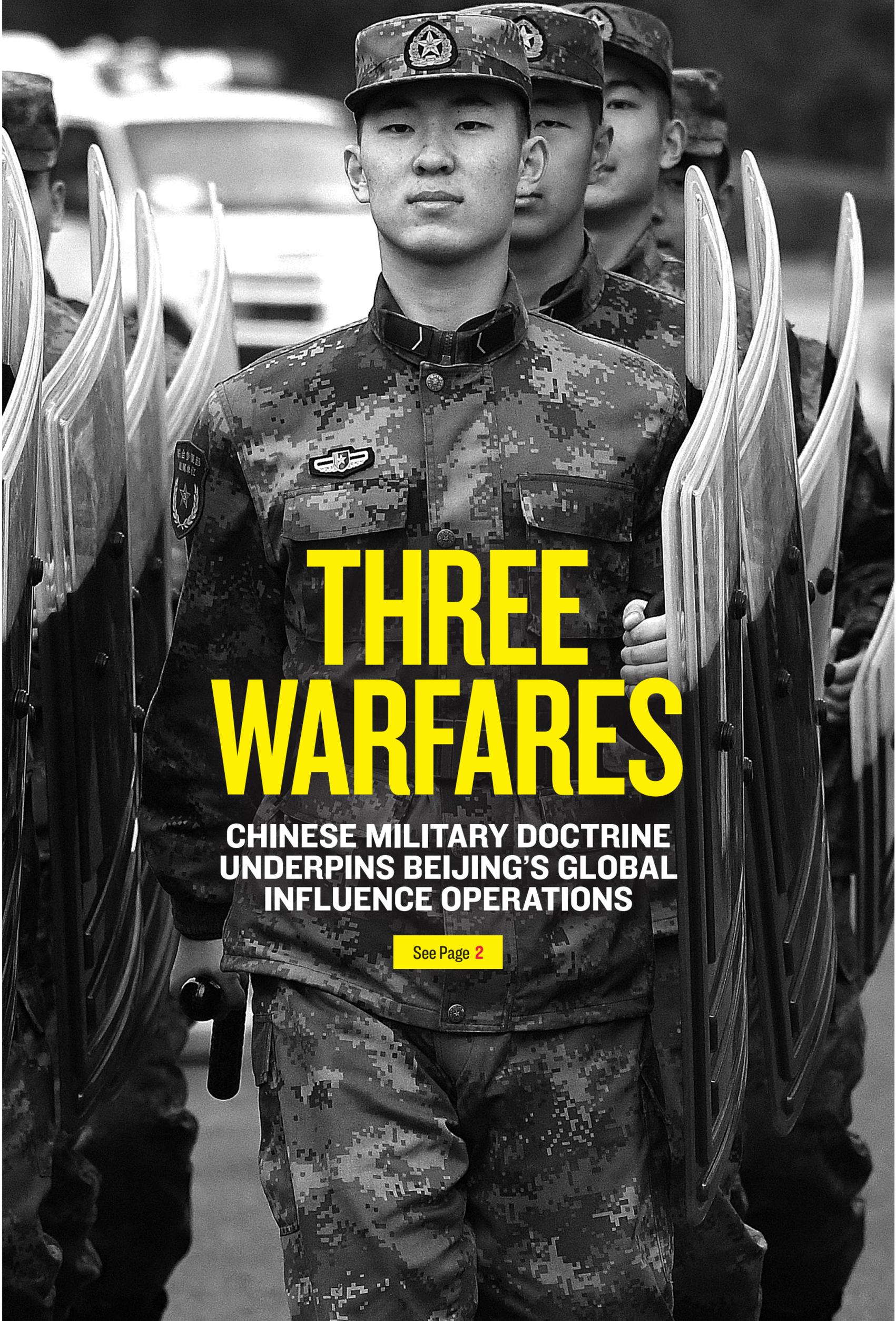


WEEK 40, 2021

THE EPOCH TIMES

# CHINA INSIDER



## THREE WARFARES

CHINESE MILITARY DOCTRINE  
UNDERPINS BEIJING'S GLOBAL  
INFLUENCE OPERATIONS

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STR/AFP VIA GETTY IMAGES



Chinese People's Liberation Army soldiers line up during military training in the Pamir Mountains in Kashgar, Xinjiang, China, on Jan. 4, 2021.

## CCP INFILTRATION

## '3 Warfares' Doctrine Underpins CCP's Sprawling Campaign to Infiltrate the West: Report

A French think tank exposes the Chinese Communist Party's expansive efforts to subvert Western societies so that they bend to the will of the regime

CATHY HE

Psychological warfare. Public opinion warfare. Legal warfare. Known as the "three warfares" doctrine and relatively unknown in the West, these concepts serve as key strategies guiding the Chinese Communist Party (CCP) in its quest to win a war against the free world without firing a single shot.

Psychological warfare seeks to demoralize the enemy; public opinion warfare seeks to shape the hearts and minds of the masses; legal warfare seeks to use systems of law to deter enemy attacks.

This explanation was set out in a recently released 650-page report that provides a comprehensive illustration of the Chinese communist regime's global influence operations. The French-language report was published by the Institute for Strategic Studies of Military Schools (IRSEM), an independent agency affiliated with the French Ministry of Armed Forces.

Combined with another key CCP doctrine called "United Front" work, these principles have undergirded a breathtaking campaign by the Chinese regime to expand its influence and infiltration into Western democracies, the report stated.

