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CHINA INSIDER

A NEW WORLD ORDER

CHINA'S AIMS TO
DIPLACE THE US AS
HEGEMON—AT ANY
COST

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CCP THREAT

Beijing Steps Up Aggression as It Seeks to Lead 'New World Order'

Chinese leader Xi Jinping has directed the Chinese military to strengthen its unprecedented military modernization program to pursue the Party's ambition for global dominance.



Chinese Communist Party seeks nothing less than to dominate the United States

ANDREW THORNEBROOKE

The Chinese Communist Party (CCP) seeks to destroy the international system and rebuild it in its own image. To many Americans, that may sound far-fetched, but it's precisely what CCP officials and strategy call for.

To international audiences, the CCP has repeatedly declared that its foreign policy goals are grounded in principles such as "universality," "constructive dialogue," and "win-win cooperation."

Yet such language is smoke and mirrors, analysts say, and belies concrete actions by the regime to grow its military and economic might around the world.

In the words of the congressionally mandated "2021 China Power Report" by the Pentagon, the CCP's grand strategy is aimed at achieving "the great rejuvenation of the Chinese nation" by 2049. This means, it says, matching or surpassing the United States in global influence and power, displacing U.S. partners in the region, and revising the international order to be "more advantageous to Beijing's authoritarian system and national interests."

Dismantle and Rebuild

Despite talk of win-win scenarios abroad, Chinese leader Xi Jinping delivers more grim depictions of his vision for the future when at home, away from the glare of the international limelight. Within the internal proceedings of the regime, he issues opaque calls for the CCP to reform global governance and lead the international order.

In a 2018 speech, Xi said the CCP must "lead the reform of the global governance system." In another speech in 2021, he said that "a more just and equitable international order must be heeded," and led by China.

Likewise, the paper of the CCP's Central Party School issued an article in 2016, shortly after Xi's military reforms, that declared it was "only a matter of time" before

the CCP was among those "leading the new world order."

At a closed-door CCP meeting in November, called the Sixth Plenum, Xi led the Party in issuing a "communiqué" that re-wrote parts of China's modern history and outlined the Party's goals for the future.

In it, the CCP championed its own form of Maoist communism, referred to as "socialism with Chinese characteristics," as a "new model for human advancement." It further demanded that Marxist ideology be proselytized across the world as the sole political philosophy "not only capable of dismantling the old world, but also of building a new one."

"We must use Marxist positions, viewpoints, and methods to observe, understand, and steer the trends of the times, and constantly deepen our understanding of the laws underlying governance by a communist party, the building of socialism, and the development of human society," the communiqué reads.

The rapidity with which the People's Republic of China (PRC) has transformed itself from a wholly impoverished agricultural nation into the world's second-largest economy has been hard for some to grasp.

Indeed, the idea that communist China is a real adversary, much less one aimed to dethrone and usurp America's role in global leadership seemed a foreign concept to many just two years ago.

President Joe Biden, for example, dismissed the notion in 2019 that China could seriously compete with the United States. "They're not competition for us," Biden said after announcing his campaign for presidency.

[Xi] firmly believes that China, before the year '30, '35, is going to own America because autocracies can make quick decisions.

President Joe Biden

By May 2021, however, the president had changed his tune, saying at a press conference that a "battle between democracies and autocracies" was afoot, and warned that the CCP was seeking nothing less than to dominate the United States.

"[Xi] firmly believes that China, before the year '30, '35, is going to own America

because autocracies can make quick decisions," Biden said.

That concerted effort to dismantle U.S. influence abroad, and own it, is the platform the CCP has coalesced around. In addition, Beijing is quickly building the military necessary to seize and hold that objective by force.

A Modern Military

The regime's military, the People's Liberation Army (PLA), is undergoing an unprecedented program of growth and modernization in order to pursue the Party's ambition for global dominance.

Xi directed the military in 2020 to be ready for conflicts spanning the whole region and, according to Chinese state-owned media Xinhua, emphasized that the Party must maintain absolute leadership over the army at all times.

The PLA must "put all minds and energy on preparing for war," Xi said.

Likewise, the Chinese leader said in July that those who would combat or oppress the PRC would have their "heads bashed bloody."

Such rhetoric might come across as mere machismo were it not for the fact that it was matched by equally aggressive strategic development.

"The average American is generally unaware of the military and diplomatic power that the PRC has achieved over the last two decades," said James Fanell, a fellow at the Geneva Center for Security Policy and former director of intelligence and information operations for the U.S. Pacific Fleet.

"Likewise, the average American is unaware of the PLA's unprecedented military modernization program and how today the PLA overmatches the U.S. military in naval, air, and rocket force power."

Referred to by Party leadership as an "all-out push" in military modernization, the PLA's expanding military capabilities include the development of hypersonic weapons, a rapidly expanding nuclear arsenal, and the world's largest navy, each aimed to confront and overcome a known weakness in U.S. defense policy and capabilities.

Xi has referred to the PLA's modernization program as "leapfrog development." This is development aimed to skip ahead to next-generation military technologies without having to waste resources to first match the United States' current arsenal.

