



Coercion, Capture, and Censorship: Case Studies on the CCP's Quest for Global Influence

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■ About the CAI Initiative

Over the past five years, IRI has developed and implemented a framework to build resiliency against growing foreign authoritarian influence and interference through its Countering Foreign Authoritarian Influence (CAI) practice. Under its Building Resiliency for Interconnected Democracies in Global Environments (BRIDGE) initiative, funded by the National Endowment for Democracy (NED), IRI deploys a three-pronged approach to mitigate the impact of Chinese Communist Party (CCP) authoritarian influence on developing democracies:

1. Sharing research on how CCP influence impacts democratic processes with IRI's global network of partners;
2. Equipping local stakeholders with the means to conduct similar research independently, the skills to craft and message targeted advocacy campaigns based on research findings, and the tools and resources to devise and advocate for locally appropriate policy solutions to bolster democratic resilience and counter PRC authoritarian influence;
3. Catalyzing the development and adoption of policy solutions through productive dialogue with stakeholders and policymakers and targeted advocacy campaigns.

By engaging stakeholders across sectors — including government officials, political parties, media, private enterprise, and civil society activists — IRI's work promotes broad awareness of authoritarian tactics and the keys to shoring up vulnerable democratic institutions. The research presented in this report is part of a growing compendium of case studies documenting the CCP's varied authoritarian influence tactics across countries and the elements of effective democratic resilience, which directly informs BRIDGE programming.

■ Glossary: Key Terms and Abbreviations

Belt and Road Initiative (BRI): A large, global infrastructure and investment initiative begun by the PRC party-state in 2013. In addition to building infrastructure, the project is meant to strengthen the PRC's strategic economic and security interests, and solidify a global order centered more firmly around Beijing.

China Communications Construction Company (CCCC): PRC state-owned engineering and construction company known for its global infrastructure development. There are many subsidiaries of CCCC that operate under its management.

China Development Bank: One of the three main policy banks in China responsible for funding large-scale infrastructure projects, under leadership of the State Council. It is currently one of the world's largest development finance institutions.

China Global Television Network (CGTN): The main international English-language state run media owned by CCTV, under the control of the CCP's Propaganda Department.

China Media Group: A state-controlled media company that runs many of the PRC's most important media platforms directed at foreign audiences.

China Railway Construction Corporation (CRCC): One of the world's largest railway construction and engineering companies, directly owned and overseen by the PRC party-state.

Chinese Communist Party (CCP): The founding and ruling political party of the People's Republic of China.

Confucius Institute: An educational and cultural promotion programs funded and overseen by the PRC government's ministry of education. In addition to providing instruction on Chinese language in universities around the world, Confucius Institutes present a state-sanctioned view of China and its position in the world.

Disinformation: False or misleading information deliberately spread to influence opinion, deceive, or obscure the truth.

Donation Diplomacy: Promising to ship aid or supplies free of cost to low-income countries, with the intention of bolstering self-image or counteracting negative perceptions. During the pandemic, this often manifested in the donation of vaccines to countries in need in order to counter narratives about the origins of COVID-19 and the PRC's dealing with the virus in the beginning (vaccine diplomacy).

Elite Capture: A form of corruption in which public officials and national elites manage or direct government projects in a manner that enables them to misdirect resources for their own personal financial gain to the detriment of the public.

Foreign Direct Investment (FDI): An investment made by a firm or individual in one country in business interests located in another country; this sometimes refers to the aggregation of all foreign investments into or from a particular country.

Industrial and Commerce Bank of China (ICBC): A state-owned multinational commercial bank. The bank's leadership is directly appointed by the PRC party-state, and it is one of the world's largest banks in terms of assets.

Information Space: Platforms/mediums through which information and perceptions are shared, distributed, and shaped in both public and private spaces

International Liaison Department (ILD): The branch of the Chinese Communist Party responsible for developing relationships with foreign political parties and their members (rather than governments). The ILD allows the party to develop relationships with influential and elite individuals in foreign governments while bypassing conventional channels of diplomacy. Under Xi's leadership and the reassertion of power of the CCP, the ILD has taken on renewed importance in China's foreign policy.

Malign foreign authoritarian influence: The combined effect of an authoritarian government's efforts to shape another country's internal disputation in ways in which are covert, coercive, and corrupt, which makes them malign, illegitimate, and distinguished from legitimate public diplomacy and engagement. To these ends, authoritarian actors and state-linked entities employ tactics such as information operations, graft, economic coercion, or the subversion of civil society.

Overseas Chinese Affairs Office (OCAO): Now incorporated into the United Front Work Department, this was an administrative unit under the State Council of the CCP responsible for liaising with and — where possible — co-opting Chinese diaspora communities abroad.

People's Armed Police: A paramilitary force responsible for civilian policing and providing support to the PLA when necessary.

People's Liberation Army (PLA): The PRC party-state's military force. Unlike militaries in democracies, it is not a national army, but a party army, whose purpose is to serve and protect the CCP.

Quad: Quadrilateral Security Dialogue between Australia, India, Japan, and the United States.

Sharp Power: The means by which authoritarian actors manipulate their target influence audience by distorting the information that reaches them. 'Sharp power' pierces the information environment of target countries, weakening them by deterring legitimate debate in civil society and academia with implied threats of economic or political retribution.

Sovereign Debt: The amount of money that a government has borrowed, either in international lending markets or directly from a bilateral lending partner, typically issued as bonds denominated in a reserve currency.