United Front, described by the CCP's first leader Mao Zedong as a "magic weapon," is a policy that, according to the report, involves the regime "eliminating its internal and external enemies, controlling groups that may challenge its authority, building a coalition around the Party to serve its interests, and projecting its influence abroad."

The report comes amid rising pushback from the West against CCP aggressions, including its severe human rights abuses,

rampant theft of intellectual property, economic coercion, and military assertiveness.

## Sweeping Effort

Guided by such strategies, the Chinese regime has built a sprawling infrastructure with global reach consisting of a broad network of state and non-state actors to execute its plans.

According to IRSEM, Beijing's influence operations abroad have two main objectives: "to seduce and subjugate foreign audiences by creating a positive narrative of China," and "above all, to infiltrate and coerce."

"Infiltration aims to slowly penetrate opposing societies in order to hinder any inclination to act against the interests of the Party," the report stated.

"Coercion corresponds to the gradual expansion of 'punitive' or 'coercive' diplomacy to become a policy of systematic sanction against any state, organization, enterprise or individual threatening the interests of the Party."

Targets of the CCP's campaigns span the whole spectrum of society. Key battleground areas include education, media, politics, culture, and social media.

## United Front Work in Action

Much of Beijing's overseas United Front efforts are carried out through a "nebulous network of intermediaries" loosely coordinated by CCP bodies, including Chinese embassies and consulates, and the Party's United Front Work Department, the report stated.

In a 2020 speech, then-Assistant Secretary of State for East Asian and Pacific Affairs David Stilwell said the CCP leverages thousands of overseas groups that carry out political influence operations, suppress dissident movements, gather intelligence, and facilitate the transfer of technology to China.

While some United Front organizations publicly state their affiliation with Beijing, "most try to present themselves as independent, grassroots-type NGOs, cultural-

exchange forums, 'friendship' associations, chambers of commerce, media outlets, or academic groups," Stilwell said at the time.

A 2020 investigation by Newsweek found about 600 such groups in the United States. One of those groups highlighted in the report is the China-United States Exchange Foundation (CUSEF).

CUSEF is a Hong Kong-based nonprofit headed by billionaire and Chinese regime official Tung Chee-hwa that bills itself as an independent group working to provide U.S.-China dialogues and exchanges. But in reality, it "functions as a de facto front organization for the PRC [People's Republic of China] government," the report stated, citing the findings from a 2020 study by

Jamestown Foundation, a Washington-based think tank. The group is also registered under the U.S. Foreign Agent Registration Act (FARA).

The group has entered into a range of partnerships with a range of prestigious American think tanks and universities, which IRSEM characterized as a bid to "launder" its influence activities. Partners include Johns Hopkins University, the East-West Institute, the Carnegie Endowment for

Peace, the Atlantic Council, and the Brookings Institution.

Earlier this year, CUSEF's ties to the Carnegie Endowment for International Peace came under the spotlight during the nomination hearing for CIA Director William Burns. Prior to his nomination, Burns served as president of the think tank. Facing criticism from Republican lawmakers, Burns told the Senate hearing that he had "inherited" Carnegie's relationship with CUSEF but cut ties with the group "not long after" he began his tenure in 2015. Burns further said he was "increasingly worried about the expansion of Chinese influence operations."

The group also sponsors many high-level dialogues between CCP officials and U.S. military and political figures, the report stated.

U.S. media have also been targeted by CUSEF. It has organized trips to China for more than 120 journalists from almost 50

U.S. media outlets since 2009, The Epoch Times previously reported.

From 2009 to 2017, CUSEF also hosted a range of dinners and meetings with executives and editors from 35 outlets, including Time magazine, The Wall Street Journal, Forbes, The New York Times, The Associated Press, and Reuters. The group's FARA filings described the dinners, hosted by CUSEF founder Tung, as "invaluable for their effectiveness in engaging support from the leaders of the news industry."

The Epoch Times has reached out to CUSEF for comment.

## Repression

Overseas ethnic Chinese populations, even those who aren't Chinese citizens, find themselves as "priority targets" of Beijing's influence operations, according to the report. One objective, according to IRSEM, is to control the diaspora such that "they do not represent a threat to power;" the other is to "mobilize them to serve its interests."

Described by Freedom House as the world's largest perpetrator of transnational repression, Beijing has targeted a range of overseas-based dissident groups, including Uyghur Muslims, rights activists, Hong Kong democracy proponents, and Falun Gong practitioners.

Victims face physical attacks, threats, surveillance, harassment, and intimidation by Chinese agents or their proxies, in person or online, the advocacy group stated in a February report.

In one extreme example, Freedom House noted the case of Sun Yi, a Falun Gong practitioner who survived imprisonment in the notorious Chinese labor camp Masanjia. Falun Gong is a spiritual practice that has been brutally persecuted by the CCP for more than two decades.

While he was detained, Sun snuck an SOS letter into a Halloween decoration for export. It was later found by an American woman in 2012. He filmed a documentary with undercover footage detailing his experiences and escaped to Indonesia.

In 2017, Sun died of sudden kidney failure. His family said Sun never had kidney problems, and the hospital didn't give concrete details of his death and rushed to have his body cremated. No autopsy was performed. These circumstances have caused Sun's supporters to suspect foul play.

## US-CHINA

## US Heading Toward New Cold War With Chinese Regime Amid Beijing's Rising Aggression: Experts

J.M. PHELPS

There is a strong case that a new cold war is brewing between the United States on one side, and China with Russia on the other, according to a retired U.S. Army Lt. Colonel.

