

# China Reform Monitor No. 1547 

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## THOUSANDS OF CHINESE MIGRANTS COMING TO THE U.S. ON FOOT

Over the past five months, at least 4,300 undocumented Chinese migrants have been apprehended crossing the U.S. southern border - more than double the amount for all of 2022. Guided by social media, Chinese migrants are showing up without papers, often after a harrowing journey through several countries. The trip takes weeks and requires traversing thousands of miles on planes, buses, boats, motorcycles and on foot. Posts on Chinese social networking apps offer detailed guides, videos and maps to make the journey. The migrants are primarily middle-class Chinese who "feel that the opportunities are diminishing and that the political situation has just become a lot riskier," said lan Johnson of the Council on Foreign Relations. (NBC, March 29, 2023)

## CHINA'S INFLUENCE IN UTAH

China's influence campaigns have been surprisingly successful in Utah, where Beijing's U.S.-based advocates have spent years building relationships with local officials. Legislators in the conservative state have delayed legislation that China did not like, nixed resolutions that conveyed displeasure with Beijing, and expressed support for the Chinese government. "Utah is not like Washington D.C., Utah is a friend of China, an old friend with a long history," then-Utah House Speaker Greg Hughes told Chinese state media in 2018. In its annual threat assessment, released in March, the U.S. intelligence community found that China is "redoubling" its local influence campaigns because it believes that "local officials are more pliable than their federal counterparts." Authorities in Australia, Canada and the UK have identified the same pattern in their countries. (Associated Press, March 27, 2023)
CHINA SPENT \$240 BILLION BAILING OUT THE BRI
China spent $\$ 240$ billion bailing out 22 countries between 2008 and 2021. Before 2016, China lent hundreds of billions for infrastructure projects, but between 2016 and 2021 almost $80 \%$ of its lending went to middle-income countries led by Argentina ( $\$ 111.8$ billion), Pakistan ( $\$ 48.5$ billion), and Egypt ( $\$ 15.6$ billion). Nine countries received less than $\$ 1$ billion. China's loans to countries in debt distress went from less than $5 \%$ of its portfolio in 2010 to $60 \%$ in 2022. China's rescue lending is "opaque and uncoordinated," said Brad Parks of AidData. Middle-income countries make up four-fifths of its bailout lending, due to the risk they pose to Chinese banks' balance sheets. "Beijing is ultimately trying to rescue its own banks. That's why it has gotten into the risky business of international bailout lending," said Carmen Reinhart, a former World Bank chief economist. (Reuters, March 28, 2023)

## HUAWEI SEES LARGEST EVER PROFIT DECLINE

Chinese tech giant Huawei reported a $69 \%$ decline in year-on-year profits for 2022, its largest on record, largely due to U.S. sanctions and China's strict pandemic controls. In 2019 and 2020, Huawei was cut off from U.S. technology, including Google's Android and key components like semiconductors. Its smartphone business, once ranked number one in the world, has since been crippled. The firm's consumer business, which includes its smartphone unit, fell more than $11 \%$ in 2022. The U.S., UK, and India are among those that have banned Huawei equipment from their 5G networks. "In 2022, a challenging external environment and non-market factors continued to take a toll on Huawei's operations," Eric Xu, Huawei's chairman, has said. (CNBC, March 31, 2023)

## CHINA PLANS MASSIVE FLOATING SOLAR PLANT IN ZIMBABWE

China Energy Engineering Corp. has proposed building a 1000 megawatt floating solar plant made up of 1.8 million solar panels on Zimbabwe's Kariba dam. The project, with a projected cost of nearly $\$ 1$ billion, was floated to the state-owned Zimbabwe Power Company and a consortium of the country's industrial power consumers. China Energy recently completed two such floating solar projects, one in Shandong Province and the other in Thailand. Last week, Zimbabwe began generating power from the first of its two new China-funded 300MW coal-fired plants at Hwange. (Reuters, March 27, 2023)