Special Economic Zones (SEZs): A geographically delimited territory in a state wherein the trade laws are different from those outside of the zone. This is often created to stimulate industrial activity and to provide specialized infrastructure support in developing economies. Often these zones imply separate customs territories, fiscal incentives, tariff free zones, and regulations that favor businesses in terms of land access, permits, and employment regulations.

State-owned Enterprise (SOE): A legal entity that is created by a government in order to partake in commercial activities on the government's behalf. China's SOEs, among the largest and most powerful in the world, are responsible for a large portion of BRI activity.

The United Front System: The grouping of agencies, social organizations, businesses, universities, research institutes, and individuals carrying out United Front work.

The United Front Work Department: The CCP department that coordinates the large system responsible for carrying out United Front work.

United Front Work: The term used by the CCP for its mission to communicate with, co-opt, and consolidate party control over non-Party portions of PRC society, to head off challenges to its authority, and mobilize the rest of PRC society towards its political goals. This includes a significant diaspora component, since the CCP's definition of "PRC society" includes all individuals of Chinese descent globally, regardless of their citizenship, pre-existing identity, or geographical location.

■ Common Acronyms

AAAPRC	All-Africa Association for the Peaceful Reunification of China
AAAPRC-KZNPB	All-Africa Association for Peaceful Reunification of China – KwaZulu-Natal Province Branch
ADB	Asian Development Bank
AIIB	Asian Infrastructure and Investment Bank
ACFROC	All-China Federation of Returned Overseas Chinese
Anvisa	Brazil's National Health Surveillance Agency
AP	Associated Press
AKP	Justice and Development Party
ANC	African National Congress
APX	Asia Pacific Xuanhao
BaBe	Baca Berita
BOC	Bank of China
BRICS	Brazil, Russia, India, China, and South Africa
BRI	Belt and Road Initiative
BRNN	Belt and Road News Network
CEPA	Comprehensive and Enhanced Partnership Agreement
CEBC	China-Brazil Business Council
CC	Confucius Classroom
CCCC	China Communications Construction Company
CCP	Chinese Communist Party
CCP-CC	CCP Central Committee
CELAP	China Executive Leadership Academy Pudong
CCPPNR	China Council for the Promotion of Peaceful National Reunification
CGTN	China Global Television Network
CHP	Turkish Republican People's Party
CDB	China Development Bank
CIO	Central Intelligence Organization
CI	Confucius Institute
CIS	Commonwealth of Independent States
CTCPRC	Cape Town Council for Peaceful Reunification
CPAFFC	Chinese People's Association for Friendship with Foreign Countries
CCPCC	Chinese Community and Police Cooperation Centers
CPPCC	Chinese People's Political Consultative Conference
COEA	China Overseas Exchange Association
COFOCE	Mexico's Guanajuato Foreign Trade Promotion Coordinator
COFCO	China National Cereals, Oils and Foodstuffs Corporation
CRI	China Radio International
CRCC	China Railway Construction Corporation
CSTO	Collective Security Treaty Organization
COSATU	Congress of South African Trade Unions
CSO	Civil Society Organization
DA	Democratic Alliance

DPA	Data Protection Act
DRC	Democratic Republic of Congo
DTPS	South African Department of Telecommunications and Postal Services
DTIC	Department of Trade, Industry and Competition
EFF	Economic Freedom Fighters
EAEU	Eurasian Economic Union
FCC	U.S. Federal Communications Commission
FAPERMEX	Federation of Mexican Journalist Associations
FDI	Foreign Direct Investment
FOCAC	Forum on China-Africa Cooperation
FMLN	Frente Farabundo Martí para la Liberación Nacional
GKNB	Kyrgyz State Committee for National Security
GTU	Georgian Technical University
HDP	Peoples' Democratic Party
ICBC	Industrial and Commercial Bank of China
ICT	Information and Communications Technology
ILD	International Liaison Department of the Chinese Communist Party
IRI	International Republican Institute
JOCSC	Johannesburg Overseas Chinese Service Center
KCIC	Kereta Cepat Indonesia China
MESCS	Ministry of Education, Science, Culture, and Sports
MHP	Nationalist Movement Party
MOU	Memorandum of Understanding
MTAI	Ministry of Territorial Administration and Infrastructure
MORENA	Mexico's Workers' Party and Lopez Obrador's National Regeneration Movement
NEC	National Executive Committee
NSG	National School of Government
NGO	Non-Governmental Organization
OCSCCT	Overseas Chinese Service Center Cape Town
OSCE	Organization of Security and Economic Cooperation in Europe
OCAO	Overseas Chinese Affairs Office
PAN	Mexico's National Action Party
PAIA	Promotion of Access to Information Act
PDI-P	Indonesian Democratic Party of Struggle
PKK	Kurdistan Worker's Party
PPE	Personal Protective Equipment
PRI	Mexico's Institutional Revolutionary Party
PRC	People's Republic of China
RAU	Russian Armenian University
ROC	Republic of China
SAPS	South African Police Service
SACP	South African Communist Party
SANWPCPPR	South Africa North West Province Council for the Promotion of Peaceful Reunification
SAGPCPPR	South Africa Guateng Province Council for the Promotion of Peaceful Reunification

SEZ	Special Economic Zones
SCTV	Surya Citra Televisi
SIM	Sekunjalo Independent Media Consortium
SOE	State-owned enterprise
TITR	Trans-Caspian International Transport Route
TWF	Turkey Wealth Fund
USAID	U.S. Agency for International Development
WTO	World Trade Organization
XUAR	Xinjiang Uyghur Autonomous Region
YSU	Yerevan State University
ZANU-PF	Zimbabwe African National Union – Patriotic Front
ZDF	Zimbabwean Defense Forces
ZLHR	Zimbabwe Lawyers for Human Rights
4IRSA	4th Industrial Revolution in South Africa

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INTRODUCTION

The world has changed profoundly in the year since the International Republican Institute released its latest survey of People's Republic of China (PRC) malign influence efforts, *A World Safe for the Party*.¹ Since then, China's international position has also undergone a significant shift. War has once again returned to the European continent as Russia attempts to violently annex Ukraine. Beijing's tacit backing of that war of aggression signals a renewed, and possibly more coordinated, attempt by the two revisionist powers to challenge the liberal, rules-based international order.

