



CHINA REFORM MONITOR

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Related Categories: Economic Sanctions; Human Rights and Humanitarian Issues; International Economics and Trade; China; Europe

U.S. BUSINESS CONFIDENCE IN CHINA FALLS TO RECORD LOW

Sentiments about China among U.S. firms is at an all-time low, according to a new survey by the U.S.-China Business Council. This year, 21% of 117 companies polled said they were pessimistic or somewhat pessimistic about their 5-year business outlook in China, compared with 9% last year. Around half were optimistic or somewhat optimistic, down 18% from the previous year and the lowest percentage since the survey began 16 years ago. This year, the negative tone in U.S.-China relations, which had been the top concern in surveys for the past four years, was supplanted by concerns about China's zero-COVID lockdowns. Nearly all, 96%, of respondents said pandemic-control measures had negatively affected their businesses. Beijing is "taking steps to prevent a repeat of the Shanghai lockdowns, but the current strategy still leaves a significant amount of uncertainty," said Council President Craig Allen. (*Wall Street Journal*, August 29, 2022)

U.S., CHINA SUSPEND EACH OTHER'S FLIGHTS

The U.S. Department of Transportation has suspended 26 flights from Chinese airlines in response to Beijing's suspension of 26 flights from U.S. carriers. The dispute is over China's strict policies when travelers test positive for COVID-19. The Civil Aviation Authority of China has said that if at least 4% of passengers on a flight test positive for COVID-19 after arrival, one flight by that airline will be suspended. If the number reaches 8%, two flights will be suspended. China's actions are "adverse to the public interest" and warranted "additional proportionate remedial action by the Department," the U.S. agency said in response. The U.S. has taken similar actions before; in January, it suspended 44 flights from Chinese carriers. (Bloomberg, August 26, 2022)

CHINA'S ESPIONAGE ALARMS EUROPE

European intelligence officials are increasingly concerned about China's espionage operations and are struggling to cope with the sheer volume of cases. "Traditionally, the Chinese have a significantly weaker human intelligence (HUMINT) [than Russia], but they've gone through a steep learning curve," said Alex Younger, former head of the UK's MI6. China's goals are broader than those of Russia, from political influence to obtaining commercial or tech secrets. It is very difficult to tell who is and who is not a Chinese agent. "Russian espionage is usually tightly focused, while China uses an 'all society' approach," said one intelligence official. "Chinese espionage is not even a variant of the Russian approach. Just agreeing what constitutes a Chinese agent can be hard," said another. (*Financial Times*, August 29, 2022)

UN: CHINA COMMITTING "SERIOUS HUMAN RIGHTS VIOLATIONS" IN XINJIANG

In a long-awaited report, the United Nations has recognized China's "serious human rights violations" in Xinjiang. Investigators found "credible evidence [that] the extent of arbitrary and discriminatory detention of members of Uyghur and other predominantly Muslim groups may constitute...crimes against humanity." It also found: "Allegations of patterns of torture or ill-treatment, including forced medical treatment and adverse conditions of detention, are credible, as are allegations of individual incidents of sexual and gender-based violence." Investigators documented "[c]redible indications of violations of reproductive rights through the coercive enforcement of family planning policies since 2017." The report, which called on China to immediately release "all individuals arbitrarily deprived of their liberty," was released just 13 minutes before UN Human Rights Commissioner Michelle Bachelet ended her term. China had placed Bachelet under "tremendous pressure" not to publish her findings. (BBC, September 1, 2022)

XI ENCOURAGES FOREIGNERS TO TELL CHINA'S STORIES

Xi Jinping has encouraged foreign experts at the official Foreign Languages Press to use their translations to share China's messages and enable more foreigners to better understand the country. Xi made the remark in a letter marking the press's 70th founding anniversary. "As the Chinese people have taken a path of modernization with Chinese characteristics under the leadership of the CPC and created a new model for human advancement," it said. "It is of great significance today for the world to better understand China in the new era and to promote exchanges and mutual learning among Chinese and foreign cultures through accurate and vivid translation." Since 1952, the Foreign Languages Press has published over 30,000 book titles in more than 40 languages and distributed more than 400 million printed copies around the world. (*China Daily*, August 27, 2022)