Having served as a "Cold Warrior" during the last decades of geopolitical tension between the United States and the former Soviet Union, Robert Maginnis said that today's adversarial, power-grabbing nature of the Chinese regime and its alliance with Russia remind him of what he witnessed first-hand with the rise of the Soviet Union.

"I have seen this before and now I'm seeing it again," he told The Epoch Times.

Analysts have been making this comparison since the latter stage of the Trump administration when the United States started taking increasingly tougher actions to combat a range of threats posed by the Chinese communist regime.

The Biden administration has broadly continued to confront the regime over its aggressions, placing an emphasis on building alliances to present a unified front in countering Beijing. In September, the United States, Britain, and Australia launched a new security partnership, known as "AUKUS," focusing on the Indo-Pacific, a move widely viewed as an effort to target the regime's military assertiveness in the region.

U.N. Secretary-General Antonio Guterres recently suggested the United States and Chinese regime mend their "completely dysfunctional" relationship, warning of the alternative of a potential new cold war. In response, White House press secretary Jen Psaki affirmed that the United States was not looking for a cold war with Beijing, and characterized the relationship as "not one of conflict, but of competition."

Rep. Mike Gallagher (R-Wis.) disagreed, contending that the United States "is in the early stages of a new cold war with China."



A military personnel guides a People's Liberation Army Air Force J-10 at the 13th China International Aviation and Aerospace Exhibition in Zhuhai, in southern China's Guangdong Province on Sept. 28, 2021.

## Sideline Europe

With regard to the AUKUS partnership that saw the United States and the UK support Australia's acquisition of nuclear-powered submarines, Maginnis said, "an alliance with the Aussies is not particularly surprising." He considers Australia to be "a solid ally" in the southern Pacific with a "very good foothold through the region."

The deal drew anger from France, which ended up losing out on an earlier agreement signed in 2016 to provide Australia with submarines. There were ongoing concerns about delays, cost overruns, and major questions about whether the submarine would meet Australia's defense requirements, which had been publicly debated for years.

Nevertheless, the diplomatic fallout has caused some analysts to suggest a widening rift between Anglophone countries and Europe in their approach to China.

Dan Steiner, a retired U.S. Air Force colonel and global strategist, said there appears to be a "lack of vision" inside the Biden administration with regard to foreign policy, but added the AUKUS partnership could be a small indication of what's to come.

Maginnis and Steiner agreed that there are similarities between the North Atlantic Treaty Organization (NATO) and what the United States is forming under AUKUS. Maginnis pointed out, "NATO was a very concerted, synchronized effort to challenge the Soviet Union's expansion into the rest of Europe." Both retired military officers said AUKUS is the beginning of the United States trying to form a "NATO version in Asia" to counter the Chinese regime.

Shortly after the launch of AUKUS, President Joe Biden hosted a summit in Washington with leaders from Japan, India, and Australia. The Quadrilateral Security Dialogue, also known as the Quad, similarly seeks to address the Chinese regime's growing military and economic might in the Indo-Pacific region, analysts say.

Between AUKUS and the Quad, Steiner said the Chinese Communist Party (CCP) can make a good argument that the United States is abandoning Europe unlike in the days of old.

"The Chinese regime is able to say the AUKUS deal and Quad meeting are just indicative that the U.S. doesn't care about Europe or NATO anymore," Steiner said.

Accordingly, the Chinese regime will leverage the fracture that has taken place between the United States and France to suit their agenda, he said. "They are telling the world, you can't trust the United States, and they're going to continue to push the story that the U.S. is shifting away from Europe."

To Steiner, it is clear that the United States is attempting to realign itself

with partners that are more capable of dealing with the CCP.

## Barriers to the New Alliance

Steiner said there are barriers to forming such an alliance, suggesting "the CCP realizes that many of the nations the U.S. would attempt to form an alliance with are already addicted to China's economic spider trap."

### It's going to be far more difficult to form an Asian version of NATO than it was to form NATO at the end of World War II.

Dan Steiner, a retired U.S. Air Force colonel and global strategist

The regime has its "tentacles in most of the nations" that the United States would try to align with in Asia, and these include Indonesia, Japan, South Korea, and Vietnam, according to Steiner.

In contrast, he said, the countries that originally joined NATO in 1949 had no financial or economic ties to the Soviet Union.

"It's going to be far more difficult to form an Asian version of NATO than it was to form NATO at the end of World War II," he said.

## An 'Explosive' Regime

To Maginnis, the burgeoning alliances are "ganging up against an explosive Chinese military" in recognition of the growing threat posed by the CCP.

"The Chinese regime considers the United States their enemy, [adding that] the military posture of both the Chinese and the Russians is exploding around the world," he said.

The CCP is coming close to the point of being able to challenge the United States in the nuclear sphere, Maginnis said, pointing to mid-year reports about the construction of nearly 120 new missile silos near the northwestern city of Yumen, and another 110 silos in the far western Xinjiang region.

As the threat from the CCP builds, Maginnis said the alliance relationship between the Chinese regime and Russia also becomes a growing concern, heightening the prospect of a new cold war. Their first joint naval drill occurred in 2017, and more recently, he said, "China and Russia are also aligning their positions in Afghanistan."

The Chinese regime is expanding its influence all over the world, Maginnis said. "It's unlike anything seen in the past."

J.M. Phelps is a writer and a researcher on Islamist and Chinese threats.

