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CHINA WEEKLY

CHINA WILL GROW OLD

BEFORE IT GROWS RICH

How China's aging population and falling birth rates are pushing the country to crisis **2**



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OPINION

CHINA WILL GROW OLD BEFORE IT GROWS RICH

STEVEN W. MOSHER

Why have the Chinese suddenly decided that now is not the time to have children?

Because China is in the grip of its deepest economic downturn since “the reform and opening” to the outside world began some 40 years ago. Three years ago, the Communist Party announced an end to the one-child policy, thus ending its 40-year war on the Chinese population—a war that has cost an estimated 400 million lives. Party leaders anticipated a quick uptick in births in response to the policy change, if not an out-and-out baby boom.

But now that the Chinese people are finally free to have two children, they are proving strangely reluctant to have even one.

The National Health Commission had predicted that more than 18 million babies would be born in 2018. The actual number reported on Jan. 21 by the National Bureau of Statistics was only 15.23 million.

In fact, some believe that even these anemic numbers are an exaggeration, and that the most populous country on earth is already filling more coffins than cradles.

Among them is researcher Yi Fuxian of the University of Wisconsin-Madison.

“The year of 2018 was the turning point of China’s population structure, which witnessed negative growth for the first time,” Yi told the Global Times. His numbers show that deaths outnumbered births by over a million: 11.58 million to 10.31 million.

Yi’s belief that China is already in absolute demographic decline is disputed by some, but even his critics admit that such a turning point is

at most only a few years off. In any event, there is little doubt that the country is already in a full-blown demographic crisis.

Why the Decline?

Some might explain the recent downturn in births by saying that 40 years of anti-natal propaganda have done their work, brainwashing young people into rejecting marriage and children. Others might point to rapid industrialization, urbanization, and rising levels of education as factors that have gradually taken young Chinese, especially young women, out of the business of procreation.

As with Americans in the 1930s, the Chinese of today are increasingly wary of marriage and children in the face of a dramatically slowing economy.

But these explanations hardly explain the precipitous drop in China’s fertility rate over just the past couple of years. At present, Chinese couples are averaging only 1.05 children. This is half the 2.1 children needed for the country to sustain its current population and is among the lowest fertility rates in the world.

China’s current birth rate of 12 births per 1,000 people is by far the lowest level ever in recorded Chinese history. In fact, it is even lower now

than during the famine that followed the Great Leap Forward. From 1960 to 1962, even as 45 million Chinese villagers were starving to death, the birth rate hovered around 19 births per 1,000.

This suggests that the economy must be far worse than Beijing would like us to believe.

Naïve foreigners may still believe Party officials who claim that the country’s GDP is expanding at an annual rate of 6.5 percent or so, but the Chinese know better. They know that more than 10 million workers have been laid off, that tens of millions of newly constructed homes and apartments stand vacant, and that thousands of businesses, including some of China’s largest firms, are on the verge of bankruptcy. The entire country is so heavily in debt that it’s a dead-man walking.

Even China’s most successful hi-tech firm, Huawei, is feeling the pinch. Its founder, Ren Zhengfei, whose daughter languishes under house arrest in Canada, announced recently that “bitter days” lie ahead for the company, and warned that layoffs are coming.

All this is to say that China’s economy is in freefall, and the birth rate is following it down.

There is no doubt that birth rates tank during recessions. The Great Depression, for example, slashed the U.S. total fertility rate in half. American women went from bearing four or more children over their reproductive lifetimes down to bearing only two. Americans were understandably reluctant to bring children into a jobless, stagnant economy, or even to marry at all.

As with Americans in the 1930s, the Chinese of today are increasingly wary of marriage and children in the face of a dramatically slowing economy. The fact that per capita incomes in China are far higher than they have ever been is irrelevant to their calculations. Marrying and having children are expressions of hope in the future, after all, not the past, and the future to many working-class Chinese is looking increasingly grim.

Only about 10 million couples registered to get married in 2017, which marked a 7 percent decrease from the year before. The figures for 2018, which haven’t been released yet, are expected to show a further decline. Since the state forbids single motherhood—a vestige of the one-child policy—a decline in marriages presages a further decline in births.

If the economic slowdown has undercut the birth rate, then the reverse is also true: The declining birth rate



PHOTO BY NICOLAS FOURI / AFP

will cripple economic growth over time as the aging and shrinking of China’s population accelerates.

Old-Age Tsunami

Yi points out that China’s current demographic profile bears an ominous resemblance to that of Japan in 1992. It is a snapshot of a society characterized by ever fewer births, a shrinking number of workers, and a surging elderly population.

Japan’s prolonged birth dearth had, by the end of the nineties, produced the world’s first “demographic recession.” I would argue that China’s decades-long one-child policy has now produced its second.

In fact, birthrates in China have fallen further and faster than in Japan because of decades of government coercion. And they will continue to fall because so many millions of girls have been eliminated from the population because of a cultural preference for sons.

All this is to say that the old-age tsunami that is about to hit China’s

economy will be even more severe than the one that sent Japan’s into recession 20 years ago.

Add to this a further critical difference between Japan and China. The Land of the Rising Sun grew rich before it grew old. The Middle Kingdom is growing old—rapidly—while it is still relatively poor.

Japan possessed the wealth to weather its demographic recession, although its economy has never recovered its original dynamism and vitality. China, which has only recently joined the ranks of middle-income countries, will quickly run out of options.

Economists, impressed by China’s large population and rapid growth, have long predicted that the Asian giant would one day overtake the United States economically. Now, as the ranks of Chinese workers thin and gray, that possibility seems to be receding out of reach.

Japan never became “number one”—despite the many predictions that it would—because of its dismal

▲ A group of elderly Chinese people in Beijing in April 2007. China’s rate of aging is increasing. It is estimated that there will be 340 million people aged 60 and above in 10 years’ time.

demographics. So, too, will the increasingly moribund Chinese population, along with the heavy hand of the Party-state, ensure that China’s economy continues to lag behind America’s more youthful population and more dynamic economy. The Chinese Communist Party has only itself—and its wrongheaded war on people—to blame. Demography is still destiny, after all, even if you have a billion people.

Steven W. Mosher is the president of the Population Research Institute and the author of “Bully of Asia: Why China’s Dream is the New Threat to World Order.”



In this picture taken on Dec. 17, 2018, security personnel secure an area in front of a billboard featuring China’s late leader Deng Xiaoping. Deng initiated China’s “reform and opening up” policy in the late 1970s.

ECONOMY

BIG TROUBLE IN LITTLE CHINA

The country’s economic problems are starting to escalate

VALENTIN SCHMID

China is a country of extremes, especially regarding economic forecasts. There are those who think “China will take over the world” with its technocratic central planning. Then there are those who say its debt bubble is so gigantic, the economy will crash and burn.

The truth probably lies somewhere in the middle. And it looks like we are getting closer to knowing the truth.

Official GDP growth is, of course, on track at 6.6 percent for the year 2018, stellar among industrial and even emerging economies. But nobody believes these figures, even though they are the worst since 1990.

“Real GDP fell by 1.7 percent and 0.6 percent in Q3 and Q4 respectively compared with the official figures showing growth of 6.4 percent and 6 percent,” Eno Economics chief economist Diana Choyleva wrote in a note to clients about annualized growth during the past two quarters of 2018.

According to Choyleva, China is experiencing an unofficial recession. While this doesn’t mean the crash-and-burn scenario is unavoidable, the flurry of official and unofficial economic indicators flashing red make the “take over the world”

scenario quite unbelievable for the intermediate future.

Going Down

No matter which official indicator you look at, the Chinese economy is in decline. Retail sales growth is barely above 5 percent, the lowest level since 2003, with automobile sales crashing 13 percent. Total imports in U.S. dollar terms are down 7.6 percent in December of 2018 as compared to the year before.