The CCP's test of a hypersonic weapon in July, for example, reportedly tried out an orbital bombardment system that could be

capable of getting nuclear warheads around the U.S. early warning and missile defense systems, which were designed to protect against traditional ballistic weaponry.

Gen. John Hyten, the Pentagon's second-highest-ranking officer at the time, said the test looked like a first-use nuclear weapon, and denounced a "brutal" bureaucracy that hindered the U.S. military from developing a similar system a decade ago.

Fanell believed that the continued advancement of the CCP's impressive modernization program, and the equally impressive ignorance of said program in the West, was exacerbated by so-called China hands—people in academic institutions, think tanks, and government office who advance pro-China agendas or otherwise give cover to the CCP's political maneuvering.

"Just this week, a retired four-star admiral had the audacity to write that, while the PLAN was the largest navy in the world, they were of a 'far lower quality,'" Fanell said, referring to the PLA Navy.

"That simply is false. I have been aboard PLAN warships several times over the course of the past 20 years, and I can tell you that PLAN warships and sailors are indeed not of a 'far lower quality.'"

The criticism isn't new. Such was mentioned in the Heritage Foundation's annual report on U.S. military strength earlier this year, which noted the trend of American strategists to overstate the importance of U.S. aircraft carriers while downplaying the numerical and geographic advantages of Chinese naval forces.

"The impact from this statement and many, many others like it over the past 20 years has been to numb the American body politic from understanding the lethal threat that the PRC and PLA represent," Fanell said.

To that end, it's necessary to understand that the Chinese regime fashioned much of its current force structure with the sole purpose of ejecting the United States from the Indo-Pacific.

"The PLAN has been designed and built over the past 20 years to defeat the U.S. Navy in a war at sea, while the U.S. Department of Defense has been obsessed with conducting counter-terrorism operations in the Middle East," Fanell said.

"It must be stated that when it comes to the military domain, the U.S. is greatly behind the PLA, especially when it comes to war at sea. The PLAN is not only the largest navy on the planet today, but it has more anti-ship ballistic and cruise missiles than any other navy."

Fanell said that, at current levels, the

WANG ZHAO - POOL/GETTY IMAGES

in seizing Taiwan is ideological. Another, strategic.

"There's no doubt the CCP sees Taiwan's democratic model as a threat to its version of Marxism-Leninism," said Keith Krach, former U.S. undersecretary of state.

"The people of Taiwan share the same culture, customs, and language as their Chinese neighbors. They are a living, breathing proof that Chinese people don't have to subjugate their individual freedom and human rights to the will of a monstrous communist state in order to be successful."

Taiwan's democratic government goes against everything the CCP's Sixth Plenum Communiqué stood for. Its continued existence demonstrates the falsity of the claim that only socialism with Chinese characteristics is capable of addressing the unique historical realities of the Chinese state.

National rejuvenation, so central to the CCP's grand strategy, is impossible without unification.

Such a situation has rendered Xi desperate for a swift absorption of Taiwan by the mainland, according to Krach. And that desperation makes him dangerous.

"General Secretary Xi sees the annexation of Taiwan as a crowning jewel in his legacy," Krach said.

"That certainly makes the China-Taiwan tensions more combustible, especially since he's feeling the heat internally due to the energy crisis and his mishandling of the economy."

At the strategic level, the occupation of Taiwan would provide the CCP with the ability to project power beyond the so-called second island chain and threaten U.S. military bases and allied forces. This would effectively put all U.S. and allied forces in the region at risk from missile attacks.

Taiwan is part of the first island chain, a branch of major archipelagos that spreads from Indonesia past the Philippines and through Japan. Maintaining a presence through the first chain is necessary to project military power through the second, which is farther into the Pacific.

The CCP has long been aware of that strategic need for control of Taiwan.

According to a 2004 article by state-run media Global Times, taking over Taiwan would open up the eastern Pacific Ocean to the Chinese military and simultaneously erode the strategic barrier posed by the first island chain, which currently keeps its forces close to the mainland.

Taiwan is thus necessary to the CCP's struggle for global dominance, as both the ideological coherence of Chinese communism and the nation's military capacity to conduct war with the United States hinge upon it.

Perhaps for that reason, a recent editorial by the Global Times stated that the regime would "heavily attack US troops who come to Taiwan's rescue," and added that any weapons given to Taiwan by the United States must be destroyed.

Krach said: "After biding its time for decades, playing the victim, eliciting preferential treatment from the free world, General Secretary Xi decided it's time for China to seize the dominant role on the world stage."

"The CCP also understands Taiwan's strategic role as a trusted, high-tech powerhouse, especially as the world's premier semiconductor manufacturer," Krach said in reference to the fact that Taiwan is responsible for the production of some 63 percent of the world's semiconductors, which are vital to technologies ranging from pickup trucks to ballistic missiles—a capability coveted by Beijing.

"That's why controlling Taiwan is a strategic priority for the CCP, and it should be the

SAMIRA BOUAOU/THE EPOCH TIMES



James Fanell, former director of intelligence and information operations for the U.S. Pacific Fleet.

The [People's Liberation Army Navy] is not only the largest navy on the planet today, but it has more anti-ship ballistic and cruise missiles than any other navy.

