



China Reform Monitor No. 1451

January 21, 2021 **Joshua Eisenman**

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NASA SCIENTIST PLEADS GUILTY TO LYING ABOUT CHINA TIES

Senior NASA scientist Meyya Meyyappan has pleaded guilty to lying about participating in China's Thousand Talents Program, which encourages foreign experts to share their research with Chinese counterparts in exchange for grants. Meyyappan joined NASA in 1996 and since 2006 has been chief scientist for exploration technology at its Ames Research Center in Silicon Valley, California. He concealed his work with China from NASA and the U.S. Office of Government Ethics, denying that he was in the program and held a professorship in China. According to Meyyappan's plea agreement, under federal sentencing guidelines he now faces up to six months in prison. (Reuters, January 13, 2021)

CHINA'S ECONOMY, CURRENCY SURGE

China's economy and currency are on the rise. As orders flowed into its factories, China's share of world exports rose to a record 14.3 percent in September, and the yuan has strengthened against the U.S. dollar and other major currencies. Last week, the dollar was worth 6.47 yuan, as compared with 7.16 yuan in late May and its highest level in nearly two and half years. Foreign consumers, many of whom remain stuck at home, are snapping up Chinese-made products from TVs to furnishings. With a rising currency, China's central bank can set interest rates higher than in Europe and the U.S. in order to lure foreign capital and thereby stimulate domestic growth. Investors also believe that the global economy will recover from its pandemic-induced slump later this year, leading many to shift money out of dollar-denominated safe havens, like U.S. T-bills, and into riskier assets promising higher returns. (*New York Times*, January 12, 2021)

WORKERS URGED TO AVOID TRAVELLING FOR CHINESE NEW YEAR

Due to a fresh COVID-19 outbreak, more than 28 million people in northeast China are under lockdown and workers around the country are being asked to refrain from all non-essential travel during the New Year holidays. Beijing expects "markedly lower" than normal holiday travel and provinces have issued notices encouraging workers to remain in factories, citing the need for epidemic control and "guaranteeing the stability of industrial and supply chains." Jiangxi expects the number of travelers will be about 60% of 2019 levels. Reduced production over the holiday period coupled with rising foreign demand could "cause companies' huge losses," warned a notice from Ningbo, Zhejiang. Companies usually pay workers more during the festival season, but this year due to high foreign demand incentives also include prizes, entertainment and banquets. In Zhejiang, one chemicals company lured 85 percent of its workers to remain by doubling their wages and offering a 500 yuan bonus. (Channel NewsAsia, January 14, 2021)

U.S. IMPOSES SANCTIONS ON CNOOC OVER SOUTH CHINA SEA

The U.S. Commerce Department has added China's state-owned oil company, the China National Offshore Oil Corporation (CNOOC) to its "Entity List," which requires the firm receive a license before it can buy high-tech items from U.S. suppliers. CNOOC, which is facing wide-ranging sanctions over China's actions in the South China Sea, will also be delisted by the S&P Dow Jones. "CNOOC has repeatedly harassed and threatened offshore oil and gas exploration and extraction in the South China Sea, with the goal of driving up the political risk for interested foreign partners, including Vietnam," the U.S. Commerce Department said. Commerce Secretary Wilbur Ross said CNOOC is a "bully for the People's Liberation Army to intimidate China's neighbors." (Deutsche Welle, January 14, 2021)

CITING FORCED LABOR, U.S. BANS COTTON, TOMATOES FROM XINJIANG

The U.S. Customs and Border Protection has banned cotton and tomato products from China's western province of Xinjiang, "based on information that reasonably indicates the use of detainee or prison labor and situations of forced labor." An investigation revealed "debt bondage, restriction of movement, isolation, intimidation and threats, withholding of wages, and abusive living and working conditions. We will continue to protect the American people and investigate credible allegations of forced labor, we will prevent goods made by forced labor from entering our country, and we demand the Chinese close their camps and stop their human rights violations," said Ken Cuccinelli, acting deputy secretary of the Department of Homeland Security. Industry groups such as the American Apparel & Footwear Association and the National Retail Federation published a joint letter supporting the ban. China's embassy in Washington called reports of forced labor in Xinjiang "a political lie concocted by some U.S. politicians." (*Washington Post*, January 13, 2021)