China’s current account balance, or the amount of exports over imports and one of the main drivers of Chinese growth over the decades, is down to 0.37 percent of GDP, from 10 percent in 2008.

Given these figures, it isn’t surprising that research firm Capital Economics doesn’t “rule out a sharper-than-anticipated slowdown in China’s economy.”

With exports down 4 percent, the analysts at Oxford Economics also are sounding the alarm bells. “While Chinese GDP growth is slowing broadly as we expected, trade is slowing more abruptly, implying bigger negative international spillovers. With China accounting for some 10 percent of world trade (and almost 20 percent of world trade growth in the last decade), this import weakening is a

significant threat to global growth.”

What about the unofficial data?

The China Beige Book (CBB) runs an extensive amount of surveys across different companies and sectors on the ground in China. As early as late December, it warned that: “Now, the trend is deterioration, into what could potentially be a much weaker 2019. Most telling, still-heavy borrowing did not lead to heavy capital expenditure, with paltry results in services and retail driving a sharp drop in overall investment growth.”

The CBB also warned that with manufacturing broadly down, services and consumers aren’t picking up the slack, as borne out by official data. Given this material slowdown

▲ Paramilitary policemen patrol in front of the People’s Bank of China, the central bank of China, in Beijing on July 8, 2015.

in trade, one may assume that it’s the U.S. retaliation against unfair Chinese practices that’s causing the troubles in China’s economy. The CBB also reports that only 18 percent of companies operating in the trade-heavy southern province of Guangdong showed an increase in export orders in the fourth quarter, down from 65 percent in the third quarter of 2018.

Although the Trump administration’s tough stance on Chinese anti-competitive policies certainly isn’t helping Beijing, it isn’t the cause of the slowdown and problems in the Chinese economy.

Trade with countries from Asia slowed much more than bilateral trade with the United States and the Chinese domestic problems, such as a slowdown in retail sales, can’t be explained by a limited amount of tariffs.

Debt Problems

The main problem of the Chinese economy is debt and overcapacity. Debt has blown up to 300 percent of GDP through the state-controlled banking system.

The financing went into building trains, roads, airports, apartments, shipyards—anything that can be built. And while some of the stuff is undoubtedly useful, a lot of it is not.

If it’s not useful or sustainable, it won’t generate the returns necessary to service said debt. This problem could have been nipped in the bud, but Chinese central planners wanted ever more steel mills and high-speed trains, and to push back the day of reckoning when most of the unprofitable companies would go bankrupt.

So, to keep the gravy train running, more debt had to be



JOHANNES EISELE/AFP/GETTY IMAGES

issued to build more stuff.

Now, the debt growth has also come to a halt, which is most likely the root cause of the massive slowdown. Official broad credit growth has slowed to around 10 percent, the lowest in a decade.

Within the broader debt system, the shadow banking system of trust loans, bankers acceptances, and wealth-management products is deep into negative growth territory.

On the other hand, the CBB reports that companies are maxing out official channels to stay liquid, but this is more a sign of desperation rather than future growth to come.

“Evidence of clandestine People’s Bank of China (PBOC) easing is piling

▲ A worker cleans the promenade in Shanghai on July 24, 2014.

The debt growth has also come to a halt, which is most likely the root cause of the massive slowdown.

up: the loan application rate stayed elevated, the rejection rate remained near all-time CBB lows despite this, and both bank and shadow bank lending again got cheaper. The problem isn’t lack of borrowing; it’s that plentiful borrowing isn’t boosting growth.”

This divergence makes sense as fixed-asset investment rose 5.9 percent in December from a year earlier, bucking the trend of other declining indicators. According to CBB, it was state and larger firms that borrowed the most, channeling it into construction activity, which is

the easiest lever for the central planners to manipulate. Floor space under construction rose

5 percent in December, according to official figures, while there are still about 20 months of inventory left to be sold, according to Capital Economics estimates.

Getting Desperate

After the new year, the PBOC easing became less clandestine as the central planners in the Chinese regime are getting desperate.

After lowering the amount of money banks have to hold on reserve in late 2018, the PBOC started a full-blown Quantitative Easing (QE) scheme at the beginning of 2019.

Although final numbers aren’t known, the program allows banks to swap near-worthless collateral for central bank assets, thus reducing the risks on their balance sheet and freeing up reserves for more lending.

But Chinese leader Xi Jinping has found some strong words to warn his comrades at an internal party meeting in January:

“The party is facing long-term and complex tests in terms of maintaining long-term rule, reform and opening-up, a market-driven economy, and within the external environment,” Xi said, according to Xinhua. “The party is facing sharp and serious dangers of a slackness in spirit, lack of ability, distance from the people, and being passive and corrupt. This is an overall judgment based on the actual situation.”

His assessment isn’t too far off the mark, as the “actual situation” is rapidly going downhill.

Smoke and Ashes

Now, does this mean the other extreme is going to play out and people in Beijing will go back to riding only

bicycles again? Probably not.

The most likely outcome of debt deleveraging is going to be a period of low or no growth and major creative accounting exercises to sweep bad debt under the rug, as “Red Capitalism” author Fraser Howie describes the previous round of bank bailouts around the year 2000:

“A lot of it was accounting: re-shuffling assets, moving things off balance sheet, taking them out of the public eye.”

This can prevent a full-blown collapse, but since an inordinate amount of capital and labor has been wasted on technocratic central planning projects, there also won’t be any growth.

So China will most likely resemble the other debt basket case: Japan, except that Japan managed to lift the whole population into prosperity and not just about half. So much for the achievements of the Communist Party and the “Chinese model” of statism and central planning.

Of course, there will be ups and downs and the QE, as well as other government stimuli, may boost activity for a little while, but not for long, writes Choyleva, who advises investors to buckle up:

“These technic shifts will make it a lot harder—if not impossible—for Beijing to count on the tried-and-tested tools of policy stimulus to restore sustainable growth. Unsettled as they are, global financial markets have yet to grasp that this time, it really is different in China.”

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

OPINION

CHINA'S EMP WEAPONS POSE GRAVE THREAT TO AMERICA, NEWLY DECLASSIFIED REPORT SHOWS

DANIEL ASHMAN

China is building specialized nuclear warheads so potent that a single one may be enough to devastate America with its enhanced electromagnetic pulse (EMP), according to a report the Department of Defense (DoD) recently declassified.

The report, Nuclear EMP Attack Scenarios and Combined-Arms Cyber Warfare, was written by Dr. Peter Vincent Pry for a congressionally mandated commission investigating the threat from EMPs to the United States.

The report warns that future wars may look entirely different than past wars due to people's increasing reliance on technology. China, alongside Russia, Iran, and North Korea, have recognized America's extreme reliance on electricity, electronics, and technology, and subsequently adapted their military plans to target this dependence.

Detonation of a single generic nuclear bomb between 30-400 kilometers above earth will create an EMP that propagates outward towards earth with a radius of between 600 and 2,200 kilometers. The effects of an EMP would be

catastrophic and could plunge a nation into indefinite darkness. There would be widespread destruction of computers, nuclear power plants, satellites, phones, refrigerators, transformers, and more.

The EMP commission estimates a full 90 percent of the American population could die within a year of an EMP attack.

The threat posed by EMP is widely recognized at this point. For instance, in 2018 alone, both the Department of Homeland Security and a group of experts from inside the normally reticent DoD, released reports recognizing the need for urgent action, respectively titled the Strategy for Protecting and Preparing the Homeland Against Threats of Electromagnetic Pulse and Geomagnetic Disturbances, and the Electromagnetic Defense Task Force Report.

The newly declassified report is startling because it goes beyond just acknowledging the theoretical threat posed by an EMP attack. It provides alarming and concrete details on how EMP attack is actually core to the planning of various nations adversarial to America.

