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PRC HACKERS INFILTRATE A HALF-DOZEN U.S. STATE NETWORKS

Last Spring, the hacking group APT41, which is linked to China's Ministry of State Security, began infiltrating and collecting data from at least six U.S. state government networks. "This is a pretty unique switch. Since May 2021, we've seen them just continuously hammer these state governments. It's very persistent, very continuous, and they keep coming back for whatever they want. We likely assess that there are more states affected," noted Rufus Brown at the cybersecurity firm Mandiant. It is unclear what or how much information APT41 stole as they jumped from department to department within the networks of various state agencies. The hackers also targeted USAHerds – a Microsoft-based agriculture database used by 18 states to document livestock health. (*South China Morning Post*, March 9, 2022)

[EDITOR'S NOTE: In recent years, China's leaders have stressed ties with U.S. states as a counterbalance to Beijing's deteriorating relationship with Washington. In 2020, Xi Jinping called for Beijing to work with "American states, local councils and businesses."]

CHINA EXPANDS CENSORSHIP TO THWART "FOREIGN FORCES"

To protect children from "harmful" influences, China is expanding its censorship of pop culture. This month, censors deleted scenes of men kissing, references to a lesbian character and orgasms in the popular U.S. sitcom *Friends*. "The CPC increasingly views LGBT and feminist issues as 'Western values' and...individuals, who use rights-based language, as being 'foreign forces.' This approach is also seen through nationalistic, often state-backed, netizens who have trolled feminists and led to university LGBT society social media accounts being shut down," Angeli Datt at Freedom House has remarked. "What is considered 'good' is becoming increasingly narrowly defined, it is no longer just about not challenging CPC rule, it now has to promote the Party's nationalistic, sexist and heteronormative values," said Yaqiu Wang of Human Rights Watch. (*South China Morning Post*, February 24, 2022)

CHINA VIDEO GAME FREEZE THREATENS THE INDUSTRY

The National Press and Publication Administration (NPPA), which licenses video games in China, has not published a list of approved new titles since last July. An NPPA official said the regulator continues to accept applications, but could not say when new licenses would be issued again. The NPPA had approved between 80-100 new games per month, but last year issued only 755 new licenses – half as many as in 2020. As a result, China's video gaming industry, which is the world's largest with total revenue of \$46.6 billion in 2021, has been cutting jobs and delaying projects. China's third-largest video gaming business, Perfect World, laid off hundreds of people and about 14,000 small studios and video gaming-related firms have been closed. (*South China Morning Post*, March 22, 2022)

TENCENT JOINS ALIBABA IN DECLARING SUPPORT FOR TECH CRACKDOWN

The leaders of Tencent have joined executives from Alibaba and other rivals in endorsing Beijing's crackdown on tech firms from e-commerce to gaming and education. The company remains in talks with regulators about folding its WeChat Pay service into a new financial holding company. Tencent pledged to embrace China's stricter government oversight after reporting its slowest growth on record. To remain profitable, Chinese tech firms are increasingly turning outward; buying up slices of game studios across Europe. "Both domestic and foreign [markets] are very important, but the foreign [market] will be our focus," said William Ding Lei, head of China's #2 video gaming company, NetEase (Caixin, March 24, 2022)

MARRIAGES HIT 36-YEAR LOW

Last year, marriages in China dropped to a 36-year low. Only 7.63 million couples, 57 percent of the number in 2013, tied the knot in 2021; the lowest number since 1986, when the Ministry of Civil Affairs started releasing such statistics. Marriage registration numbers in China have been declining for eight consecutive years due to a declining number of young people, more men than women of marriageable age, and the decisions by many to put off marriage until they are older. The number of marriages has declined especially sharply over the last three years, from about 10 million in 2019 to 9 million in 2020. Beijing fears that less marriages will result in less children, thus further exacerbating its demographic slowdown. (*Global Times*, March 20, 2022)