James Fanell, fellow, Geneva Center for Security Policy

United States simply lacks the strength to maintain the status quo in the region. Fixing that weakness is imperative, he said, given the central role of Taiwan in the ongoing Sino-American struggles for global influence.

"Taiwan is the centerpiece of the CCP's goal of displacing the United States' global prominence and influence," Fanell said.

"The conquest of Taiwan is the centerpiece of the strategy for driving the U.S. out of the Indo-Pacific."

All Roads Lead to Taiwan

Taiwan is vital to Xi's vision for the future of a global communist China. The CCP initiated record numbers of incursions into the Taiwanese air defense identification zone throughout 2021 in an effort to rattle Taiwan's military and justify its claims that the island is part of its territory.

Xi vowed to achieve "reunification of the nation" during a speech in October, and called the island's continued de facto independence a "serious hidden danger to national rejuvenation."

Part of the reason for this desperation

STR/AFP VIA GETTY IMAGES



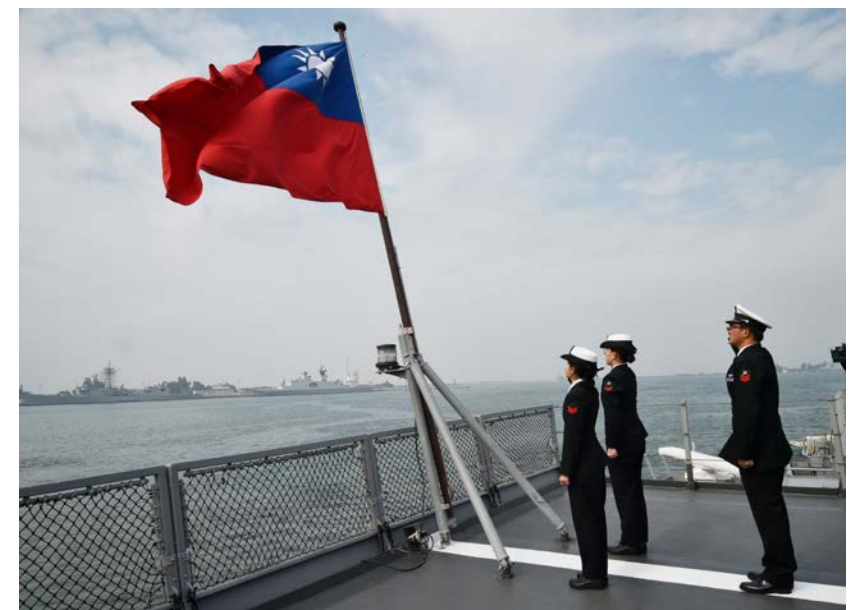
A Chinese navy formation during military drills in the South China Sea on Jan. 2, 2017. The People's Liberation Army Navy has been designed to defeat the U.S. Navy in a war-at-sea.

KEVIN FRAYER/GETTY IMAGES



The People's Liberation Army's expanding military capabilities are aimed at confronting and overcoming known weaknesses in U.S. defense policy and capabilities.

MANDY CHENG/AFP VIA GETTY IMAGES



A Chinese navy formation during military drills in the South China Sea on Jan. 2, 2017. The People's Liberation Army Navy has been designed to defeat the U.S. Navy in a war at sea.

free world's priority to defend Taiwan and make sure tomorrow's tech is trusted tech."

Hegemony

The CCP's grand strategy comes down to hegemony. Its ambition is to displace and replace the United States, and Xi has directed the military to strengthen its position toward this end.

"The CCP goals of global hegemony are real, not just propaganda," said Anders Corr, principal of advisory firm Corr Analytics and a contributor to The Epoch Times.

"They are moving forward with laws that have global extraterritorial effect, tied to aggressive extradition efforts, along with increasing influence, trending towards control, of UN and other international institutions and multinational corporations."

To that end, the CCP is pursuing a whole-of-nation strategy, leveraging its military, economy, and diplomatic apparatus against the United States.

That presents a danger to all Americans, according to Corr, as the CCP is almost certainly willing to go further in pursuing destructive conflict than the United

States is willing to.

"The CCP is more willing to risk war than we are, which it can use as a form of brinkmanship to force us into retreat," Corr said. "War in the nuclear age against a nuclear-armed enemy is almost unthinkable for citizens in democracies, which from Beijing's perspective is a weakness to be exploited."

The CCP's diplomatic apparatus says it wants peace and win-win scenarios. What it leaves out, however, is exactly what Xi holds to be necessary for the peace to begin.

Speaking on the anniversary of the Korean War in 2020, Xi said simply, "A victory is needed to win peace and respect."

It's victory, not comradery, that the CCP seeks now.

Frank Fang contributed to this report.

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SAM YEH/AFP VIA GETTY IMAGES



Taiwanese sailors secure a S-70C helicopter onto the deck of a Panshi supply ship, near the naval port in Kaohsiung on Jan. 27, 2016.

TECH COMPETITION

Chinese Researchers Built Hypersonic Aircraft Prototype Using Design Scrapped by NASA

FRANK DONG

Chinese researchers say that they've built a prototype hypersonic flight engine based on a NASA design that was scrapped more than two decades ago.

