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November 21, 2023 Joshua Eisenman

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BEIJING CONTINUES ITS CRACKDOWN ON BUSINESS

China continues to crack down on business executives. This year, dozens of leaders from sectors including technology, finance, and real estate have been detained for corruption and various other crimes. This month, for instance, Zhou Zheng, former deputy general manager of COFCO Group, China's largest state-owned food manufacturer and processor, was placed under investigation by the Central Commission for Discipline Inspection (CCDI) for "seriously violating rules and laws." Zhang Hongli, a top executive at the Industrial and Commercial Bank of China, and Bao Fan, a star investment banker, are also being detained. In the first nine months of this year, private sector investment dropped by 0.6%, compared to 7.2% growth in the state sector. (*CNN*, November 10, 2023)

CHINA STOCKS UP ON STAPLE CROPS

China's wheat imports are heading for a record following large purchases from Australia last month, and from the U.S., Canada, and France in November. China also purchased more than three million metric tons of U.S. soy this month. Bad weather, such as heatwaves, rains, and cold snaps, is one driver of China's buying spree, but Beijing is also hedging against growing geopolitical risks, said Alex Sanfeliu of Cargill Inc., the world's largest crop trader. "The message is around: China is stocking up, buying more quantities than everyone thought." (*Farm Policy News*, November 12, 2023)

NEPAL BANS TIKTOK FOR SPREADING MALICIOUS CONTENT

Nepal has banned Chinese social media app TikTok for spreading malicious content that is "detrimental to social harmony." The ban "would come into effect immediately and telecom authorities have been directed to implement the decision," according to Minister for Communications and Information Technology Rekha Sharma. In Nepal, TikTok is the third most used platform behind Facebook and Instagram, but more than 80% of Nepalese social media users between the ages of 16 and 24 use the platform. Pakistan, meanwhile, has temporarily blocked the app at least four times since October 2020. (*BBC*, November 14, 2023)

THAILAND REJECTS CHINA'S POLICE PATROL PLAN

In mid-November, the Tourism Authority of Thailand announced that, in response to the safety concerns of Chinese visitors, the country was in talks with Beijing about introducing joint police patrols at tourist hotspots. After a public backlash, however, Prime Minister Srettha Thavisin backtracked and said there was no plan to station Chinese police in the country. The national police chief, General Torsak Sukvimol, said having PRC officers on Thai soil was "a breach of sovereignty." In 2019, about 10 million Chinese tourists visited Thailand, as compared to about 4 million this year. (*Radio Free Asia*, November 15, 2023)

APPLIED MATERIALS FACES PROBE FOR SELLING CHIPS TO CHINA

The U.S. Justice Department is investigating Applied Materials, the largest U.S. semiconductor equipment maker, for evading export restrictions by selling hundreds of millions of dollars in equipment to China's top chipmaker, Semiconductor Manufacturing International Corporation (SMIC), via South Korea without export licenses. In 2021 and 2022, the company repeatedly shipped semiconductor equipment made in Massachusetts to South Korea, from where it was transshipped to China. The shipments occurred after the U.S. Commerce Department added SMIC to its "Entity List" in December 2020, thereby restricting exports of goods and technology to the company. (*Reuters*, November 16, 2023)