Meanwhile, as the world begins to emerge from isolation caused by the COVID-19 pandemic, the Chinese Communist Party (CCP) and General Secretary Xi Jinping have chosen a different course by doubling down on its "zero-COVID" strategy of near-total international isolation and hard internal lockdowns, placing greater strain on the PRC's political system than at any period since Xi came to power in 2012. Amid this health emergency, an increasingly paranoid CCP has also intensified its efforts to isolate the Chinese people from what it regards as nefarious outside influences in the ideological and ideational spheres.

In this rapidly changing environment, it is therefore imperative that we pause and reflect on the implications for the PRC's influence across the rest of the world and its impact on democracy in vulnerable countries. The case studies in this collection find that while some of the most important sources of PRC external power will withstand this shifting environment, others may be eroding under the grinding pressure of Xi's commitment to a zero-COVID policy. Regardless of whether the PRC's global influence ebbs or flows, however, this influence's tendency to undermine institutions of democratic governance – especially in countries where the PRC is particularly influential – remains constant.

IRI's latest research confirms previous findings that trade in goods and services remains the most important and enduring conduit for PRC influence over other countries' politics. This mode of influence did not emerge by accident; rather, it is result of a decision by CCP elites to firmly embed the PRC in economic globalization, drawing strength from the same source that has served the United States and other democracies so well.

If official PRC statistics are any indication, Beijing's ambition to move China closer to the center of the world stage through trade has been largely undiminished by the COVID-19 pandemic. China's international trade in goods rebounded from a dismal 2020 and grew 30 percent year-on-year in 2021, while trade in services remained largely flat, dragged down by sectors like tourism.² China's trade with the developing world, meanwhile, similarly rebounded to pre-pandemic levels of growth: trade in goods with ASEAN, Africa, and Latin America grew year-on-year by 28.1 percent, 35 percent, and 41 percent, respectively.³

These numbers do not occur in a vacuum. Rather, they demonstrate that the CCP seeks growth in economic activity largely because of its political consequences: as the case studies in this and other IRI CFAI compendiums

¹ Shullman, David (ed.). "A World Safe for the Party: China's Authoritarian Influence and the Democratic Response." *International Republican Institute*, February 2021, <https://www.iri.org/resources/china-expands-global-authoritarian-influence-efforts-some-fragile-democracies-show-resilience-against-ccp-aggression/>.

² "Annual Statistics on Imports and Exports of Goods." *Ministry of Commerce of the People's Republic of China*, 2021, <http://data.mofcom.gov.cn/hwmy/imexyear.shtml>; "China Service Import and Export Statistics Over the Years." *Ministry of Commerce of the People's Republic of China*, 2021, <http://data.mofcom.gov.cn/fwmy/overtheyears.shtml>.

³ "Total value table of import and export commodities by major countries (regions) in December 2021 (USD value)." *General Administration of Customs of the People's Republic of China*, December 2021, <http://www.customs.gov.cn/customs/302249/zfxgk/2799825/302274/302275/4122070/index.html>.

have demonstrated, growing trade creates powerful lobbying constituencies in other countries' politics. The results can be a weakening of democratic institutions, a reduced inclination to support democratic norms globally, and/or increased support for the PRC's deeply authoritarian model of governance and global ambitions.

Brazil is a case in point. Research commissioned by IRI for this compendium demonstrates that growth in the soybean and beef trades – 40 percent of Brazilian agribusiness exports now go to China – has spurred the proliferation of pro-PRC lobbying groups within business and political circles, led by the China-Brazil Business Council and the Brazilian Congress's Agribusiness Caucus. Or take Indonesia, where the government's thirst for foreign investment to support infrastructure megaprojects, such as the Jakarta-Bandung High Speed Rail (HSR), has opened pathways for China's influence with the political elite in a country with a history of anti-ethnic Chinese sentiment. IRI's research on Kyrgyzstan has found that some of the country's most powerful voices supporting friendly ties and growing trade with the PRC (despite the PRC's brutal repression of Uyghurs, Kyrgyz, and other Muslim minorities in Xinjiang, right across the border from Kyrgyzstan) were members of the business community who benefited directly from the cross-border import-export trade. And in Turkey, large inflows of PRC foreign direct investment (FDI) have coincided with a shift in President Recep Tayyip Erdogan's position on the PRC's policies toward the ethnically Turkic Uyghurs, as he moved from describing their experience in China as genocide, to almost complete silence on the subject.

Trade and FDI are, however, only one of many conduits for the PRC to deploy its growing economic clout in the pursuit of political influence. Almost as important as trade and FDI are infrastructure financing and lending to countries across the developing world. Since 2013, through the Belt and Road Initiative (BRI), the PRC has lent or financed an estimated \$473 billion in projects around the world. Research by IRI and others has shown that this lending, owing to a perception that it is offered with no strings attached up front, is often seized upon by political elites in other countries to reward important political constituencies,⁴ and the corruption and political cronyism associated with these projects can serve as an important means of binding those elites more tightly to the PRC.