The development comes months after the Chinese regime tested a nuclear-capable hypersonic missile that reportedly took U.S. intelligence by surprise.

In a peer-reviewed paper published on Dec. 5 in China's Journal of Propulsion Technology, a Chinese research team said they had developed and tested a prototype hypersonic flight engine using a two-decade-old U.S. design.

The team, led by Tan Huijun, a professor at Nanjing University of Aeronautics and Astronautics in Jiangsu province, China, said in the paper that the design by NASA attracted much attention among Chinese researchers, since "understanding its work mechanism can provide important guidance to hypersonic plane and engine development."

The U.S. design was proposed by Ming Han Tang, a Chinese American, when he was the chief engineer of NASA's High-Speed Research Program from 1996 to 1999. Unlike most hypersonic aircraft designs that have one engine on their bellies, Tang proposed a Two-Stage Vehicle X-plane with two engines on each side of the aircraft.

The two engines operate as normal turbine jet engines when the plane travels at lower speeds, and they can quickly switch to high-speed mode to accelerate to a hypersonic speed—which, by definition, is at least five times faster than the speed of sound.

The NASA design was supposed to be verified by the Boeing Manta X-47C program. But due to the high cost and several technical issues, the program was terminated by the U.S. government in the early 2000s. Thus the effectiveness of Tang's design had remained an open question.

In 2011, the NASA design was declassified.

Now, 10 years after the declassification, Chinese researchers have announced that they've built and tested a prototype flying machine with two side-opening inlets, matching Tang's design. According to the paper, the team tested the prototype in March for several seconds in a wind tunnel, a large tube that can simulate flight conditions at super high speeds from Mach 4 to Mach 8. Hypersonic speeds start at Mach 5.

The test showed that Tang's dual-engine layout works, but isn't perfect, according to the paper. Computer simulation and experimental results sug-



An X-47B unmanned combat air system makes its very first carrier landing aboard the USS George H.W. Bush while afloat in the Atlantic Ocean off the coast from Norfolk, Va., on July 10, 2013.

A hypersonic weapon flies at lower altitudes at much faster speeds and can maneuver to its target. This would make it harder for U.S. defense systems to track it.

gested that strong turbulence was likely to occur around the corners of the inlets, which could affect flight stability.

"There was also a limit to how steeply a plane could climb without choking the engines," the paper reads. "Many challenging issues still had to be resolved."

Hypersonic Race

In July, China tested a hypersonic weapon that circled the globe before releasing a glide vehicle. The test involved launching a rocket carrying a hypersonic glide vehicle into orbit before it released the glide vehicle, which reentered the atmosphere and sped at hypersonic speeds toward its target. The vehicle also reportedly released a second missile, an

unprecedented capability.

Unlike an intercontinental ballistic missile, which travels in a predictable parabolic arc and can be tracked by long-range radars, a hypersonic weapon flies at lower altitudes at much faster speeds and can maneuver to its target. This would make it harder for U.S. defense systems to track.

U.S. missile defense systems are aimed at ballistic missile threats coming over the North Pole, so the technology could be used to send nuclear warheads over the South Pole and blindsides the United States.

If the Chinese regime's new weapon experiment reaches maturity, it could pose a major challenge to current U.S. missile-

defense systems.

While the Chinese Communist Party (CCP) initially denied that it had carried out such a test, which was first reported by Financial Times, Pentagon officials have confirmed the event.

According to Financial Times, the glide vehicle missed its target by roughly 24 miles. For that reason, some U.S. military experts don't consider the test to have been a complete success.

Gen. John Hyten, then-vice chairman of the Joint Chiefs of Staff, said in October that the United States military researched a hypersonic glide vehicle system similar to the one tested by China. But after two failed tests, the project was canceled. He also said the missile ap-

peared to be a nuclear first-use weapon.

Hyten lamented the Pentagon's complicated bureaucracy and risk-averse culture, as well as its unwillingness to suffer failures in the development process.

