay Beijing. The World Bank considers 33 of the 73 countries covered, which together owe \$744 billion, to either be in external debt distress or high risk. Official government loans from G20 members account for \$178 billion, 63% of which come from China. But the CDB and other Chinese actors have provided about \$200 billion more in "hidden" loans to these countries, bringing their actual total debt to China to about \$385 billion. This lending "comes with a lot of confidentiality requirements, so recipients can't make details about rates or collateral public," said a World Bank source. The heavily indebted governments requested a one-year freeze on debt service, but G20 ministers, citing Beijing's position, would only agree to a six-month extension. "This G-20 meeting was a complete failure," said an IMF official. (*Nikkei Asia*, October 16, 2020)