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Chinese investors sit in front of a screen showing stock market movements at a securities firm in Hangzhou, China, on May 31, 2016.

OPINION

# Variable Interest Entities: China's Trillion Dollar Shell Game

US investors stand to lose everything

ANTONIO GRACEFFO



U.S. investors have trillions of dollars invested in Chinese variable interest entities (VIEs) without knowing it. These are illegal contracts under Chinese law and could be shut down by Chinese regulators at any time.

When U.S. investors buy shares of Chinese companies, particularly internet companies, on NYSE and NASDAQ, they generally do not own shares in the actual company. They own shares in Cayman Island shell companies that have no employees and no buildings—an entity whose only assets consist of contracts with the real company, which is privately held back in China.

The Chinese Communist Party (CCP) restricts foreign investment in certain sectors such as education and e-commerce, the internet, and certain technologies; while others are completely off-limits such as nuclear weapons. China does not allow foreign companies to operate an internet company. They would need to have an internet providers license, which will not be given to companies that have foreign investment. A way for Chinese internet companies to circumvent this rule and obtain U.S. investment is to use a variable interest entity.

In the United States, VIEs are often formed as special purpose vehicles (SPVs) to hold financial assets and to keep securitized assets off corporate balance sheets. Investors do not participate in the profits and losses of the entity, neither do they have voting rights. Under U.S. law, public companies must disclose their relationship to VIEs.

Using a VIE, a company can control another company through contracts, rather than through ownership. The company is

Enron used special purpose entities to borrow money and keep the debt off of the Enron balance sheets. In China, VIEs are used in the opposite way.

allowed to consolidate the operations of the VIE with the parent company as if it were a wholly owned subsidiary and include its results in its financial statements. However, in spite of the fact that they appear on the company's balance sheet, the company does not own the assets or even the revenues of the entity.

A private technology company in China can obtain a government internet license. It can then set up a Cayman Islands company, which foreigners can invest in. The private company then signs contracts with the public company, transferring control of the VIE over to the public company. So the public company, which is invested by foreigners, would have contractual control of the technology and the internet license in China. But technically, those assets would still be owned by the private company in China, not the public company. The public company, where the foreigners invested, would own nothing.

Enron used special purpose entities to borrow money and keep the debt off of the Enron balance sheets. In China, VIEs are used in the opposite way. In China, the VIE rules have been created to help companies put assets on their balance sheet, even when they do not own them.

VIEs cause problems for investors. If the owner of the VIE decides not to follow the contract, the public company has to take them to court. But these contracts are in China and the Chinese courts have ruled at times that VIE contracts are illegal and unenforceable. This means that the shareholders could lose all their value.

In 2011, Jack Ma took Alipay out of the Alibaba Group. The group was largely owned by Yahoo and Softbank, and Alipay was taken out for fear that the Chinese regime would prohibit foreign investors from owning a third-party payment processor. Yahoo did not even find out that Ma had moved

Alipay out of the company until after the fact, even though Yahoo believed it had ownership. Investors were given pennies on the dollar as compensation. Later, the Alipay/Ant Group's IPO was blocked by Chinese regulators, showing the risks associated with investing in VIEs.

Many of the Chinese companies listed abroad are owned through VIE structures, including DiDi, JD.com, Alibaba, and Tencent. Ironically, internet companies are some of the most popular among foreign investors, but are also one of the most restricted sectors for foreign investment. It would be illegal for Tencent, for example, to sell any of its shares to foreign investors. In order to take advantage of U.S. capital markets, Chinese technology companies create VIEs. Shares of the public company are sold in the United States, but investors do not understand that they do not own the company they believe they do. Instead, they have bought shares of a foreign company that has a contractual relationship with the internet company they are interested in.

Since VIEs are technically illegal in China, U.S. investors run the risk of arbitrary enforcement of the law. When this happens, VIE investors could wind up with nothing or a small fraction of their money returned. Two high-profile examples of foreign investors trying to get a Chinese court to enforce the VIE contracts are Mingsheng Bank and Gigamedia. In both cases, they failed.

In recent weeks, as Beijing has cracked down on the for-profit education sector and the tech sector, it has also cracked down on the VIE market, wiping billions of dollars off the value of Chinese stocks listed on overseas exchanges. Ending the VIE arrangement altogether could result in trillions in losses for U.S. investors.

U.S. regulators are finally waking up to the threat of Chinese VIEs. Gary Gensler, the chairman of the U.S. Securities and Exchange Commission (SEC), has announced new disclosure rules, requiring Chinese companies to be clearer with U.S. investors regarding which assets they actually own and which they do not. Among other disclosures, the SEC will require Chinese companies to disclose "whether the operating company and the issuer, when applicable, received or were denied permission from Chinese authorities to list on U.S. exchanges."

Views expressed in this article are the opinions of the author and do not necessarily reflect the views of The Epoch Times.

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An Alibaba employee walks through a room at the company headquarters in Hangzhou, China, on June 20, 2015.



PETER PARKS/AFP/GETTY IMAGES

OPINION

# A New Way to Defend Taiwan

STEPHEN BRYEN & SHOSHANA BRYEN

Would the United States win the battle to save Taiwan from China? Not according to a series of Pentagon simulations and war games. In an effort to figure out what would happen should U.S. forces come to the defense of Taiwan, the Pentagon has determined that the U.S. might be defeated and certainly would suffer heavy losses of personnel and equipment.