Chinese leaders consider the EMP attack to be a revolution in military affairs, referring to this

ELECTROMAGNETIC PULSE

(EMP) bombs, sometimes referred to as sixth-generation weapons, are nuclear weapons that can generate extremely strong burst of electromagnetic radiation upon detonation. The radiation interacts with the oxygen and nitrogen atoms in the air to create an electromagnetic pulse. These pulses can damage all electrical and electronic equipment within the line of sight of the blast.

PHOTO BY KEYSTONE/GETTY IMAGES



change with such names as Sixth Generation Warfare, Non-Contact Warfare, or Electronic Warfare.

Iranian, North Korean, and Russian military doctrines closely mimic China on these points. For instance, China's Peoples Liberation Army (PLA) published a paper asserting that an EMP attack could be considered the "Pearl Harbor Incident" of the 21st century and that the "United States is more vulnerable to attacks [from EMP] than any other country in the world."

Another Chinese paper explained that an EMP attack could be used to destroy, "an enemy's telephone network, fuel pipelines, electric grid, transportation control system," and much more.

One PLA textbook explains that EMP attacks can destroy a nation's computer networks which mean a "country will slip into a state of paralysis and the lives of its people will ground to a halt."

In addition to traditional nuclear bombs which can generate a devastating EMP attack, China has also developed Super-EMP warheads. These are nuclear bombs that are specialized to result in a greater EMP, of up to 200 kilovolts per meter.

America's DoD has taken limited steps to harden some of its weapons and communications systems from an EMP strike. America's military, however, is highly dependent on civilian infrastructure to function, which the DoD has not addressed, and foreign military planners have explicitly recognized this fact.

The limited steps the DoD has taken to address the threat from EMP has not addressed the newly developed Super-EMP warheads.

Even America's nuclear deterrent faces a direct threat from the Super-EMP weapons. In Congressional testimony in 2008, then-Congressman Roscoe Bartlett commented, "I also understand that we aren't certain we could launch, through a series of robust EMP laydowns, that we could launch our intercontinental ballistic missiles."

The EMP Commission Chairman responded,

PHOTO BY KEYSTONE/GETTY IMAGES



PHOTO BY GREG BAKER/AFP/GETTY IMAGES

NATIONAL SECURITY

US SPY CHIEFS WARN ABOUT CHINA'S GROWING THREAT TO SECURITY

CATHY HE

China poses a serious and growing threat to the United States, particularly in the field of technology, U.S. intelligence leaders told a Senate hearing Jan. 29.

"Chinese pursuit of intellectual property, sensitive research and development plans, and U.S. personnel data remains a significant threat to the United States government and the private sector," Director of National Intelligence Dan Coats testified at the Senate Intelligence Committee's annual hearing on worldwide threats. The directors of the CIA, FBI, and other top intelligence officials also testified.

In a hearing focused on technologically advanced security threats, intelligence officials described aspects of the Chinese regime's multifaceted plan to surpass the United States as the world's superpower, including through intellectual property theft, military expansion, and gaining global influence through investment programs under its Belt and Road Initiative.

The warning comes just a day after the Justice Department unsealed two sets of indictments against Chinese tech giant Huawei Technologies Co. The first case accuses the company, as well

as Chief Financial Officer Meng Wanzhou, of violating U.S. sanctions against Iran. The second alleges Huawei stole trade secrets from U.S. mobile carrier T-Mobile.

The hearing also covered threats posed by Russia, North Korea, and Iran, and interference in U.S. elections.

Technology Theft

Echoing previous comments made by officials and lawmakers, FBI Director Christopher Wray spoke of the seriousness of the Chinese regime's threat to U.S. national security.

"The Chinese counterintelligence threat is more deep, more diverse, more vexing, more challenging, more comprehensive, and more concerning than any counterintelligence

threat I can think of," Wray said.

Coats said the communist regime's actions reflected a long-term strategy to achieve global superiority.

"Frankly, while we were sleeping in the last decade and a half, China had a remarkable rise in capabilities, that are stunning," Coats said.

"A lot of that was achieved ... by stealing information from our companies, by inserting Chinese [workers] ... in our labs, [and] bringing back ... stolen properties."

Coats said intelligence officials have been working with the business community, meeting with corporate executives to discuss espionage threats posed by China.

The United States, Coats said, also has warned its allies about the risks of doing business with China, and these allies are now questioning their dealings with the communist country.

"[Our allies are] now finding their product has been duplicated by the Chinese and sold at half the price because they didn't have to spend as much money on research development," he said.

Sen. James Risch (R-Idaho) referred to the actions of China state-owned chipmaker Fujian Jinhua, which is accused of stealing trade secrets from U.S. semiconductor company

Micron, relating to the production of memory storage devices.

In November last year, the Commerce Department blocked U.S. exports to the Chinese chipmaker. Around the same time, U.S. prosecutors indicted Jinhua, and its business partner, Taiwan's United Microelectronics Corp., and three individuals for conspiracy to commit trade secret theft, economic espionage, and related crimes.

Chinese Companies Beholden to Chinese Communist Party

Sen. Mark Warner (D-Va.), the top Democrat on the committee, said corporate espionage is sponsored by the Chinese Communist Party (CCP).

"Especially concerning have been the efforts of big Chinese tech companies which are beholden to the Chinese Communist Party to acquire sensitive technology, replicate it, and undermine the market share of U.S. firms with the help of the Chinese state."

Wray said Americans and U.S. allies are just now starting to understand how the communist regime operates.

"The lines between the Chinese government and the Chinese Communist Party, are blurred,

"We designed both the missiles and their bases and the strategic communications systems during the Cold War to be able to survive and operate through EMP fields on the order of 50 kilovolts per meter, which was our concern at the time, before we realized that weapons could be designed that had larger EMP fields."

It's unclear what would happen to America's nuclear submarines if America were hit by an EMP attack.

It is common American perception that the use of a nuclear weapon is simply unthinkable. But this newly declassified report undermines such a view. China doesn't consider a nuclear EMP strike to carry the same taboo that a traditional nuclear strike does. They view it as more related to cyber warfare and far more acceptable. Their reasoning is based on the idea that when a nuclear warhead is detonated at a high elevation for EMP effects then people wouldn't die from the nuclear fireball or fallout.

A nuclear EMP attack poses another serious problem for America's nuclear deterrent. For America's nuclear arsenal to function as a deterrent, America's government must be able to quickly and reliably determine who an attack came from.

However, in the event of an EMP, much of America's technological equipment used to make such an assessment could be put out of operation. Further, a bomb detonated hundreds of kilometers high may leave minimum physical traces for analysis.

The report presents numerous scenarios where a global war breaks out and is won with use of an EMP.

The EMP Commission was staffed with men of unmatched expertise. It was headed by Chairman Dr. William Graham who holds a PhD in electrical engineering and was the Director of the White House Office of Science and Technology under President Reagan. The Commission further included a retired General, a former CIA Director, and among its other subject matter experts is Dr. Pry who holds two PhDs, a certificate in nuclear weapons design from Los Alamos, and ten years as an intelligence officer at the CIA.

Members of Trump's national security team have read the EMP Commission's work and are taking steps to mitigate some of the risks warned about. So far, however, progress has been limited, especially in the face of bureaucratic resistance from various holdovers from previous administrations.

Daniel Ashman is an analyst from the suburbs of Massachusetts. He is the author of the book "Russian Agents: The Clintons' Attack Against America." His website is AshmanReport.com and he can be found on Twitter @dashman76.

A military vehicle carries DF-21D missile past a display screen featuring an image of the Great Wall of China at Tiananmen Square in Beijing on Sept. 3, 2015.

