



## China Reform Monitor No. 1444

November 27, 2020 **Joshua Eisenman**

**Related Categories:** Democracy and Governance; Human Rights and Humanitarian Issues; International Economics and Trade; Global Health; Australia; China; Europe

### CHINA'S BILL OF PARTICULARS AGAINST AUSTRALIA

Beijing has deliberately leaked a report accusing Australia of "poisoning bilateral relations" and including a list of 14 grievances. The document, which China's embassy gave to news outlets, blames Canberra for funding "anti-China" research; raids on state-media; academic visa cancellations; "spearheading a crusade" in multilateral forums on Taiwan, Hong Kong and Xinjiang; supporting an independent investigation into COVID19; banning Huawei from its 5G network; blocking foreign investment deals; attempting "to torpedo" Victoria's Belt and Road deal, and encouraging "unfriendly or antagonistic" media reports. A Chinese embassy official in Canberra warned: "China is angry. If you make China the enemy, China will be the enemy." (*Sydney Morning Herald*, November 18, 2020)

### CHINA'S COVID-19 FOOD TESTS IRRITATE TRADE PARTNERS

Chinese officials claim to have found COVID19 on food products from 20 countries, including German pork, Brazilian beef and Indian fish. In response, the country's customs service has enhanced scrutiny over imported products and begun testing them for the virus. But foreign officials – citing Beijing's lack of evidence and the WHO's statements that neither food nor its packaging can transmit COVID19 – claim Beijing's actions are hurting the reputation of imported food in China. At a recent WTO meeting, Canada, backed by Australia, Brazil, Mexico, Britain and the U.S., said China's policies amount to "unjustified trade restrictions." New Zealand and Brazil have also questioned China's claim to have detected the virus on their products. (*Global Times*, November 16, 2020; Al Jazeera, November 18, 2020)

### MALICIOUS TIP-OFFS STIFLE ACADEMIC FREEDOM

"Malicious reporting" has become widespread at China's universities, resulting in a growing number of professors being fired, arrested, even imprisoned after classroom informants turned them in to authorities for "inappropriate speech." This month, during a lecture on Soviet history at Capital Normal University in Beijing by the renowned professor Shen Zhihua, video of the speech was suddenly cut. The university called the incident a violation of academic discussion and freedom of speech, and blamed it on a malicious tip-off from students or individuals. Professor Yang Shaozheng, who was fired in 2018 after a student reported him for making anti-CPC remarks, said: "On the surface, it's these malicious reporters who are annoying and disgusting, but if they didn't have the environment, they wouldn't be able to get away with it even if they wanted to make a malicious report." (VOA, November 20, 2020)

[EDITOR'S NOTE: The editor was a visiting student at Capital Normal University in 1998.]

### STATE COUNCIL PROBES RATING AGENCIES, BANKS AND FIRMS

The State Council is investigating Industrial Bank, China Everbright Bank, Zhongyuan Bank, Haitong Securities, China Chengxin International Credit Rating, and Xigema Certified Public Accountants for possible irregularities. The probe began after Yongcheng Coal & Electricity Holding Group failed to make a payment on its one billion yuan loan, rocking China's credit market. Yongcheng, which had been rated AAA and has since been downgraded to junk, is now under investigation for making false disclosures. Its default was followed by others from state-linked firms, including Tsinghua Unigroup and Brilliance Auto Group Holdings, which had long been considered immune due to implicit government backing. The State Council is also conducting a risk assessment to reveal the extent of the problem and "prevent any spillover that could cause systemic risks." (*South China Morning Post*, November 20, 2020)

### TAIWAN TO BUILD SUBMARINES

Taiwan is set to begin building eight domestically-developed submarines, with the vessels scheduled to enter service in 2024. Taiwan's four existing subs, two of which date back to World War II, are no match for China's powerful fleet. According to a statement from President Tsai Ing-wen's office, the submarine program is part of Taipei's military modernization and self-sufficiency plan. "This represents a new milestone in the national submarine manufacturing plan," the statement read. PLA forces have recently ramped up their activities near Taiwan. (Reuters, November 20, 2020)