Among military strategists, there is even debate about whether American aircraft carriers, generally thought to be critical for the relief of Taiwan, are vulnerable today to Chinese missiles and could be destroyed from long distances—perhaps as far as 1,000 miles or more. It wasn't always this way.

In 1996, China conducted a massive missile "exercise" and began to mass troops, suggesting that the "exercise" was a cover for an invasion of Taiwan.

Stephen Bryen was in Taipei along with R. James Woolsey, former head of the Central Intelligence Agency early in the Clinton administration, and Admiral Leon "Bud" Edney, who only four years before had been vice chief of U.S. Naval Operations. They felt the fear and anxiety rapidly spreading on the island.

They wondered what Washington was doing, and the three of them hit the phones to push the Pentagon and the White House to act. Up to that point, President Bill Clinton, along with the National Security Council, had been unwilling to respond mostly because they were all about improving ties with China and enlarging mutually advantageous trade. As the danger grew and loomed, and the situation was approaching a dire point, Clinton finally sent in two carrier task forces.

With the carriers steaming toward Taiwan, the Chinese backed down. While we don't know everything, it is likely that the Chinese estimated that in a confrontation with the United States, and especially with the fighter planes on our carriers, an invasion would fail. In any case, to get their troops onto Taiwan, China did not then have the landing craft they needed, leaving them to rely on commercial ships that could fairly easily be sunk by U.S. aircraft.

But from that situation, China understood that to take over Taiwan it needed to significantly improve its navy and air force, acquire defensible landing vessels, and find a way to kill the American aircraft carriers. China has had 25 years to fix these problems and has done so by building very modern fighter planes (including the stealthy J-20) and nuclear bombers, landing ships such as the Type 075 Yushen Class large deck amphibious ships that can carry troops, helicopters, and armored vehicles, and carrier killer missiles.

In the carrier killer category is the Dong Feng (East Wind) DF-21D, a two stage solid fuel anti-ship missile with a range of 900 miles or more. This ship can be guided to its target by satellites and by drones. It is said to have a maneuverable reentry vehicle (warhead) making it difficult to defeat. Future versions of the DF-21D may also have multiple independently targeted warheads (MIRVs), adding to the DF-21Ds lethality and making

Appeasement will, in the end lead to world war; it is impossible to believe that China would be satisfied just swallowing Taiwan.

Instead of relying on far off carriers and waiting for the Chinese to create an incident or provocation to trigger a conflict, we need to take steps to change the game now by reinforcing Taiwan. The best and fastest way would be to create a single Taiwan Military Command that includes Japan, the United States, and Taiwan. There is no coordination command mechanism today with Taiwan or Japan.

it even more difficult to kill.

The United States is deploying AEGIS cruisers and new types of interceptor missiles such as the SM-3 (RIM-161 Standard Missile 3) and SM-6 (RIM-174 Standard Extended Range Active Missile), and the AEGIS radars have been improved. These newer systems are usually included with carrier task forces and may be able to stop a DF-21D attack, but whether it can stop a swarming DF-21D attack is unclear.

China is preparing on the one hand and watching the United States on the other. It isn't clear at what point, using what strategies, China would reach the conclusion it could successfully attack U.S. aircraft carriers. Unfortunately, the same is true on the American side: it isn't clear that the United States could stop a Chinese anti-carrier missile attack and we won't really know until it happens.

But even if the carriers could get through, the Chinese Air Force is far more capable than it was 25 years ago. China is working to improve its stealth capabilities and match the American F-22 even more than the F-35, which is more of a tactical aircraft and is less stealthy than the F-22.

Unlike the United States, China is not a democratic country with a free press and free social media. If Chinese planners are willing to lose 400 aircraft and dozens of ships in what they believe will be a successful mission to defeat the United States, that will be part of their calculus.

But when the president asks Pentagon planners what to expect if we came to support Taiwan, he will get some bad news that could cause serious domestic pushback. He may be told a carrier could go down, or we could lose 50 to 75 fighter aircraft. This means the president has to consider the possibility of a public response to thousands of casualties and billions in lost hardware.

Much depends on the courage, political and moral, of the president. But the instinct in Washington would likely be an urgent attempt to push Taiwan into a negotiation with China that would end with Taiwan becoming Chinese. In effect, surrendering. That would get the United States off the hook but would be a dire warning to our friends in Asia that the sky was indeed falling and there was no hope or help to be had from the Americans.

Unless another formula is found. Appeasement will, in the end lead to world war; it is impossible to believe that China would be satisfied just swallowing Taiwan. It should not be forgotten that China has an insatiable anger about Japan and what Japanese forces did to China in the 1930's and 1940's—the millions who were slaughtered, and the use of germ and chemical warfare by Japan against civilians, mainly Chinese.

The 1937-38 Rape of Nanjing/Nanking or the Nanjing Massacre, which may have awarded the Defense Department's highest civilian honor, the Distinguished Public Service Medal. His most recent book is "Technology Security and National Power: Winners and Losers."

Allies in the Pacific can prevent this only with an entirely new strategy to deter China from attacking Taiwan. Instead of relying on far off carriers and waiting for the Chinese to create an incident or provocation to trigger a conflict, we need to take steps to change the game now by reinforcing Taiwan.

The best and fastest way would be to create a single Taiwan Military Command that includes Japan, the United States, and Taiwan. There is no coordination command mechanism today with Taiwan or Japan. The current American approach—to do it ourselves—is not viable. Japan has F-35s and F-15s, a small but good navy, and excellent submarines. Taiwan has modernized F-16's and CK-F-1 home built fighters. All of these have to be used to block China, but they need to operate in a coordinated manner. For example, we must coordinate Identification Friend or Foe (IFF) assets so we can operate efficiently against the enemy and not kill each other.