PHOTO BY CHARLOTTE CUTHBERTSON/THE EPOCH TIMES



FBI Director Christopher Wray, CIA Director Gina Haspel, and Office of the Director of National Intelligence Director Daniel Coats testify at a hearing in front of the Senate Intelligence Committee in Congress in Washington on Jan. 29, 2019.

if not totally erased," Wray said. "The lines between the Chinese government and Chinese state-owned enterprises, the same. The line between the Chinese government and ostensibly private companies [is the same]."

Sen. Angus King (I-Maine) referred specifically to Huawei, saying the company had a choice of either being a global telecommunications company or an agent of the CCP.

"They can't be both," King said. "And right now, they're trying to be both."

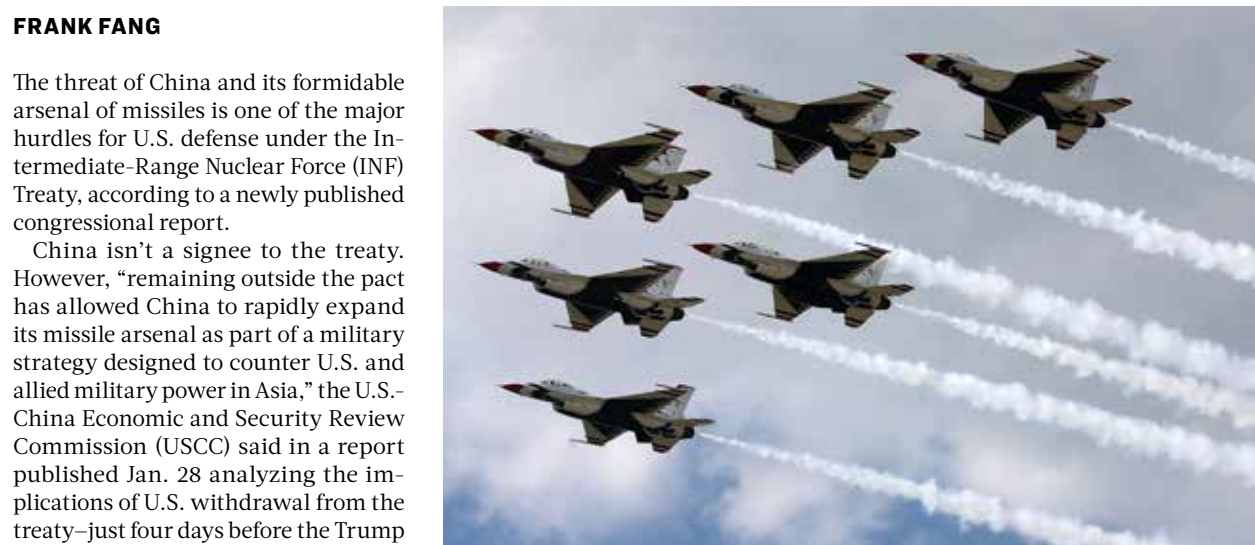


The Trump administration on Feb. 2 suspended its obligations under the Intermediate-Range Nuclear Forces Treaty, so did Russia on the same day.

NATIONAL SECURITY

CHINESE MISSILE THREAT A MAJOR CONCERN IN ARMS TREATY WITHDRAWAL, ACCORDING TO REPORT

PHOTO BY MARK WILSON/GETTY IMAGES



FRANK FANG

The threat of China and its formidable arsenal of missiles is one of the major hurdles for U.S. defense under the Intermediate-Range Nuclear Force (INF) Treaty, according to a newly published congressional report.

China isn't a signee to the treaty. However, "remaining outside the pact has allowed China to rapidly expand its missile arsenal as part of a military strategy designed to counter U.S. and allied military power in Asia," the U.S.-China Economic and Security Review Commission (USCC) said in a report published Jan. 28 analyzing the implications of U.S. withdrawal from the treaty—just four days before the Trump administration formally announced that it would suspend its obligations under the treaty and begin the process to formally withdraw.

With the INF restrictions on the United States, Washington is unable to defend its interests in the Asian region, according to the report.

The INF treaty was signed by former U.S. President Ronald Reagan and Soviet General Secretary Mikhail Gorbachev in 1987, prohibiting both countries from deploying ground-launched ballistic and cruise missiles with ranges between 310 and 3,410 miles. This distance restricts U.S. missiles from reaching Asia.

The Feb. 1 announcement by the Trump administration explained that the United States has decided to pull out of the treaty after months of failed negotiations requesting that Russia dismantle its 9M729 ballistic missiles that the United States says breach the pact. Though President Donald Trump and other officials had initially cited China's missile capabilities as a rationale for withdrawing from the treaty—a point made throughout the USCC report—during a phone call with reporters on Feb. 1, an administration official denied such a connection, saying, "for the United States, this really doesn't have anything to do with China. This is solely about Russia's violation of this treaty."

The following day, Russia announced that it would also suspend participation in the treaty.

China Threat Under INF Restrictions

The USCC report pointed out that 95 percent of China's inventory of more than 2,000 ballistic and cruise missiles—which includes short range (between 310 and 620 miles), medium range (620 and 1,860 miles), and intermediate range (1,860 and 3,410 miles)—would violate the INF Treaty, if China was a signatory.

While the majority of these Chinese missiles are fitted with conventional warheads, some are nuclear warheads and others are "dual-capable," meaning the missile can be fitted for either a conventional or nuclear warhead, according to the report.

Without the restrictions under INF, Beijing has amassed missiles with the military strategy of holding "U.S. forces at risk should they choose to intervene in a regional conflict," the report said. The USCC painted a hypothetical situation for the United States, under INF restrictions.

If a regional conflict broke out over Taiwan or disputed islands in the East or the South China Sea, China could forestall or defeat U.S. intervention by "targeting regional U.S. military facilities as far out as Guam, along with naval and air assets operating offshore."

The Chinese regime considers the self-ruled island of Taiwan part of its territory and has threatened the use of military force to unite it with the mainland.

The report noted that if the United States couldn't intervene, U.S. allies in the Asia region would be at a disadvantage during a conflict, due to the "sheer

number of Chinese missiles and the speed with which they could be fired."

Furthermore, China would also be able to successfully stall off U.S. intervention if U.S. policymakers "become reluctant to keep fighting or sustain additional losses" as a result of the damage initially inflicted by Chinese missiles.

Any sign of the United States becoming less willing to intervene would serve Beijing's ultimate purpose: to intimidate and coerce regional states, according to the report.

Response from China

When asked by reporters about the United States' suspension on Feb. 2, Geng Shuang, China's foreign ministry spokesperson, said that "China is opposed to the U.S. withdrawal" and warned that the withdrawal "may trigger a series of adverse consequences."

Without the restrictions under INF, Beijing has amassed missiles with the military strategy of holding "U.S. forces at risk should they choose to intervene in a regional conflict," the report said.

When asked if China would agree to negotiate a new multilateral treaty on arms control to replace INF, Geng said, "China opposes the multilateralization of this treaty," adding the Chinese regime believes it is imperative to "uphold and implement the existing treaty instead of creating a new one."

Geng's words were conservative compared to the scathing criticism by Chinese state-run media to denounce the U.S. decision.

Xinhua, in an editorial published Feb. 2, equated the U.S. withdrawal to "opening up a Pandora's box," as it would "seriously undermine global peace and security."

"U.S. withdrawal leaves the entire human race with a negative outlook as they anticipate the 21st century," the state-run newspaper Global Times said in an editorial on Feb. 2. The article also reiterated Beijing's opposition to "any form of multilateralization under the INF, or any other forms of multilateralization demanded by Washington."

The reason behind Beijing's wariness of any multilateral framework was

stated in the USCC report.

"Implicit in China's official position [on opposition to multilateralization under INF] is an assessment that U.S. and Russian adherence to the INF Treaty, while China remains outside the pact, creates an asymmetry of arms control regimes that Beijing leverages to its advantage and therefore wants to maintain," the report said.