However, precisely because “no strings attached” can mean little fiscal oversight or attention to economic feasibility, many of these infrastructure megaprojects have encountered political resistance in receiving countries, and there is strong evidence that the PRC is backing away from massive overseas lending as an engine of influence. According to one estimate, BRI lending and project finance from PRC policy or institutional banks peaked in 2015 at roughly \$75 billion but dropped dramatically soon thereafter.⁵ By 2019, annual BRI-associated lending had fallen to \$3.9 billion. Partial data suggest that the COVID-19 pandemic slowed PRC overseas lending and financing even further from 2020 to 2022.⁶

COVID's impact on China's engagement with other countries is one of the two largest sources of uncertainty hanging over the future of PRC influence globally. The other is what future form the BRI, or its successor initiatives, will take. The case studies in this compendium suggest that PRC efforts to increase its influence in other countries may already be evolving to do more with less. In countries from Armenia to Zimbabwe, institutions associated with the PRC party-state have become more active in attempting to build ties through the targeted application of funds to local media outlets, universities, and think tanks, and in winning the favor of local political and academic elites with study, scholarship, and training exchanges.

⁴ Ni, Vincent. “China funnels its overseas aid money into political leaders' home provinces.” *The Guardian*, 29 May 2022, <https://www.theguardian.com/world/2022/may/29/china-funnels-overseas-aid-money-political-leaders-home-provinces>.

⁵ “China Overseas Development Finance.” *Boston University Global Development Policy Center*, <https://www.bu.edu/gdp/chinas-overseas-development-finance/>.

⁶ Wilson, Elliott. “BRI: Have we passed peak China?” *Euromoney*, 16 February 2022, <https://www.euromoney.com/article/29ppq3xrh5p5bxgoh9dz4/opinion/bri-have-we-passed-peak-china>; Clowes, William. “China's Pullback on Lending Stalls Dreams of Rebuilding Nigeria.” *Bloomberg*, 17 May 2022, <https://www.bloomberg.com/news/articles/2022-05-17/china-infrastructure-funding-stalls-for-nigeria>.

Anecdotal evidence from IRI partners suggests that PRC embassies are beginning to donate directly to local civil society organizations (CSOs), mirroring longstanding efforts by the U.S. and others to engender bottom-up normative change by seeding CSO ecosystems. PRC propaganda organs also appear to be expanding outreach in a variety of local languages, sometimes through officially acknowledged state media outlets, at other times through online influencers who echo party-state narratives, despite there being no official acknowledgment of their ties. In all the examples cited above, a lack of capacity in many countries often means that a relatively small application of resources can have a disproportionate impact.

Taken together, the case studies included in this and other IRI compendiums suggest that any path back to the center of the world stage for Xi's CCP will not be straight. Nevertheless, despite the potential constraints caused by Beijing's zero-COVID policy, the party's determination and allocation of resources to realize its goals remain formidable and should not be underestimated. Such efforts, moreover, will continue to carry considerable risks for the democratic health of targeted countries. The party-state appears to be learning at an accelerated pace many of the lessons learned by the United States following its own emergence as a superpower: that changing other societies is a complicated, messy business; that the application of large amounts of money to other countries can backfire in damaging ways; and that building sustainable trade and business ties remains one of the surest shortcuts to global influence. How this learning process translates into authoritarian influence remains one of the most pressing questions for democracy globally, and one that IRI and its partners will continue to closely monitor, in this and future studies.

EXECUTIVE SUMMARY

IRI's latest compendium of country case studies has yielded a rich body of evidence, building on the previous work of our institute and many others, that deepens the study of how the People's Republic of China (PRC) seeks and amasses influence in other countries' politics. While each of the case studies is worth a close read, it is worth pointing out a few salient themes that emerged in some or all of the countries examined:

■ Economic Ties as Entry Point for Political Influence

- **Growing trade, financial, and business ties are the foundation of the PRC's efforts to build influence in other countries' politics.** The PRC leadership frequently speaks in terms of building China's "comprehensive," or "all around" power. Senior officials in Beijing recognize that economic influence underlies and translates into influence in many other spheres. Strengthening other countries' economic interconnectedness with China has been a foundational component of the PRC's effort to cultivate influence – some of it legitimate, in other instances corrosive – in other societies. Brazil's growing reliance on the PRC export market, for example, provides a unique window into this cycle of influence.

From 2000 to 2016, Brazilian agribusiness exports to China increased by almost 2,000 percent.⁷ Investment from China helped expand production in Brazil, as PRC diplomats worked with the Brazilian agribusiness industry to promote a perception of mutual benefit, and dependence, on the PRC market.⁸ Soy and cotton producers in Brazil's agricultural areas often report a belief that there is no alternative to China's market,⁹ giving them little practical incentive to diversify from what is regarded as a considerable, and guaranteed, market for their products.¹⁰

In order to maintain strong commercial ties¹¹ Brazil's powerful farm and mineral lobbies have been ardent and vocal advocates of protecting the political relationship with China,¹² including in Brazil's Congress, where members of the strongly pro-PRC Agribusiness Caucus comprise 35 percent of the lower house and 24 percent of the upper house.¹³

- **More frequent direct PRC interference in Italy's democracy.** IRI's research in Italy strongly suggests that businesses closely tied to the PRC party-state may be directly influencing the Italian political process. For example, PRC telecommunications giant Huawei has developed strong business ties with the son of

⁷ Adami, Andreia. "Agribusiness Exports to China: Prices Vs. Exchange Rate [Exportações do Agronegócio à China: Preços X Câmbio]." *Universidade de São Paulo*, 25 November 2016, Accessed at: <https://www.cepea.esalq.usp.br/br/opinio-cao-cepea/exportacoes-do-agronegocio-a-china-precos-x-cambio.aspx>.