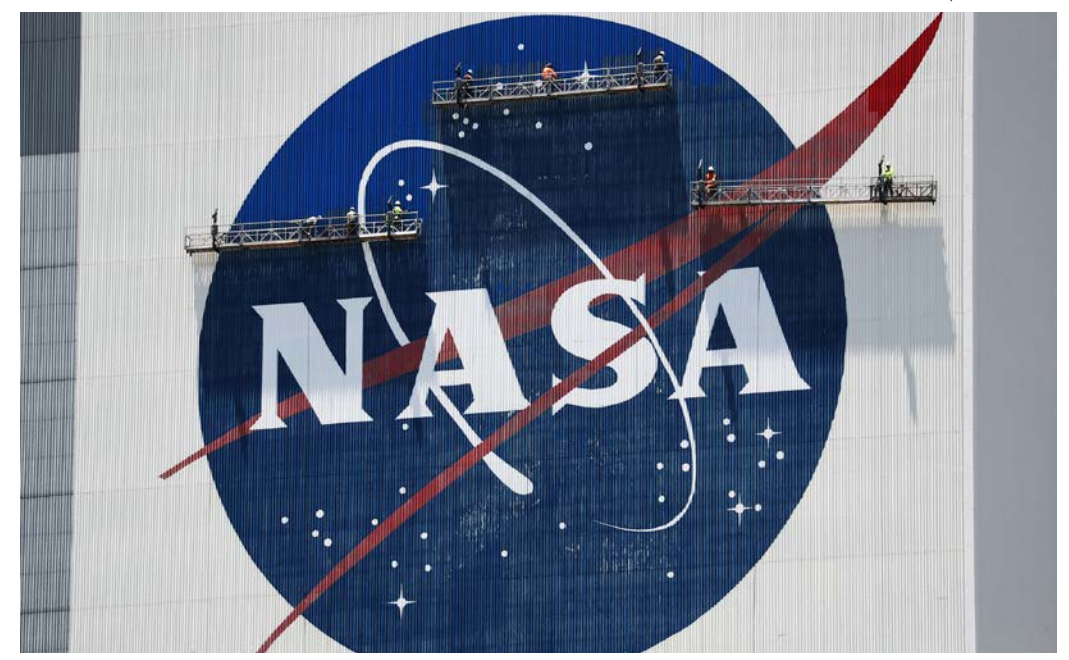
These factors, he said, have prevented the United States from developing more advanced technologies to counter China's advancing of its military capabilities.

According to a recent report by the Stockholm International Peace Research Institute, Chinese weapons manufacturers took the second-largest share of global sales after U.S. firms in 2020. The Swedish think tank said China's modernization program has driven its arms producers to be more competitive.

A July study by RAND Corp. noted that though the CCP's military has overcome many technological obstacles to chip away at the U.S. military supremacy in recent years, much of its progress came from intellectual property theft, foreign acquisitions, and joint ventures.

In the face of China's accelerating military advancements, U.S. Secretary of Defense Lloyd Austin said earlier this month that "America isn't a country that fears competition."

"We're clear-eyed about the challenge China presents. But China's not 10 feet tall—this is America," Austin said during



Workers freshen up the paint on the NASA logo at the Vehicle Assembly Building of the Kennedy Space Center in Cape Canaveral, Fla., on May 20, 2020.

a speech at the Reagan National Defense Forum on Dec. 4. "We have the greatest innovators in the world, and we're going to do what's necessary to create the capabilities that help us maintain the competitive edge going forward."

Two days after Austin's speech, the U.S. Missile Defense Agency announced that it had finished installing radar arrays and that it had completed the military construction for the Long-Range Discrimination Radar in Alaska. The agency said in a statement that radar would be able to address hypersonic missiles in future configurations.

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NASA Dryden aircraft and avionics technicians install the nose cone on a hypersonic Phoenix missile prior to a fit check, in this file photo.

US-CHINA

Huawei Bypassing US Sanctions by Collaborating With Chinese Smartphone Partners

NICOLE HAO

Chinese telecom firm Huawei has turned to partnerships with Chinese companies to bypass U.S. sanctions that have crippled Huawei's smartphone business.

Once briefly the top smartphone maker in the world, Huawei has been in survival mode since Washington slapped sanctions on the company more than two years ago. The Trump administration said the firm posed a national security threat due to its ties to the Chinese Communist Party.

Its smartphone business took the biggest beating after then-President Donald Trump in 2020 barred its access to critical U.S.-origin technology—including key computer chips needed to power its devices. The company is now largely shut out of the global smartphone market, and its domestic business is hurting as well.

Eric Xu, Huawei's rotating chairman, said in September that the firm's smartphone revenue could drop as much as \$40 billion—or about 80 percent—this year, with new growth streams unlikely to make up for this shortfall in the near future.

To stave off this hemorrhaging, the firm is diversifying to other areas from smart mining to electric vehicles. But in a bid to salvage its smartphone business, it has



People arrive to attend the Huawei keynote address at a trade fair opening day in Berlin on Sept. 3, 2020.

also found ways to bypass U.S. sanctions, namely by licensing its handset designs to Chinese third parties to thereby gain access to critical U.S. chips.

Partnerships

In early November, Huawei unveiled its first 5G smartphone on its official website, a device branded under TD Tech Ltd., a Chinese telecom equipment maker, named TD Tech N8 Pro. The phone is essentially a copy of the Huawei Nova 8 Pro, which was launched last year. The only difference is that the TD Tech device supports 5G—something few Huawei smartphones offer as a result of U.S. sanctions.

The listing was pulled from Huawei's website within a week as well as from its online stores on Chinese e-commerce sites, including JD.com, Alibaba.com, and Suning.com.

According to a Nov. 16 article by NetEast, a Chinese news portal, an unnamed TD Tech staff member confirmed that the company purchases hardware from Huawei and brands the phone under its own name. It is currently selling the smartphone to business customers, but will sell it directly to consumers on their JD.com story by the end of the year, the staff member added.

TD Tech is also due to release another

rebadged Huawei phone called TD Tech 5G M40, essentially Huawei's Mate 40E, as well as a suite of other Huawei products from smartwatches to tablets, according to Chinese media reports.