Ramification

Ultimately, the United States would have one major advantage were it to withdraw from the INF: U.S. defense planners would have the additional option of putting ground-based missiles in the territories of its allies and partners in Asia to deter aggressive actions by Beijing, according to the report.

"It would force China to focus on destroying more targets in a conflict, thus diluting the amount of firepower the [People's Liberation Army] could devote to any specific target," the USCC said, adding that it would "complicate Chinese military planning."

China already poses a threat to U.S. allies in Asia. SD Pradhan, former chairman of India's Joint Intelligence Committee and former deputy national security adviser, wrote in an editorial published in India's English-language daily newspaper The Times of India, that China is already placing "weapon systems in its periphery and its bases in the Indian Ocean," in connection with its foreign policy of "One Belt, One Road" initiative (OBOR).

With the United States' INF withdrawal, China could decide to accelerate that process, Pradhan said.

Beijing rolled out OBOR in 2013, with the objective of building up trade routes linking China, Southeast Asia, Africa, Europe, and Latin America by funding infrastructure projects in more than 60 countries.

Pradhan also warned that India needs to continue monitoring China's missile deployment in Tibet, as well as the possibility of China placing new missiles in Pakistani territories.

Regardless of how China might respond after the U.S. withdrawal, China has already shown its willingness to use missiles for intimidation, according to the USCC report, such as when it fired missiles into the waters off Taiwan during the 1995-1996 Taiwan Strait Crisis.

China had fired the missiles to intimidate Taiwanese citizens just prior to the island holding its first presidential elections in 1996.

U.S. bimonthly magazine the National Interest, in an article published Jan. 4, identified ballistic missiles as one of five weapons China could use in a war against Taiwan. One of the Chinese missiles, DF-16, has a range of 1,000 kilometers (about 620 miles); can carry a 1,500-kilogram (about 3,307) warhead; and possesses a maneuvering capability that can evade interception by anti-ballistic missile systems.



Wang Quanzhang was detained in 2015 and sentenced on Jan. 28, 2019.

Li Wenzu, the wife of imprisoned lawyer Wang Quanzhang, poses for photo while wearing a shirt with his image calling for his release, at her home in Beijing on Jan. 28, 2019. Li shaved her head to protest the Chinese regime's treatment of her husband and other human rights lawyers who were harassed and detained during a 2015 crackdown on rights lawyers and activists.

HUMAN RIGHTS

Sentenced Rights Lawyer Was Among First to Stand Up for Falun Gong

Wang Quanzhang travelled to the ends of China, representing those whose faith was banned by the Communist Party

LEO TIMM

One day in December 2014, police in the north-eastern Chinese community of Jiānsānjiāng were on high alert. Checkpoints manned by officers wielding submachine guns blocked the snow-covered roads. Standing in subzero temperatures, they stopped passing vehicles to examine them and their passengers.

At Jiānsānjiāng, where one man and three women were on trial, among the eight lawyers who braved the harsh northeast Chinese winter and police barricades to represent them on Dec. 17 was Wang Quanzhang.

The four defendants were being charged for their faith in Falun Gong, a Chinese spiritual practice banned by the communist authorities—and one of China's longest and most brutal cases of religious persecution.

Wang Quanzhang ... and other human rights lawyers who represented Falun Gong practitioners have themselves been harassed, imprisoned, and tortured.

The lawyers had their minivan impounded at one checkpoint, and were refused service by a bus driver who was following instructions from the police. Wang and his colleagues took taxis and pressed on towards the court; despite a late arrival, they were able to offer their clients a formidable defense.

Wang, 42, hails from northern China's Shandong Province, and is famous for his unyielding and indiscriminate defense of China's most disenfranchised groups.

This year, on Jan. 28, he was sentenced to over four years' imprisonment following a secret trial held in the city of Tianjin, to the protests of the Chinese rights community and his wife Li Wenzu. Three years earlier, Wang was apprehended in the July 2015 mass arrests of Chinese rights lawyers, an incident often referred to as 709.

Defending Falun Gong

The elaborate efforts of the police in Jiānsānjiāng to prevent Wang Quanzhang and the other lawyers from defending their four Falun Gong clients the previous December were part of one episode

in a much larger campaign by the Chinese Communist Party that began in 1999.

Falun Gong is a Chinese spiritual discipline practiced by tens of millions of people who do meditation and follow traditional moral teachings based in the principles of truthfulness, compassion, and tolerance. In June 1999, then-Communist Party leader Jiang Zemin ordered Falun Gong banned; mass arrests followed the next month.

Wang had taken an interest in what was happening to Falun Gong since the beginning of the persecution, when he was still in law school, according to the China Human Rights Lawyers Concern Group (CHRLCG). In the 2000s, along with lawyers such as the renowned Gao Zhisheng, Wang was one of the first to represent Falun Gong practitioners in court.

Wang offered legal aid to Falun Gong practitioners and other victims of repression by the Chinese regime, including petitioners whose land had been seized by developers, prisoners abused in labor camps, and those mistreated by the police.

With the anti-Falun Gong campaign being directed from the executive organs of the CCP, Falun Gong practitioners were not only physically abused and murdered for their faith, but also demonized as dangerous cultists in state propaganda. A staged self-immolation incident at Tiananmen Square in January 2001—in which several purported Falun Gong practitioners set themselves on fire—fostered a social atmosphere of hatred and derision against the practice and its adherents.

Due to the highly political nature of the persecution, defending Falun Gong carried inherently greater risks than those associated with ordinary rights cases. Wang Quanzhang, Gao Zhisheng, and other human rights lawyers who represented Falun Gong practitioners have themselves been harassed, imprisoned, and tortured.

Law Versus Regime

Prior to his detention, Wang took up Falun Gong cases around the country, from Heilongjiang on the Sino-Russian border in the northeast, to Xinjiang, the Muslim autonomous region that comprises much of northwestern China.

His activities made him a target of the Party authorities. In 2008, Wang had his home ransacked and his possessions seized by agents of the Ministry of State Security. In 2013, he was given a 10-day detention in Jiangsu Province, eastern China, for "severely disrupting order in court" while representing a Falun Gong case. A joint protest by 100 fellow lawyers led to his release after three days in custody, according to the CHRLCG.

In March 2014, while working to support other lawyers in the Jiānsānjiāng case in Heilongjiang, Wang was beaten by the police and forced to sign guarantee documents. In June 2015, Wang entered



Police detain a Falun Gong demonstrator in Tiananmen Square on Oct. 1, 2000.

court in Liaocheng, Shandong Province, to defend a group of Falun Gong practitioners there, but he was beaten and injured by seven bailiffs, who also tore his clothing. His defenses were repeatedly interrupted by the prosecution, as reported by Minghui.org, a website documenting the repression of Falun Gong.

The next month, Wang was detained in the 709 roundup of Chinese human rights lawyers. He was charged with "subversion of state power" in 2017.

The persecution meted out to Wang and other lawyers, not to mention their clients, highlights the structural conflicts between the rule of law in China and the political supremacy of the Communist Party.

Despite the repeated insistence of Chinese leaders that the country must be run according to law, the severity of human rights abuses and religious persecution have only increased in the last two decades. The tightening restrictions come as the Party attempts to shore up its political power and socialist ideology amidst economic downturn, social unrest, and intense behind-the-scenes factional struggle within the regime itself.

Li Wenzu, Wang Quanzhang's wife, has spoken out repeatedly to protest the authorities' treatment of her husband. Last April, she attempted to leave her home in Beijing to join other dissidents in a march on Tianjin, where Wang is incarcerated, but plainclothes police stopped her, as she reported in comments translated by human rights website China Change.

"If you dare to come out, we'll kill you, do you not believe it?" an officer threatened Li Wenzu and her son.

"I believe it, I very much believe it, because you're all hoodlums and scoundrels, I know that you're capable of anything," Li responded.