⁸ See, for example: Marshall, Euan. "Brazil more dependent on China than ever." *The Brazil Report*, 14 November 2018, <https://brazilianreport.com/business/2018/11/14/brazil-trade-china-commodities>.

⁹ Author interviews with Brazilian soybean producers from Mato Grosso state and cotton farmers from Bahia state.

¹⁰ Author interviews with Brazilian soybean producers from Mato Grosso state and cotton farmers from Bahia state.

¹¹ Trinkunas, Harold. "Testing the limits of China and Brazil's partnership." *The Brookings Institution*, 20 July 2020, <https://www.brookings.edu/articles/testing-the-limits-of-china-and-brazils-partnership/>.

¹² Trinkunas, Harold. "Testing the limits of China and Brazil's partnership."

¹³ "Agricultural Parliamentary Front – FPA [Frente Parlamentar da Agropecuária – FPA]." *Câmara dos Deputados*, <https://www.camara.leg.br/internet/deputado/frenteDetalhe.asp?id=53910>. Accessed 29 January 2022.

one of the co-founders of the Five Star Movement (M5S), until recently the largest party in Italy's parliament and an important member of the current governing coalition. Davide Casaleggio, the son of M5S co-founder Gianroberto Cassalegio, controlled a unique online voting platform used by Five Star to permit party members to vote on policies and help direct voting in the Italian Parliament. Although Casaleggio has since split with the party, concerns over ties between Huawei and Five Star politicians prompted the leader of the conservative Brothers of Italy party to suggest an inquiry into illegal foreign financing.¹⁴ In February 2022, Italian judges opened an official investigation into shadow financing of Five Star and Casaleggio's firm. Accusations include money transfers from a foreign country with allegations of Chinese funds flowing into M5S either directly from Beijing or through the PRC embassy in Rome. While no concrete evidence has yet emerged to support the allegations or the possibility that such transactions could have resulted in undue political influence, the controversy has been widely covered in the Italian media.¹⁵

- **The potential for economic gain (or economic harm) is used to co-opt willing political elites or to pressure the unwilling.** China's growing economic clout is a two-sided coin for many political elites. Beijing's efforts to promote its economic model has won converts among some, while in other cases the appeal lies simply in the economic benefits (corruption among them) that cooperation with China makes possible. The current president of El Salvador, Nayib Bukele, criticized China immediately after winning office in 2019, saying, "China does not play by the rules; they do not respect the rules."¹⁶ However, his tone changed after a state visit to China in December that year, where PRC officials lavished Bukele with attention, awarding him an honorary doctorate for his stature as a transformational leader in world politics, and promised hundreds of millions of dollars in donations to build soccer stadiums, libraries, water, plants, and other infrastructure in El Salvador. In response, Bukele offered to make El Salvador the PRC's anchor in Latin America, noting that El Salvador is "a small country, but we can become [China's] hub because of our geographic position."¹⁷

■ Exporting Authoritarianism, Exacerbating Corruption and Conflict

- **Zimbabwe's government has used PRC technology to oppress its people while citing the PRC's approach to cyber-governance as a model.** The Zimbabwean government has increasingly used hardware and expertise provided by the PRC to silence political opposition, monitor its citizens online, and restrict internet freedoms.¹⁸ In 2021, Zimbabwean lawmakers allied with the ruling party cited the PRC-developed concept of cyber sovereignty as grounds for implementing the Data Protection Act, which human rights advocates have pointed out grants the government broad authority to access the

¹⁴ Meloni, Giorgia. "Clarify Casaleggio's role due to possible conflict of interest [Chiarire ruolo di Casaleggio per possibile conflitto di interesse,]. *Alanews*, 23 December 2019. <https://www.youtube.com/watch?v=8Et5HjWT6Ao>.

¹⁵ "M5s, Grillo investigation: secret accounts of Casaleggio with state subsidiaries [M5s, inchiesta Grillo: conti segreti di Casaleggio con partecipate statali]." *Affaritaliani.it*, 4 February 2022. <https://www.affaritaliani.it/politica/m5s-inchiesta-grillo-conti-segreti-di-casaleggio-con-partecipate-statali-778428.html>.

¹⁶ Gao, Charlotte. "China-El Salvador Relationship Wobbles." *The Diplomat*, 18 Mar. 2019, <https://thediplomat.com/2019/03/china-el-salvador-relationship-wobbles/>.

¹⁷ "The Curious Honeymoon Of China And El Salvador." *Deutsche Welle*, 12 Apr. 2019, <https://www.dw.com/es/la-curiosa-luna-de-miel-de-china-y-el-salvador/a-51536358>.