TD Tech, which has offices in Beijing, Shanghai, and Chengdu cities, is a wholly-owned subsidiary of TD Tech Holding Limited, a Hong Kong-registered company. TD Tech Holding was founded by Huawei and Nokia Siemens Networks in September 2003. As of 2010, Huawei held 49 percent of the company's shares, while Nokia Siemens held the remaining 51 percent, according to a post on TD Tech's website at the time. It is unclear whether this ownership structure has changed since then.

TD Tech's links to Huawei extend to personnel.

The director of TD Tech Holding is Eric Xu, Huawei's rotating chairman, according to November reports from Chinese and Hong Kong media. He is also a member of the company's board, the reports said.

Meanwhile, TD Tech's general manager and legal representative is Dong Biao, a veteran Huawei senior manager, according to Qichacha, a Chinese company database.

Deng's resume posted on the Huawei website shows he joined the company in 1996. Since then he's headed a range of divisions

from telecommunications software and core network business to quality control. It's unclear if Deng still works at Huawei.

Honor

In November 2020, Huawei sold its Honor budget smartphone business to a consortium led by a state-owned company in Shenzhen, a move quarantining the operation from U.S. sanctions. Unlike Huawei, Honor is able to buy high-end 5G chips from suppliers including U.S.-based Qualcomm and Taiwan-based MediaTek.

Honor has since shot up to rank number three in China's domestic smartphone market, with a 15 percent share in the third quarter of this year, according to counterpoint research. Its fortunes contrast with that of Huawei. The company, which at its peak held 46 percent of the market, accounted for only around 8 percent in the third quarter.

Huawei said at the time of the sale that it wouldn't hold any shares or be involved in the management or decision-making of the new company, called Shenzhen Zhixinxin Information Technology. But the company's board and senior management feature many former Huawei staff.

According to Chinese media reports, Huawei moved managers from its other

businesses to lead the new firm.

Five of Zhixinxin's six board members are veteran Huawei employees. The chair, Wan Biao, was previously a member of Huawei's board and headed Huawei's consumer business immediately before moving to the new company. Wan is experienced in building supply chains and joined the firm to build up this area, Chinese media reported.

The other four Zhixinxin board members from Huawei are Zhao Ming, the former president of Huawei's Honor business, Fang Fei, a former production line vice president, Li Shanlin, a former vice president of human resources, and Peng Qiu'en, a former chief financial officer. Zhao is also the CEO of the new company, according to Chinese media reports.

Yang Jian, a former director of Huawei's retail business for the China region, also took the position of Honor's retail manager, according to Chinese media.

Huawei also moved over 6,000 employees from its smartphone business to Honor, Chinese media reports said.

Mobile Carriers

Huawei has also collaborated with several Chinese mobile carriers to launch 5G smartphones, branded under the carrier.

Some of these models contain 5G chips from Qualcomm and MediaTek, both banned from supplying to Huawei.

China Telecom in July a 5G smartphone under its Maimang series, which used to be a collaboration between China Telecom and Huawei. But China Telecom said on Weibo, the country's Twitter-like platform, the brand is run solely by the carrier, though it did not reveal its manufacturer. Though on webpages selling the phone list Huawei as the provider of after-sale service.

China Mobile in June launched a series of 5G smartphones under the NZONE brand. The models use 5G chips from Mediatek, and are designed and manufactured by Huawei, the company said at the time. Also in June, China Unicom launched a 5G phone under its U-Magic label, which shares similarities in design with Huawei's Enjoy series.

The Epoch Times has reached out to Huawei, TD Tech, Honor, China Telecom and China Unicom for comment.

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OPINION

Chinese Tech Giant Huawei Attacked Aussie and US Networks in 2012

Democracy's current cyber defenses only address the tip of the iceberg

ANDERS CORR



Australia discovered Huawei's cyber spying in about 2012 and informed the United States, according to a new Bloomberg News investigation.

The Aussie discovery started a long process of investigating and finding Huawei hacks in other countries. The result: a too-quiet information campaign against the company's attempts to monopolize the world's wireless networks, from 2G to 5G.

But the campaign failed to alert the public early and does not address China's deeper links to European telecom companies such as Nokia and Ericsson, or its potential espionage among technicians in telecom companies globally.

The Australian officials claim that Huawei's attack began with a malicious software update. "In 2012, Australian intelligence officials informed their U.S. counterparts that they had detected a sophisticated intrusion into the country's telecommunications systems," according to the Bloomberg report by Jordan Robertson and Jamie Tarabay.

That cyber breach and its discovery led to Australian and U.S. intelligence sharing with other countries.

The Bloomberg report, first published on Dec. 16, is based on interviews with almost two dozen national security officials from Australia and the United States who got briefings on the matter between 2012 and 2019.

The officials, some of whom confirmed only parts of the story pieced together by Bloomberg, include the following: former Congressman Mike Rogers (R-Mich.), who chaired the U.S. House Intelligence Committee from 2011 to 2015; Michael Wessel, a current commissioner on the U.S.-China Economic and Security Review Commission; Keith Krach, former undersecretary of state for Economic Growth, Energy, and the Environment; and Michele Flournoy, former undersecretary of Defense for Policy. The report also drew from National Security Agency documents leaked by Edward Snowden.