OPINION

China's Race For AI Dominance

JAMES GORRIE

What's the motivation behind China's deep investment in artificial intelligence (AI)?

It may sound like a loaded question, but considering how the Chinese leadership leverages technology, including AI, to repress its own people to an extreme degree, it's a legitimate question. Is China's biggest fear really a "false negative" alert—a failure to detect a "bolt-from-the-blue" attack by the United States?

Considering China's formidable nuclear intercontinental ballistic missile capabilities—as well as other aspects of its military power—that fear simply doesn't make sense.

The investigation revealed that Chen had backed up his entire work computer onto his personal hard drive, which violated Apple's policy.

Given those realities, just what is China's long game with AI?

China's Big Break from the Past Whether it's economic policy, infrastructure development or military doctrine, China's leadership has always engaged in long-term planning. In the economic realm, the country is making a tremendous effort to break away from its role of providing low-cost labor to the world by transforming itself into a world leader in technology. That's a very big deal.

But executing on such plans isn't easy, and things aren't going exactly as planned—hiccups are to be expected. Production and labor costs aren't as low as they once were, for example. This leaves China's manufacturing costs higher than competitors such as South Korea. Plus, China's value-add efficiency is still well below global standards, as is their high burn rate on

resources. China also wastes enormous amounts of raw materials in its production processes that it has yet to manage successfully.

That said, the Chinese leadership knows that as big as their economy is, they can't be a full-fledged superpower without their own technology base. That's the idea behind the communist giant's 10-year "Made In China 2025" plan, which they launched back in 2015.

Figures vary on its projected costs, but some estimates say that China will end up spending around \$300 billion. The objectives are clear: The Chinese Communist Party (CCP) leadership wants to transform China's manufacturing base from building other countries' high-tech products to building their own technology industry sector. They plan on eliminating all reliance upon foreign technology. All things considered, they're well on their way.

Is it time to be concerned? Yes, it is. China's goal isn't just to be competitive around the world—they've already reached that objective. Nor is it about making cool gadgets. The CCP is aiming for global dominance, seeking nothing less than global hegemony, which includes putting countries such as Germany, Japan, and even the United States out of business. These technological areas include robotics, autonomous and electric vehicles, biotech, aviation, and AI.

All of these technologies will be important, of course, but AI will have a special role to play in China's planned global dominance in the not-too-distant future. Sure, at the recent World Economic Forum in Davos, Switzerland, the CCP leadership insisted that it wants to grow the Chinese economy in a way that's "complementary" to the existing world order. That's a tough sell.

Let's be abundantly clear: The race to master AI is, in fact, an arms race. The Chinese denial would be laughable, were it not so threatening. As Russian leader Vladimir Putin noted in 2017, "the future belongs to artificial intelligence" and whoever masters it first will rule the world.

The Unlimited Applications of AI That is, in fact, precisely the case. The applications of AI in the defense/military sector is virtually unlimited, from autonomous "Terminator"-type warfare machines to self-determining computers that could decide to launch



a nuclear strike without human oversight. But those nasty military applications are only the beginning.

The applications for AI in other and all areas of life are virtually endless. To get just a glimpse of how AI will impact our world, just think of how the Internet of Things has changed the way every mechanical device is now digitally connected and can be remotely controlled via the internet. There's literally no ceiling on AI.

The downside? This new level of sophistication offers unprecedented levels of surveillance on entire populations. In brief, AI offers authorities the temptation of totalitarian control over their people like never before. Like any new technology, it's how it's used that matters.

Of course, China knows the potential totalitarian applications of AI as well as anyone. It employs aspects of AI and other technologies in its "Social Credit" system. Their application of AI and other "smart" technologies allow Chinese authorities to monitor personal data, behavioral history, personal preferences, and habits—from personal traits such as alcohol consumption and medical conditions, to how many unpaid parking tickets you might have, and of course, any counter-revolutionary opinions you might have uttered.

All of this data is used to reward or punish people without warning. You might suddenly find that your bank account has been frozen, your plane

ticket abroad has been cancelled, or much worse, you're suddenly collected and hauled off to a detention center somewhere—all due to your insufficient social credit standing. Your social credit is determined by some algorithm at the behest of and controlled by the CCP regime.

These abuses are just a few of many that the Chinese leadership levels against their own people today. Imagine how foreigners would be treated by their Chinese masters.

A Warning to the World

Voicing concerns about China's potential capabilities and intentions isn't scaremongering or even anti-Chinese. It is simply a recognition of the facts and an acknowledgment of the history, temperament, and stated goals of the current brutal leadership in China. George Soros, hardly a conservative, agrees.

As a leading global economic and military power, should China master AI in its military applications and achieve a position of superiority over the West—and in particular, over the United States—it would threaten the entire global system of trade, finance, and freedom. The classical liberal trading era in the world would likely cease to exist.

James Gorrie is a writer based in Texas. He is the author of "The China Crisis."

Taiwan Military Expert Warns of Potential for Chinese Regime to Damage Island's Internet System

OLIVIA LI

Taiwanese experts are concerned that China can cut off the island's internet connection by destroying undersea cables.

The Institute for National Defense and Security Research, a think tank funded by the Taiwan government, published research related to cybersecurity in its latest monthly bulletin on defense issues.

Tzeng Yi-suo, acting director of the Institute of Cyber Warfare and Information Security within the think tank, said that China could launch cyberattacks on Taiwan through two means. One is to directly sabotage undersea cables that connect Taiwan's internet with the rest of the world. These cables, laid on the seabed less than 300 meters (about 984 feet) deep, have four landing stations in Taiwan, according to the

research published on Jan. 10.

The Chinese regime considers Taiwan part of its territory and has never renounced the use of military force to unite Taiwan with the mainland, despite the fact that Taiwan is a de facto independent country, with its own democratically elected government, military, and currency.

"The likelihood of the People's Republic of China damaging or corrupting submarine cables and related infrastructure that connect Taiwan to the outside world should not be underestimated nor overlooked by the international community," said Tzeng in the monthly report.

In addition, China could pressure the Internet Corporation for Assigned Names and Numbers (ICANN), a non-profit that oversees internet domains around the world, to change Taiwan's root domain of .tw to China's .cn.

The change of the root domain wouldn't just directly affect Taiwan's domain name in the international network community, but more importantly, China would be able to hijack the "Border Gateway Protocol," so that all data entering and leaving Taiwan may be collected and monitored, Tzeng said.

In a Jan. 27 report by Japanese magazine Nikkei Asia Review, Tzeng also spoke about China's capabilities to meddle in elections via the internet, as exemplified by Beijing's subversion of the Nov. 24, 2018, elections in Taiwan.

China uses Taiwan like a laboratory to test and perfect its cyberwar and propaganda tactics, Tzeng was quoted as saying.

Currently, Tzeng said China's ability to influence U.S. politics isn't as good as that of Russia. But, "as they accumulate knowledge and test their algorithms, I

think within two years, we will probably see China having the capability to use cyber tools to intervene in the U.S. election," Tzeng said, in time for the 2020 presidential elections.

Jessica Drun, a senior analyst at SOS International, a Washington-based think tank, also came to a similar conclusion in a November report. She pointed out that China has demonstrated familiarity with how to influence Taiwanese social media. There was an influx of fake news and internet rumors during the local elections in Taiwan, aimed at swaying election results in favor of pro-Beijing political candidates.

"Chinese disinformation campaigns against Taiwan could be used as a blueprint against other democracies, particularly in sowing greater discord between segments of the population," Drun told Nikkei.

Taiwanese sailors salute the island's flag on the deck of the Panshih supply ship after taking part in annual drills at the Tsouying naval base in Kaohsiung on Jan. 31, 2018.