¹⁸ De Hek, Koen. "China's export of surveillance technology supports authoritarian regimes throughout the world." *Jason Institute for Peace and Security Studies*, 16 February 2020. <https://jasoninstitute.com/chinas-export-of-surveillance-technology-supports-authoritarian-regimes-throughout-the-world/>.

communications of private citizens. It has provisions that can be used by the government to silence online dissent and to criminalize viewing content critical of the country's political leaders.¹⁹

- **PRC-based social media companies can transmit CCP-defined censorship into other markets.** In Indonesia, for example, PRC-based TikTok not only complied with government demands to censor certain forms of political content (a demand which Western companies have also acceded to) but went beyond the government's demands by censoring content that reflected poorly on the PRC party-state on a news aggregation platform it owned.²⁰
- **Also in Zimbabwe, China has leveraged historical ties to help disseminate the "China model".** The CCP's relationship with Zimbabwe's ruling ZANU-PF party dates back to the country's war for independence in the 1970s. The CCP has encouraged ZANU-PF's shift away from its democratic roots through party-to-party exchanges meant to boost its longevity and transfer knowledge of its authoritarian approach to governance. During the period of these exchanges, the ZANU-PF's ruling style has aligned with the CCP's in important ways. Most notably, the Zimbabwe Defense Forces play an increasingly central role in party decision-making bodies, working to forestall fractures within the ruling party and to prevent power shifting to other institutions within Zimbabwe.²¹
- **China's growing presence in developing countries has fueled corruption among political elites.** PRC-backed projects and trade in Kyrgyzstan have a history of exacerbating pre-existing corruption. As early as 1994, Kyrgyz elites took advantage of PRC loan agreements and business projects to position family members and political allies for private gain.²² Since then, a series of PRC-related corruption scandals have tarnished senior and local officials, in part because the PRC has proven skillful at holding itself out as an alternative to Russia, and in part because PRC-based companies have repeatedly demonstrated that they view corruption as simply a cost of doing business. PRC-based companies have faced similar allegations in Zimbabwe, where a joint venture with the Zimbabwe Defense Forces has not faced legal repercussions despite credible evidence of human rights abuses, including abuse of workers, withheld wages, and failure to comply with local and federal environmental standards.²³
- **Political corruption tied to PRC-based companies has also extended into Italy, a core Eurozone country.** In February 2021, Italian prosecutors launched an investigation into eight individuals suspected of skimming millions of euros from government contracts for personal protective equipment (PPE). Domenico Arcuri, following his appointment as head of the Italian government's COVID-19 response by

¹⁹ Karombo, Tawanda. "Zimbabwe is clamping down on social media use with a cybercrime bill set to become law." *Quartz Africa*, 9 October 2019. <https://qz.com/africa/1724542/zimbabwe-bill-clamps-down-on-social-media-porn-with-china-tech/>; "Analysis of the Data Protection Act." *MISA*, 6 December 2021. <https://zimbabwe.misa.org/2021/12/06/analysis-of-the-data-protection-act/>; Olander, Eric. "Zimbabwe expected to lean on Chinese expertise and technology to enforce new Cyber Crime Law." *The China Global South Project*, 10 October 2019. <https://chinaglobalsouth.com/2019/10/10/zimbabwe-expected-to-lean-on-chinese-expertise-and-technology-to-enforce-new-cyber-crime-law/>.

²⁰ Potkin, Fanny. "Exclusive: ByteDance censored anti-China content in Indonesia until mid-2020, sources say," *Reuters*, 13 August 2020, <https://www.reuters.com/article/us-usa-tiktok-indonesia-exclusive/exclusive-bytedance-censored-anti-china-content-in-indonesia-until-mid-2020-sources-say-idUSKCN2591ML>.

²¹ Sun, Yun. "Political party training: China's ideological push in Africa?" *Brookings Institution*, 5 July 2016. <https://www.brookings.edu/blog/africa-in-focus/2016/07/05/political-party-training-chinas-ideological-push-in-africa/>.

²² Author interview with a corruption expert in Kyrgyzstan and with employees of six large Chinese companies in Kyrgyzstan.

²³ Matasva, A. F. "Marange villagers still calling for government to halt Anjin from new mining operations in Chiadzwa due to its 'dark past' of human rights abuses." *Business & Human Rights Resource Centre*, 11 November 2021, <https://www.business-humanrights.org/en/latest-news/zimbabwe-marange-villagers-still-calling-for-government-to-halt-anjin-from-new-mining-operations-in-chiadzwa-due-to-its-dark-past-of-human-rights-abuses/>; "Expelled Chinese diamond mining firm quietly returns to Zimbabwe." *Global Voices*, 11 April 2019, <https://globalvoices.org/2019/04/11/expelled-chinese-diamond-mining-firm-quietly-returns-to-zimbabwe/>.

former prime minister and current Five Star leader Giuseppe Conte signed the contracts for 1.25 billion euros worth of PPE with three PRC-based consortiums. According to Italy's financial police, the PRC consortiums paid a group of middlemen illegal commissions worth tens of millions of euros to facilitate the deals. One of the indicted individuals told judges he had acted on a mandate from Arcuri. In March 2021, then-Prime Minister Mario Draghi dismissed Arcuri from his post over allegations that PRC-based entities paid him 77 million euros as a commission on the purchase of PPE.