The report is the first time the 2012 breach of Australia's telecom networks has been made public.

The Australian Signals Directorate (ASD), while declining to answer Bloomberg's specific questions on the incident, did point to China's Ministry of State Security as a malign actor.

"Australia is not alone in the threats we face from state-based actors in cyberspace," the ASD said, noting that Australia has "joined with others in the world to express serious concerns about malicious cyber activities by China's Ministry of State Security."

Huawei Is Not the Only Risk

Huawei, with its headquarters in Shenzhen, China, dominates the global telecom market, which amounts to approximately \$90 billion annually. The data that flows through these networks, however, is far more valuable and explains why Huawei and other Chinese telecommunications companies, like ZTE, arguably undercharge for their offerings and pose a high risk to global data security.

Sweden's Ericsson and Finland's Nokia compete with the Chinese telecom giant, but even they source some of their equipment from China, and sell to China. They

The root of the problem is not Huawei, but the links and dependency of corporations from all countries on the Chinese Communist Party.

The interlinking of Western telecom companies with China will make it difficult to ensure the safety of clean networks even if Huawei and other Chinese companies are banned.



Advertising for Huawei Experience Store opening in Sydney on Sept. 24, 2020.

are thus in part beholden to China—likely technically compromised—and only weak competitors to Huawei. Nokia even owns a company with Huawei that may be planning to sell Huawei-designed phones.

The interlinking of Western telecom companies with China will make it difficult to ensure the safety of clean networks even if Huawei and other Chinese companies are banned.

The United States, Britain, Australia, and Sweden have all banned Huawei from 5G networks, and approximately 60 nations have signed onto the U.S. Clean Network program that commits them to rejecting Chinese telecommunications equipment.

Huawei's Malware

According to seven of the officials who spoke with Bloomberg, an apparently legitimate software update from Huawei for a major Australian telecommunications company "contained malicious code that worked much like a digital wiretap, reprogramming the infected equipment to record all the communications passing through it before sending the data to China."

The code deleted itself after a few days, "the result of a clever self-destruct mechanism embedded in the update" meant to cover the malware's traces.

Australia's intelligence services ultimately discovered that China's spies caused the breach, "having infiltrated the ranks of Huawei technicians who helped maintain the equipment and pushed the update to the telecom's systems."

"The seven former officials who provided detailed accounts of their briefings said that Australia's intelligence agencies had detected suspicious traffic flowing from the country's telecommunications systems to China, a trail that led to Huawei equipment," according to Bloomberg.

The investigators accessed the infected systems, but arrived only after the self-destruct mechanism began its own deletion. "Digital forensics on those systems revealed only fragments of the malicious code's existence, and investigators reconstructed the attack using a variety of sensitive sources, including human informants and secretly intercepted conversations," according to Bloomberg.

The attack siphoned all data flowing through the Huawei equipment over the course of the malware's operation.

"The data gave them access to the contents of private communications and infor-

mation that could be used to target specific people or devices in future attacks," according to the Bloomberg sources.

Bloomberg named two telecommunications companies operating in Australia that reportedly utilized Huawei equipment. Optus, a division of Singapore Telecommunications, utilized Huawei starting in 2005 for digital and wireless networks.

In addition to being Australia's second-biggest mobile carrier," according to Bloomberg, "Optus also operates Australia's largest fleet of satellites, and it works closely with the Australian military."

It is unclear why Australia would trust—with its most sensitive satellite and military data—companies associated with an authoritarian government like Singapore, especially since they cooperate closely with China's Huawei.

Vodafone Hutchison Australia, Australia's third-biggest mobile carrier, "selected Huawei to overhaul its entire 2G and 3G infrastructure in 2011 and later for parts of its 4G networks as well," according to Bloomberg.

The breached network, according to two officials with whom Bloomberg spoke, was Optus, which claimed to "have no knowledge of the alleged incidents."

American intelligence officials, guided by the Aussie tip in 2012, discovered a similar Chinese attack the same year that used Huawei equipment in the United States.

Chinese Spies Need Admin Access to Succeed

"All their intelligence services have poured over the same material," Bloomberg quoted Rogers as saying. "This whole body of work has come to the same conclusion: It's all about administrative access, and the administrative patches that come out of Beijing are not to be trusted."

Even John Suffolk, Huawei's global cybersecurity officer, admits that "Huawei considers the possibility of its workers being compromised a 'valid threat,'" according to Bloomberg. The countermeasures that Huawei claims, however, including annual "compliance training," are laughably inadequate.

Huawei, founded in 1987 by Ren Zhengfei, a former Chinese military officer, claims not to know about the spying.

This is highly unlikely. But Ren's plausible deniability points to the problem running deeper than just Huawei. If Huawei's leadership can claim not to know about the

spying, they may be purposely looking the other way. China's spy services could infiltrate any company from any country, the officials from which likewise ignore spying for short-term market gains. If a low-level technician from any company with administrative access is compromised by China's spy agencies and gains personal access, he or she can insert the necessary malicious code.

The Huawei Problem Is Actually the CCP Problem

International telecommunications companies, including Huawei, make billions of dollars from business with China and have numerous short-term financial incentives to both ignore the danger, and encourage their home governments to do the same.