HUMAN RIGHTS

UYGHUR WOMAN URGES FRENCH PRESIDENT TO FREE HER MOTHER PERSECUTED IN CHINA

DAVID VIVES

When she was young, Gulhumar Haitiwajji dreamed of France. Her wish was fulfilled the day she moved from Xinjiang Province of China to Paris in 2004 with her parents and sister. “In my 14-year-old head, France was about the Eiffel tower, beautiful women, beautiful streets, and buildings. When I arrived, I was very, very happy,” she says.

Haitiwajji’s mother decided to keep her Chinese citizenship to keep in touch with her family and work. She was also allowed unpaid leave at the factory where she was a mechanical engineer. While she made several round trips over the past years, her husband and daughters stayed in their new host country.

Growing up in France was full of cheerful memories for Haitiwajji. She learned French in about a year, followed a regular curriculum, and now works in luxury jewelry. In August 2016, she got married. But a few months later, the life of this family took a tragic turn.

“My mum got a phone call from her former boss, in China. He was a friend of ours. He said mum needed to go to his place and sign paper that would allow her to apply for her retirement pension. First time, he just mentioned it on the phone. And then he called non-stop for a week.” Gulbahar had a very bad feeling about this, her daughter remembers. Her family convinced her to go to China, because she could get some rest after Gulhumar Haitiwajji’s marriage. She eventually decided to fly to Beijing. But once she arrived, the police confiscated her passport. She was arrested and put in a tiny cell for 24 hours, without food, water, or anything to rest on.

By the time she was allowed to called her family in France, Haitiwajji said, “Her voice was shaking. She said the police took her passport and when she arrived at her former boss’s office, policemen were waiting for her. It was all a trap from the beginning.”

Crackdown on Uyghurs Living in Foreign Countries

Uyghurs are an ethnic minority primarily of Sunni Muslim faith. They have lived in northwest China for millennia. But they have endured harsher crackdowns on their culture, faith, and language since 1949, just like Tibetans, Christians, and Falun Gong practitioners, when the Chinese Communist Party (CCP) took power in China. Since then, the CCP has used the Soviet-backed East Turkistan claim as a means to justify its repression of the Uyghur people.

For Gulhumar Haitiwajji, in the past months, there has been a surge of arrests in Uyghurs living outside of China, and her mother was just another target among others community members.

During a police interview, Gulbahar found out why she was arrested. She was shown a picture taken in Paris of her daughter during a Uyghur demonstration. Gulbahar herself was never involved in any dissident activities.

“My mother was crying on the phone, saying

I should never have gone to that demonstration. I remembered that I just held a bouquet of flowers that someone gave me for a few second before taking it back. Then a French photographer took a picture with my permission, and the photo went on social medias. That’s how Chinese Communist Party eventually found us.”

“The CCP’s crackdown on foreigners aims to infiltrate Uyghur communities as well as intimidate their members.

“When you are becoming someone good, when you try to educate yourself or if you have faith in religion, the Chinese government try to persecute you.

“If you’re reading books, if you have influence on people, if you’re in a dinner and say something good, or try to raise awareness to people, it’s very dangerous.

“You can be sure that someone among your friends is going to tell the Party about you. This is how much the Chinese government

[My mother’s] voice was shaking. She said the police took her passport and when she arrived at her former boss’s office, policemen were waiting for her. It was all a trap from the beginning.

is afraid of its own people.”

“I’m sure they asked my mother to spy for the Chinese police. I know my mother, she has a rightful mind, she did nothing wrong, so she probably refused anything they might have asked her to do.” Gulhumar said.

For months, Gulhumar had no news of her mother. She finally learned that she was sent to a re-education camp. Her aunt gave her news occasionally. Gulhumar said her aunt had told her, “Your mother is okay, she’s eating meat.” “That’s just ridiculous,” Gulhumar said in response to her aunt’s information. “She’s talking like a policeman is seating next to her and telling her what she has to say.

“I called her on December 24 to tell her to wish my mother a happy birthday. She replied, ‘Your mother is well. I went to see her and she was having a party to celebrate.’

“It’s like my mother was at school. That is nonsense.”

Urging the French President

But when Gulhumar asked where her mother was, she never got an answer. Her aunt spoke non-stop on the phone, and as a result, they weren’t able to have a proper conversation. Gulhumar found hope in 2017 when a Cans



DAVID VIVES/THE EPOCH TIMES



▲ A general view is seen on June 27, 2017 of the old town of Kashgar, in the far western Xinjiang province, China.

◀ Gulhumar Haitiwajji in Paris in Jan. 2019.



▶ Gulbahar Haitiwajji and her husband. Haitiwajji has been in re-education camp since being tricked into returning to China from France in 2016, says her daughter Gulhumar.

When you are becoming someone good, when you try to educate yourself or if you have faith in religion, the Chinese government will try to persecute you.

dian Uyghur women was released from a Chinese prison camp. Haitiwajji went to interview her, as she was in the same camp and knew her mother. She was arrested at the same time as her mother in 2016.

But her hope was dashed. The husband of that women told Haitiwajji that she had gone crazy. She talked to herself, spending all day standing next to the window whispering the Chinese patriotic songs that she was forced to learn.

Now, Gulhumar has lost contact with her family in Xinjiang and has no news of her mother. She worries about what will happen next.

“It’s hard for me to think about the future. Me and my husband are thinking about having a child but I can’t imagine... if my mother come back some day to find my grown up children, she would be happy but it would be such a shock for her, considering how she’s now... I can’t do that to her.

“So for the last two years, I only work hard without thinking of anything. It’s so hard,” Gulhumar said.

Gulhumar has refused to give in to pressure from Chinese authorities in France and repeatedly called the Ministry of Foreign Affairs to help free her mother. She has launched an online petition, which has been signed by over 436,800 people. She is now trying to reach out to French President Emmanuel Macron to ask him to take action for her mother’s release.

PHOTO BY KEVIN FRAYER/GETTY IMAGES

GABRIELE BRUNO/THE EPOCH TIMES



Shen Yun Performing Arts curtain call at the Teatro Verdi in Florence, Italy, on April 19, 2018. Shen Yun has been the target of Beijing’s attempts to persuade European theaters not to host the company.

CHINESE REGIME

Chinese Embassy Pressured Theater to Cancel Shen Yun Performances in Spain, Investigation Reveals

JANITA KAN

A top-level official from the Chinese Embassy in Spain admitted in a recent phone call that he made a personal visit to the general manager of the Royal Theater in Madrid to pressure him into canceling performances of popular traditional Chinese dance and music company slated to run there, according to a recent investigation.

The New York-based Shen Yun Performing Arts—whose mission is to revive 5,000 years of Chinese civilization through music and dance, according to its website—had booked the Royal Theater to perform there on Jan. 31 and Feb. 2.

Shen Yun performances include pieces that portray contemporary China, including the ongoing persecution of the banned spiritual practice Falun Gong—a topic considered taboo by the Chinese regime.

Just weeks before the scheduled performances, the theater canceled the shows due to “technical difficulties.” The Royal Theater confirmed this reasoning in an emailed statement to *The Epoch Times*.

agreement the Madrid theater had signed with the Chinese regime in 2016.

The “International League of Theaters of the Silk Road” is a project to promote “artistic exchange in the field of performing arts,” according to a report by the state-run *China Daily* newspaper. The league is, in turn, part of China’s flagship project for increasing geopolitical influence around the world: the One Belt, One Road initiative.

Lü also said in the call that he worked closely with the general manager to come up with a reason to cancel the show—which was subsequently used by the theater.

“We told them to use technical reasons [as their cover], to say that, since the show was booked in a hurry, they didn’t think through about the technical issues.” Lü said during the call, specifically instructing the general manager to inform Shen Yun’s presenters that the theater was unable to clear the stage in time for the performing arts company.