- **The PRC has capitalized on inter-ethnic conflict in the Solomon Islands and will likely continue to do so.** The PRC's efforts to woo the last of Taiwan's diplomatic partners has hardened pre-existing ethnic lines in the Solomon Islands and contributed to a serious outbreak of violence against ethnically Chinese residents of Honiara, the country's capital. In 2019, the PRC's clear support for President Manasseh Sogavare won China a victory. Sogavare switched diplomatic recognition from Taiwan to the PRC. This move was not widely supported by most Solomon Islanders. This furthered allegations that Sogavare's government was marginalizing Malaita, the country's largest province and a base of support for Taiwan. As relations between Malaita and the central government deteriorated, the PRC convinced Sogavare to sign a security and policing assistance agreement, using the attacks on local Chinese as a justification. This further enflamed citizen opposition and prompting concern from local leaders that, far from bringing stability, the security pact could drive further instability and conflict in both the Solomon Islands and the region a whole.²⁴

■ Growing Efforts to Shape the Global Debate on China's Rise

- **China continues in its comprehensive, well-resourced efforts to shape global opinion on its rise.** In nearly every country examined in this compendium, authors identified robust efforts by the PRC party-state to guide public opinion on China. In Brazil, for example, Chinese ambassador Yang Wanming and other PRC diplomats used their platforms, including a series of op-eds published by one of Brazil's most widely read newspapers, to promote outright disinformation. This push included a June 2020 statement that the U.S. created COVID-19.²⁵ This disinformation was only the tip of an informational iceberg, as Ambassador Yang and his fellow diplomats leveraged a combination of content-sharing agreements and advertising, economic pressure, and co-optation of political and economic elites to shape Brazil's information environment in a markedly pro-PRC direction, taking an increasingly confrontational tone in response to Brazilian President Jair Bolsonaro's erratic behavior toward China.²⁶
- **PRC cultivation of political and economic proxies can reap benefits in narrative building.** In El Salvador, despite no official PRC state media presence, China has been able to count on a steady stream of positive stories from El Salvadorean state media. Outlets established or supported by President Nayib Bukele consistently issue glowing reports on China regarding the warming relationship between the two countries.²⁷ In Turkey, growing rapprochement with China has led the Turkish government to sideline criticism of China's harsh treatment of Uyghurs in China's northwest.²⁸ In Italy, the co-founder and leader

²⁴ "China says it has signed Security Pact with Solomon Islands." *Al Jazeera*, 19 April 2022. <https://www.aljazeera.com/news/2022/4/19/china-says-it-has-signed-security-pact-with-solomon-islands>.

²⁵ Yang, Li. "How long will the Fort Detrick crime last [Quanto tempo ainda vai durar o crime de Fort Detrick?]" *O Globo*, 3 June 2020, <https://oglobo.globo.com/opiniao/quanto-tempo-aindavidurar-crime-de-fort-detrick-24458965>.

²⁶ Stuenkel, Oliver. "China's Diplomats Are Going on the Offensive in Brazil." *Foreign Policy*, 15 May 2020, <https://foreignpolicy.com/2020/05/15/chinas-diplomats-are-going-on-the-offensive-in-brazil/>.

²⁷ See El Salvador Case Study section on "Official PRC Media."

²⁸ See Turkey Case Study section on "Influence in the Information Space."

of Five Star, comedian Beppe Grillo, has long echoed PRC propaganda on his widely-read blog, which continues to post articles that ridicule the protest movement in Hong Kong and the PRC's genocidal treatment of its Uyghur minority.²⁹

■ Increased Subnational Engagement

- **The PRC relies heavily on subnational engagement to circumvent opposition at the national level.** Alongside its efforts to gain friends in Brazil's Congress, the PRC has cultivated relationships with President Bolsonaro's political opposition, dealing directly with state governors and opposition political parties looking to the PRC for help managing the COVID-19 pandemic.³⁰ A group of Bolsonaro opponents, led by João Doria, the governor of São Paulo, Brazil's wealthiest and most populous state, appealed to the PRC for medical supplies and equipment.³¹ Before politics, Doria led a lobbying group that represented several PRC-based companies and established an office in China to promote "better conditions for Chinese investment in Brazil."³² As mayor, Doria also drove São Paulo's early adoption of PRC surveillance technology. In 2017, following Doria's visit to China, São Paulo received donations of surveillance cameras and drones.³³
- **The PRC is attempting to access strategically useful assets by dealing with poorly resourced local governments.** Only two weeks after the Solomon Islands announced its switch in diplomatic recognition from Taiwan to the PRC, a PRC-based investment firm announced an agreement with one of the country's provincial governments to lease the island of Tulagi for 75 years (Tulagi has a deep, sheltered natural harbor that was used by the U.S. Navy to anchor large ships during its World War II "island hopping" campaign).³⁴ The agreement was leaked to the press, however, and national government officials intervened to kill the deal. Despite this, the PRC-based investment firm has continued to try to sign agreements with potential strategic significance with provincial or local governments in the Solomons.³⁵

■ Vaccine Diplomacy, Vaccine Coercion

- **Evidence strongly suggests that the PRC used its early advantage in vaccines to coerce the Brazilian government to adopt pro-China policies.** At the height of the COVID-19 pandemic, China placed a hold on Brazil's import of materials needed to produce vaccines, allegedly due to anti-China rhetoric from the

²⁹ For more details on Beppe Grillo's blog, see: <https://beppegrillo.it/>.

³⁰ Lang, Marina. "Brazil's state governors open their own channels with China." *Diálogo Chino*, 13 August 2020, <https://dialogochino.net/en/trade-investment/36888-brazils-state-governors-open-their-own-channels-with-china/>.

³¹ "Chinese Ambassador responds to Northeast Consortium's request for help: 'we will strive for it' [Embaixador da China responde pedido de ajuda do Consórcio Nordeste: 'vamos esforçar por isso']." *Jornal Grand Bahia*, 21 March 2020, <https://www.jornalgrandbahia.com.br/2020/03/embaixador-da-china-responde-pedido-de-ajuda-do-consorcio-nordeste-vamos-esforcar-por-isso/>.