A single command structure would let China know it has a significantly larger problem on its hands than just Taiwan, and that the United States and Japan and Taiwan have access and support from multiple bases on Taiwan, on Okinawa, and in Japan. With that sort of challenge, China cannot hope to isolate Taiwan and frighten away the Americans.

In addition, in a conflict, the air and naval bases, particularly in Japan and Okinawa (including American, Japanese, and Joint bases) should be available to Taiwan's Air Force and Navy. This changes the game in two ways: Taiwan could operate from bases outside the island, meaning that Chinese attacks directed at Taiwan will not ensure a Chinese victory, and China would be confronted with threats from multiple bases and significant coordinated air and naval assets of the allies.

With a multi-base and support system to confront China and a common command, China's strategy crumbles.

The Pentagon should run new simulations with a single military command and multiple bases mutually supporting the effort to block a Chinese invasion of Taiwan. Given the potential game-changing nature suggested here, China would understand that it is contained, much as NATO successfully contained the USSR from 1949 until its collapse in 1991.

The current administration needs to turn around its policy approach of global retreat and appeasement, which will ultimately lead to war, and adopt a new strategy to deal with China before it is too late.

Views expressed in this article are the opinions of the author and do not necessarily reflect the views of The Epoch Times.

Dr. Stephen Bryen is regarded as a thought leader on technology security policy, twice being awarded the Defense Department's highest civilian honor, the Distinguished Public Service Medal. His most recent book is "Technology Security and National Power: Winners and Losers."

Shoshana Bryen is senior director of the Jewish Policy Center in Washington, D.C.

LT. STEVE SMITH/U.S. NAVY VIA GETTY IMAGES



## OPINION

## China's Global Influence War: French Military Exposé

ANDERS CORR

Beijing's global influence operations, including election interference, has been revealed by a new French military study that leaves the peak targets untouched.

A new study of China's global influence operations by France's Ministry of Armed Forces demonstrates that Beijing is making a Machiavellian turn toward seeking to inspire fear in the world, rather than solicit its amour. In Beijing's influence operations, the authors argue, the Chinese Communist Party (CCP) is consciously using influence tactics that it obtained by observing similar tactics used by Russia.

The study is excellent, but focuses too much on petty forms of influence. It treats with kid gloves the most important targets of Beijing's influence operations—the current political and economic elites of Washington, London, Brussels, Berlin, Tokyo, New Delhi, and, you guessed it, Paris.

In the most comprehensive study of its kind, the authors boldly construct a taxonomy of CCP influence operations, including propaganda, lawfare, espionage, and organizational influence tactics. They cover some of the most controversial topics in the field of Chinese politics, including Beijing's foreign election interference, the capture of foreign elites through trade relations, the CCP's persecution of the Falun Gong, and the CCP's attempt to control narratives about global organ trafficking, even as the Party engages in forced organ harvesting from China's prisoners of conscience. But the study leaves Beijing's most important influence operation out of its taxonomy: the capture of foreign elites through bribery of various kinds.

**The authors boldly construct a taxonomy of CCP influence operations, including propaganda, lawfare, espionage, and organizational influence tactics.**

The 641-page report titled, "Chinese Influence Operations: A Machiavellian Moment," was authored by Dr. Paul Charon and Dr. Jean-Baptiste Jeangène Vilmer at the Institute for Strategic Research (IRSEM), a prestigious French military school. The IRSEM made the report public on Sept. 20. Vilmer has been the director of the IRSEM since 2016. Over 50 researchers contributed to the report, which took two years to complete.

The taxonomy of the CCP's propaganda war is divided into "concepts, actors, and actions," with concepts including propaganda, espionage, lawfare, and organizational influence; actors being the Party, state, military, and industry; and actions being seduction, subjugation, infiltration, and coercion.

These latter two topics get the most attention, and compose a chapter titled "Infiltrer et Contraindre." Contraindre can be translated in multiple ways, including to compel, force, constrain, and coerce. The chapter is organized according to targets and means, including the Chinese diaspora, the media, diplomacy, the economy, politics, education, think tanks, culture, and the internet.

The report also includes case studies on Taiwan, Hong Kong, Singapore, Sweden, Canada, and "Operation Infection 2.0" during the COVID-19 Pandemic, in which the CCP promotes disinformation alleging that the virus originated in the United States.

However, the entire topic of economic influence only merits eight pages under its own heading, buried deep in the study. The \$1.3 million bribery of U.N. General Assembly President John Ashe, who later died under suspicious circumstances, merits a single sentence in the study. Hunter Biden is nowhere to be found.

But discovery of the identity of Larry Romanoff, an almost unknown Canadian immigrant to Shanghai who the CCP apparently hired as a two-bit propagandist, gets seven pages and is highlighted proudly in the introduction as an original contribution. One could argue that the French military is not seeing the forest for the trees.

That said, the authors' original research exceeds the work of prior analysis in some important ways, including the Chinese military's 311 psychological warfare and lawfare group, the influence operations of the Chinese Communist Youth League, and the CCP-influenced ecosystem of think tanks and publishers in France. The authors utilize extensive Chinese-language sources for their original research.