When the Royal Theater informed the presenters about the cancellation on Jan. 7, they had reasoned that the Das Rheingold opera, which was performing the day before and after Shen Yun, would have difficulties dismantling its sets to accommodate Shen Yun’s performances. But the theater didn’t seem to have the same problem with other shows performing around the Das Rheingold opera show dates.

After Shen Yun’s performances were canceled in Madrid, a European politician raised concerns about possible Chinese regime pressure.

CCP’s Many Attempts to Thwart Shen Yun Shows

This isn’t the first time the CCP has tried to undermine Shen Yun’s performances in Spain using similar tactics.

According to reports by *El Mundo*, the second-most widely distributed newspaper in Spain, Chinese diplomats assailed officials at the National Theatre of Catalonia and Spanish Foreign Ministry officials to pressure them into canceling Shen Yun’s performances in Barcelona in 2014.

More recently in 2017, CCP front groups staged a protest in front of the Liceu Theater in Barcelona while Shen Yun was performing inside. About 25 to 30 Chinese nationals carried banners and shouted slogans that defamed Shen Yun and Falun Gong, a Chinese spiritual discipline practiced by Shen Yun performers. Falun Gong adherents in Spain have launched a defamation lawsuit against the CCP front group.

Lawyer Carlos Iglesias, who is representing the plaintiffs, said the front group’s conduct constituted hate speech.

Shen Yun has faced challenges, due to Chinese interference, in other cities around the world, including in Holland, Denmark, South Korea, Australia, and the United States. In some instances, the communist regime has even sought to coerce government officials not to attend the performances or voice public support for the company.

Why Is Chinese Regime Targeting Shen Yun?

The New York-based company was founded by adherents of the spiritual practice Falun Gong, who have been severely persecuted in mainland China. Then-CCP leader Jiang Zemin believed Falun Gong’s immense popularity—the practice had up to 100 million adherents, according to estimates cited in Western media outlets—would threaten the Party’s authority. He thus initiated a nationwide campaign in July 1999 to harass, arrest, detain, and torture Falun Gong practitioners.

The CCP also has strategically spread anti-Falun Gong propaganda domestically and beyond its borders—through pro-Beijing or Party-affiliated Chinese media, and front groups embedded in overseas Chinese communities.

Shen Yun has performed in more than 100 cities around the world, selling out shows in New York, Barcelona, and other major cities.

OPINION

RELEARNING THE DANGERS OF SPACE COOPERATION WITH CHINA

RICK FISHER

Former Obama administration NASA Director Maj. Gen. (ret.) Charles F. Bolden, in a Jan. 14 interview in *China Daily*, called for Congress to repeal the 2011 “Wolf Amendment” requiring bilateral space cooperation with China to have congressional approval.

Furthermore, Bolden called for Chinese astronauts to be “integrated” into the International Space Station (ISS) program to help China “avoid some of the mistakes” encountered with the ISS as it proceeds with assembling its own space station.

In essence, Bolden advocated reviving the early Obama administration’s agenda to begin active space cooperation with China.

Early in 2009, then-White House science adviser John Holdren opined that U.S. astronauts could ride Chinese spacecrafts to the ISS after the retirement of the U.S. space shuttle. Then, during his first visit to China, President Barack Obama took the first step toward such cooperation. A Nov. 17, 2009, joint statement noted that the United States and China

looked forward to “starting a dialogue on human space flight and space exploration, based on the principles of transparency, reciprocity and mutual benefit.”

But by October 2010, when Bolden made his first visit to China as NASA director, Republican congressional opposition to cooperation with China in space was being led by now-retired Rep. Frank Wolf (R-Va.), who was then chairman of the House Appropriations subcommittee that funds NASA.

Wolf’s policies were continued by his successor, Rep. John Culberson (R-Texas). In 2011, Congress passed restrictions that forbade NASA from using funds for bilateral U.S.–China space cooperation. In 2013, Wolf clarified that his legislation didn’t bar “multilateral cooperation,” such as meetings at international conferences.

For Wolf, a leading congressional critic of communist China, it was clear that China’s space program was controlled by its People’s Liberation Army (PLA) to advance the goals of the Chinese Communist Party (CCP)-led dictatorship. Wolf saw China as a military threat to the United States that armed other dictator

ships like Iran and North Korea.

In a May 2011 testimony before the congressionally mandated U.S.–China Economic and Security Review Commission, Wolf stated that China was, “[one] of the world’s worst human rights abusers [that did not] deserve to be rewarded with greater ‘cooperation’ with the U.S.... The U.S. has no business cooperating with the PLA to help develop its space program.”

While Wolf retired in 2015, to the reported “cheers” of some supporters of space cooperation with China, his concerns remain even more valid today.

Military Threat

In late 2015, China created a “Space Force,” subordinate to its new Strategic Support Force (SSF), to control all Chinese military and non-military space activities.

A recent U.S. Air Force National Air and Space Intelligence Center (NASIC) report noted that China has now deployed multiple units of ground-based anti-satellite (ASAT) missiles, having demonstrated a successful ASAT interception in January 2007. The report also noted that China is working on space weapons that will be

stationed in low Earth orbit, where most U.S. satellites reside.

For example, China likely will use its new three- to six-man space station, expected to be launched by 2022, to carry out military missions. With insights gained from espionage against Russia in the late 1990s, China’s space station uses large detachable mission-oriented modules, similar to the Russian Energia Corporation’s MIR space station design.

The military advantage of this design is that the PLA can build specialized mission modules for surveillance, anti-satellite, or Earth-bombing operations, similar to Soviet military plans for MIR.

In his *China Daily* interview, Bolden appeared to suggest that the United States could cooperate with China on its space station. But sending U.S. astronauts to a Chinese space station on U.S. spacecraft, or allowing Chinese spacecraft to dock with the ISS, would constitute an open door for Chinese espionage against U.S. space technology. The PLA would be the ultimate beneficiary of insights into U.S. space designs, materials, and procedures.

Such cooperation would also constitute

a cruel irony considering that, in 2008, China very likely practiced a military interception of the ISS. On Sept. 27, 2008, in a possible simulated attack interception exercise, China’s Shenzhou-7 spacecraft passed within the 28-mile box around the ISS, just after it had launched a small microsatellite.

But what is galling is that, following this incident, neither officials from the George W. Bush nor the Barack Obama administrations offered any public reaction, much less any explanation for China’s actions, which could have threatened the one American and two Russians who were aboard the ISS.

Preventing Dominance

As the PLA has consistently sought civil-military “dual-use” benefits from its control of China’s manned and unmanned space programs, it can be expected that the PLA will also derive dual-use benefits from China’s activities on the moon.

By controlling the “Earth-Moon System,” it’s likely that CCP leaders harbor ambitions to deny access to any emerging “space economy,” or a new era of economic growth on Earth stimulated

STR/AFP/GETTY IMAGES



A Long March 3B rocket lifts off from the Xichang launch center in Xichang in China’s southwestern Sichuan Province early on Dec. 8, 2018. China launched a rover early on Dec. 8 destined to land on the far side of the moon, a global first that would boost Beijing’s ambitions to become a space superpower, state media said.

by economic activity on the moon and Mars. This would be consistent with China’s strengthening domestic dictatorship and its ambitions to dominate economic, political, and military power on Earth.

By denying the “legitimacy” for China’s space program that would be conferred by full U.S. cooperation, the Wolf Amendment constitutes an enduring U.S. moral “sanction” against China, signaling that free people still oppose the CCP’s pursuit of dictatorship and hegemony on Earth and in space.

The intent of the Wolf Amendment should be sustained until China reveals and verifiably dismantles its military-space program elements that threaten democracies. Doing so will continue Rep. Wolf’s legacy by seeking to ensure that space cooperation with China doesn’t increase the ability of the PLA’s Space Force to threaten America’s security and future prosperity.

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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