The problem is international. Huawei has reportedly helped two African governments utilize espionage against political opponents, and built data storage for the government of Papua New Guinea that included obvious security gaps that made sensitive files vulnerable to theft. Published Huawei documents have demonstrated how the company helps Beijing track its own population.

In recent years, with China's growing economic and technological power, the problem has only increased. Robust Chinese cyberattacks continue today against Australia, for example. "Chinese hackers have targeted Australian institutions with relentless at-

tacks since the country called last year for an independent probe into the origins of Covid-19," according to Bloomberg.

The root of the problem is not Huawei, but the links and dependency of corporations from all countries on the Chinese Communist Party (CCP), and their willingness to allow the continuation of the CCP's aggressive and unethical approach to the promotion of its international business and illiberal influence.

The problem of Beijing's cyberhacking—which empowers its industrial espionage, political influence, and privacy violations globally—will not be solved until China democratizes its totalitarian political system and, thus, rids itself of the CCP's all-consuming hunger for ever more power.

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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Chinese leader Xi Jinping (R) is shown around the offices of Chinese telecom giant Huawei by its president and founder Ren Zhengfei in London during Xi's state visit to the UK on Oct. 21, 2015.



Visitors to Chongli, one of the venues for the Beijing 2022 Winter Olympics, pass by the Olympics logo in Chongli in Hebei Province, China, on Aug. 13, 2020.

CHINESE INFLUENCE

China Pays US Social Media Influencers to Promote Beijing Olympics, 'Positive' US-China News

EVA FU

Beijing is paying American social media influencers as part of a campaign to promote the Winter Olympic Games amid a wave of diplomatic boycotts from the West.

Under a \$300,000 contract with the Chinese consulate in New York, Vippi Media, a New Jersey consulting firm, will oversee a marketing campaign through mid-March across Instagram, TikTok, and livestreaming platform Twitch.

The main goal is to present a favorable portrayal of the Beijing Games and U.S.-China relations, according to a Dec. 10 disclosure filed with the Justice Department under the Foreign Agent Registration Act. The filing was first reported by OpenSecrets, a Washington nonprofit organization that tracks campaign finance and lobbying data.

The 2022 Winter Games, hosted by Beijing, will take place from Feb. 4 through Feb. 20.

Vippi Media has received a \$210,000 advance payment from the consulate, the filing shows.

The Chinese consulate instructed Vippi to hire eight social media influencers who have reached specified popularity levels—a minimum following of 100,000 is needed for five of them, and for the other three, at least 500,000.

Under the contract, dated Nov. 22, the influencers will be required to publish at least 24 posts focusing on the Olympics, Paralympics, and Chinese culture, such as athletes' preparations in Beijing, new technologies deployed for the Games, "touching moments," and Beijing's history.

About one-fifth of the posts will need to focus on "cooperation and any good things in China-US relations." Examples of this cited in the filing include high-level exchanges and "positive outcomes," as well as collaboration on climate change, biodiversity, and new energy.

Vippi Media declined to comment. The social media operation comes as the United States announced a diplomatic boycott against Beijing over the continuing suppression of Uyghurs and other ethnic and religious minorities in Xinjiang, a move that allies—including Canada, Australia, and the U.K.—have followed.

The campaign spending is a fraction of the Chinese regime's propaganda efforts run by state media.

From May to October, China Daily, an English language newspaper run by Beijing, reported a spending budget of over \$5.5 million to advertise and distribute its newspaper to Western audiences. Yet the social media operation represents a new and more

cost-effective frontier for the regime to spread and amplify its pro-China narratives globally.

The Chinese consulate expects the posts to get 3.4 million views by the end of the contract on March 13, nearly four times China Daily's global circulation.

The regime has long been exploiting the power of social media to spread its narratives, both domestically and abroad.

Last year, leaked documents obtained by The Epoch Times showed the regime to be using proxy Facebook pages to assert Beijing's sovereignty over the self-ruled island Taiwan and tout a hypothetical military invasion.

Earlier this month, Facebook's parent company Meta said it took down around 600 accounts tied to Beijing that spread false claims around COVID-19 and other anti-U.S. messages. Twitter separately removed a total of 2,160 state-linked accounts that attempted to push back against Western criticism of human rights abuses in Xinjiang.

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CGTN, the international arm of Chinese state broadcaster CCTV, also initiated a two-month campaign in April to enlist global media talents and social media celebrities who speak English. Participants who came out on top were offered a chance to become a part-time or full-time "storyteller" at CGTN's bureaus in Washington, London, or Nairobi, Kenya.

Since last year, at least 14 influencers have posted Xinjiang-related content on Western social media platforms that aligned with Beijing's official narrative, which were then leveraged by Chinese state-controlled accounts on U.S.-based social media platforms in as many as 556 posts, according to a recent analysis by think tank Australian Strategic Policy Institute.

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House Intelligence Committee Chairman Mike Rogers speaks during a press conference to release the committee's report on the security threat posed by Chinese telecom companies Huawei and ZTE in Washington on Oct. 8, 2012.



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