The report is getting some press, especially in France, that will hopefully overturn, and wake up, a dangerously sleepy public français. It has received purely positive media coverage, to my knowledge, including in CNBC, The Canadian, France's RFI, FranceInfo, Le Parisien, and the country's iconic left-ist newspaper, Libération. Singapore's Straits Times and South Asia's ANI also applauded the new study. The Epoch Times has published four articles on the report, including one in the Chinese language, all of which are supportive.

Several China experts, with whom I communicated, argued that the study is both provocative and accurate. "How Soviet the Chinese approach is is intriguing," wrote David Cowhig in an electronic communication. "While I assumed that some of it was, given the long KMT/Communist Party/Comintern association with [the] USSR from the Mikhail Borodin days in the 1920s, this does make it clearer," he wrote. "Perhaps the collapse of the USSR made it easier to see some things more clearly in the Soviet elder brother worth imitating and [thus] patch things up with the Russians?"

Cowhig is a former U.S. State Department official who has extensive experience in both China and Russia.

Sam Cooper, a Canadian expert on China's influence operations, responded positively to the report's case study on Canada. "The findings of this extensive French study regarding United Front interference in Canada's democracy are accurate, and very timely. My own research has found what look like high-level state actors in Vancouver WeChat and United Front groups escalated brazen interference in B.C.'s [British Columbia's] 2018 municipal elections, and in the recent federal election, some of the primary actors have celebrated swinging a Richmond riding against the Conservative Party and incumbent MP Kenny Chiu."

The Straits Times positively covered



French President Emmanuel Macron welcomes his Chinese counterpart Xi Jinping at the Elysee Palace in Paris on March 25, 2019. Chinese leader Xi Jinping is on a three-day state visit in France where he is expected to sign a series of bilateral and economic deals on energy, the food industry, transport and other sectors.

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the report's Singapore case study, identifying Beijing's talking points for the country as a mix of racism and realism—for example, Singapore is "Chinese" and part of "Greater China," to which Singaporeans should be loyal.

The report comes at an optimal time for Singapore, which is considering government-proposed legislation against foreign interference, including through propaganda and local proxies.

Beijing has thus far reserved comment, though its embassy in France criticized the report on Sept. 22 as a "stigmatization operation."

The French study is important in that it evidences a growing international concern over China's illiberal influence that the CCP typically seeks to portray as the solely associated with a supposed anti-China agenda in Washington. In fact, as the report demonstrates, the concern over authoritarian influence operations is international and increasingly urgent.

The authors, therefore, have no excuse for leaving elite capture out of their taxonomy, as they describe the basic ideas and principles of the issue of elite capture in their examples and case studies, including influence imposed upon heads of state and ministers in France, Germany, Britain, Australia, Estonia, Taiwan, and at the United Nations. They also discuss CCP influence of CEOs inside and outside of China, including through the regulation of market access and through the insertion of Party cells into corporations.

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The authors themselves admit that this kind of boorish propaganda is counterproductive to Beijing's aims. But their selective focus on the counterproductive elements of Beijing's influence operations, rather than its highly successful elite capture and economic influence, unfortunately becomes a soporific background noise because if China's influence operations are truly counterproductive, the public can yawn, roll over, and go back to sleep.

One of the authors' more controversial assertions is that Beijing is engaged in global election "interference," rather than just "influence." Much is made in academic circles of the difference

between election influence and election interference, with the assumption that open influence is not as harmful to democracy as covert interference.

The authors posit a continuum of "benign" influence in the form of public diplomacy, to the malign influence of clandestine interference. But in the case of election contests, a vote is a vote, however Beijing acquires it, and when it uses taxes from Chinese citizens who have no say in how their taxes are spent, and spends that tax money abroad on an electoral outcome, the result is similarly illiberal.

That said, the new French study rightly tends to use the stronger term interference. Influencing voters influences how they vote, which is, after all, an "interference" in the result of an election. The public diplomacy of a totalitarian power, like the CCP, should not be described as benign in the same manner as the public diplomacy of a democracy like France, Germany, or the United States.

The authors also controversially claim that the CCP's election interference particularly targets Chinese-ethnicity populations in democratic countries. Given increasing legitimate concerns about anti-Asian racism and the use of these concerns by the CCP for its own illiberal purposes, the authors reasonably predict that Beijing's apologists will opportunistically accuse their analysis of racism. They rightly stress at the very beginning of the report that they are not against China or Chinese people.

It always bears repeating that the Chinese that the CCP targets with interference are the victims of the CCP. Those who point out this victimization are then added, through additional propaganda, to the CCP's victim list.

The authors' discussion of Beijing's global election interference addresses the issue in Australia, Cambodia, Hong Kong, Indonesia, Malaysia, Taiwan, Canada, and the United States, among other countries. Their point that election interference is most evident in constituencies that are "les plus 'sinicisées'" (the most Chinese) is a particularly French perspective, though it can also be found in Australia and Canada.

Charon argued in an email that "the Chinese diaspora in France is the largest in Europe, slightly larger than in the United Kingdom, but still behind those in the United States and Canada. Another reason for the relatively low level of [clandestine influence] operations in France is that the country has long been perceived by the Chinese as a soft target, in other words, one that is easy to break."

The CCP deploys its resources according to other metrics as well, and does not only try to influence the Chinese diaspora

in an attempt at election interference, he wrote, noting that the CCP's deployment of resources among the Chinese diaspora "is not always done in order to instrumentalise the diaspora, but mainly to protect against what the party calls 'cultural infiltration,' in other words, the import of liberal ideas into China."

To my argument that elite capture and economic influence should have appeared more prominently in the taxonomy and analysis, Vilmer provided a quick response, including that these issues were relatively obvious, having been adequately addressed elsewhere. But I haven't seen much attempt to connect President Emmanuel Macron's personal interests, as well as those of his elite supporters, whether financial or political, to his lack of a real China policy.

The authors of the report argue that, conversely, France's resistance to China's compellence has become so effective of late, that Beijing has had to resort to more underhanded forms of influence.

"In France and until recently, the economic lever was enough," Vilmer wrote in an email. "See the example we give ... of President Sarkozy in 2008-9: first conditioning his participation in the opening ceremony of the Olympic games to a resumption of dialogue [between] Beijing and Tibetans (and announcing that he would meet the Dalai Lama), he finally renounced after the CCP deployed an arsenal of political and economic threats. For a long time, France was seen as a soft target: applying economic pressure was enough to make us give in, so there was literally no need for more complex/clandestine influence ops. Since 2019-2020, it is changing. This is what we call 'The French awakening' in the conclusion. ... French awareness is growing (as this report itself shows)."

Let's hope that when France wakes up, if it wakes up after this anodyne study, that it does a better job of joining with truly focused U.S. allies, like Britain and Australia, in decisively defeating the CCP.

*Views expressed in this article are the opinions of the author and do not necessarily reflect the views of The Epoch Times.*

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## OPINION

## China's Control Over 'Algorithms'

FAN YU

Cue the references to a "Matrix"-like dystopian future where Chinese citizens are trapped in a simulated reality managed by state-controlled computer algorithms.

It's not too far-fetched to imagine. The Cyberspace Administration of China (CAC), the country's cyberspace watchdog, announced recently that it would set up governance and rules to tighten its grip on algorithms that companies use to interact with its users.

Algorithms are widely deployed, used by companies to interact with users on a daily basis. Think of them as the engine that drives our internet search results, restaurant recommendations based on our location and taste preferences, show and movie recommendations based on our viewing history, the route our GPS app takes us on based on traffic and other patterns, etc. We depend on various algorithms, whether we realize it or not. And today—when every company needs to be a technology company—investments in algorithms, artificial intelligence, and machine learning are increasingly mandatory.

For Chinese consumers, that all translates to what videos they see on Douyin (China's version of TikTok), what recommendations they see on Alibaba's Taobao shopping platform, dispatch decisions on platforms such as logistics apps Didi and Meituan, and the topics trending on Weibo (China's Twitter-like application), for example.

It's unclear how the Chinese Communist Party (CCP) intends to regulate the algorithms underpinning such technologies. But a few general guidelines have been laid out.

"A multi-pronged regulatory approach should be established to monitor algorithm safety, archive, and illegal behavior," according to the CAC's statement in Chinese, while emphasizing that technology innovation should be preserved.

The announcement, which said the guidance would take around three years to roll out, comes a month after the CAC released a set of draft guidelines on how algorithms should behave.

Some of this may stem from legitimate concerns around certain tech companies using algorithms to manipulate results or rankings, and fabricate the popularity of certain topics over others, or make them more addictive to users. The CAC is careful to state that such regulations would "benefit consumers and online users."

One particular provision will be far-reaching in its impact. It says technology algorithms must promote mainstream values (read: CCP-approved), and requires that algorithmic models demote (read: eliminate) content that may upset the economic or social order.

Similar to rules placed on China's

populace, its technology algorithms must also be censored, loyal to the CCP, and must abide by the all-important "Xi Jinping Thought on Socialism with Chinese Characteristics."

If this seems like an excessive overreach, then one hasn't been paying attention. In recent months, Chinese leader Xi Jinping has started campaigns to remold Chinese society and its future development, in everything from childhood education to video games to worker rights. And regulations to control how computer algorithms interact with human users necessarily need to be part of that effort.

We know Xi has ambitions to control or influence the global internet, given its strategic importance in shaping social and political discourse. And it's easy to see how this recent development fits within that framework. Computer code becomes a form of costless labor force multiplier in the CCP's quest to influence and police one's thoughts.

**Similar to rules placed on China's populace, its technology algorithms must also be censored, loyal to the CCP, and must abide by the all-important 'Xi Jinping Thought on Socialism with Chinese Characteristics.'**

From an economic perspective, especially for U.S. investors who hold positions in Chinese technology companies increasingly subject to these state control mechanisms, the calculus gets even more convoluted. Companies such as Didi and Alibaba are listed on the U.S. stock market, and millions of Americans hold their shares either directly or indirectly via mutual funds or ETFs. U.S. pensions—through venture capital and private equity—are also shareholders in firms such as TikTok's parent company ByteDance.

In addition to perusing earnings reports and keeping up with the income statement and balance sheets of these companies, shareholders also must be aware of governance issues and increasing CCP control over corporate management. Shareholders must necessarily accept that the companies they "own" will be subject to follow Xi's future agenda.

The question then becomes, should U.S. investors be complicit in this?

*Views expressed in this article are the opinions of the author and do not necessarily reflect the views of The Epoch Times.*

*Fan Yu is an expert in finance and economics and has contributed analyses on China's economy since 2015.*



Chinese leader Xi Jinping shakes hands with then U.S. Vice President Joe Biden inside the Great Hall of the People in Beijing on Dec. 4, 2013.



Journalists walk past a screen showing video footage of Chinese leader Xi Jinping, during a visit to the Museum of the Communist Party of China in Beijing on June 25, 2021.



TRUTH *and* TRADITION

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