³² "About Us." *LIDE China*, <https://lidechina.org/en/home-2/>. Accessed 29 January 2022.

³³ "Chinese donations to SP total BRL 8.5 million [Doações de chineses a SP somam R\$ 8,5 milhões]." *Epoca Negócios*, 29 July 2017, <https://epocanegocios.globo.com/Brasil/noticia/2017/07/epoca-negocios-doacoes-de-chineses-a-sp-somam-r-85-milhoes.html?status=500>.

³⁴ "Solomons' government vetoes Chinese attempt to lease an island." *The Guardian*, 25 Oct. 2019, <https://www.theguardian.com/world/2019/oct/25/solomons-government-vetoes-chinese-attempt-to-lease-an-island>; "Building the Navy's Bases in World War II: History of the Bureau of Yards and Docks and the Civil Engineer Corps 1940-1946." *United States Department of the Navy*, 1947, https://www.ibiblio.org/hyperwar/USN/Building_Bases/bases-25.html.

³⁵ "Solomons' government vetoes Chinese attempt to lease an island." *The Guardian*, 25 Oct. 2019, <https://www.theguardian.com/world/2019/oct/25/solomons-government-vetoes-chinese-attempt-to-lease-an-island>; Hills, Kathrin. "The Chinese companies trying to buy strategic Pacific islands." *Financial Review*, 14 April 2022, <https://www.afr.com/world/asia/the-chinese-companies-trying-to-buy-strategic-pacific-islands-20220414-p5adhs>.

Bolsonaro administration and Foreign Minister Ernesto Araújo.³⁶ According to CNN, high-ranking members of the Bolsonaro government acknowledged that “the country’s troubled relationship with China” was the reason for the hold.³⁷ As reported in the press and confirmed by investigations conducted by IRI’s Brazil case study researcher, the Chinese ambassador to Brazil demanded a clear signal from the government in support of relations with China, including Araújo’s resignation,³⁸ before he would release the raw materials for the vaccines.

- **Even in less coercive circumstances, China tied vaccine exports with soft power propaganda efforts to burnish its image.** At the beginning of the COVID–19 pandemic, China attempted to improve its image in Turkey by introducing the Sinovac COVID–19 vaccine, with mixed results.³⁹ Despite public debate about the Sinovac vaccine’s efficacy, the Turkish government initially prided itself on its early vaccination campaigns using Sinovac. However, delays in vaccine distribution overshadowed the early push and ultimately damaged China’s soft power campaign, with Turkish opposition parties suggesting a link between the delays and Chinese pressure on Ankara to ratify an extradition treaty targeting Uyghurs.⁴⁰

■ Democratic Resilience

Despite increased PRC influence across the political, economic, and information domains in many of countries included in this report, there are nevertheless continued, and growing, signs of democratic resilience. This is due in part to increased understanding of the challenge the PRC poses to democracy globally. The roots of resilience to the malign aspects of PRC’s influence on democracy are remarkably consistent across the range of countries studied by IRI. They are a vibrant, free media, robust political opposition, an informed public, a modern and independent legal system, and inclusive political processes. It is not a coincidence that the elements of democracy that check authoritarian behavior by rulers at home are a bulwark against the worst parts of foreign authoritarian influence. The scope and scale of PRC influence – and the need for a democratic response – varies widely among the countries included in this report. The following are illustrative of democratic resilience in instances of encroaching PRC influence.

- **Brazil:**
 - Civil society and media sectors are large and well-developed: Brazil has a vibrant free media and robust academic discourse and is home to a large array of civil society organizations (CSOs) that

³⁶ See, for example: McGeever et al. “Brazil clears emergency use of Sinovac, AstraZeneca vaccines, shots begin.” Foreign Minister Araujo was a leading figure in the anti-China camp in the Bolsonaro administration. In April 2020, Araújo publicly reprimanded Ambassador Yang for his outspokenness toward the Bolsonaro government, going so far as to issue a complaint to the PRC asking for his withdrawal. Zarur, Camila, “Seven moments when Ernesto Araujo attacked China [Sete momentos em que Ernesto Araujo atacou China].” *O Globo*, 18 May 2021, <https://oglobo.globo.com/brasil/sete-momentos-em-que-ernesto-araujo-atacou-china-1-25023701>; Wiziack, Julio and Ricardo Della Coletta. “China ignores Bolsonaro’s requests for ambassador change in Brazil [China ignora pedidos de Bolsonaro por troca de embaixador no Brasil].” *Folha de São Paulo*, 14 February 2021, <https://www1.folha.uol.com.br/mundo/2021/02/china-ignora-pedidos-de-bolsonaro-por-troca-de-embaixador-no-brasil.shtml>.

³⁷ Gadelha, Igor and Thais Arbexda. “Government admits attacks on China hinder the arrival of vaccine supplies [Governo admite que ataques à China travam chegada de insumos para vacina].” *CNN Brasil*, 19 January 2021, <https://www.cnnbrasil.com.br/politica/governo-admite-que-ataques-a-china-travam-chegada-de-insumos-para-vacina/>.

³⁸ Lima, Wilson. “China presses for Ernesto Araújo’s resignation to release vaccine inputs [China pressiona por demissão de Ernesto Araújo para liberar insumos das vacinas].” *Gazeta do Povo*, 21 January 2021, <https://www.gazetadopovo.com.br/república/china-pressiona-demissao-ernesto-araujo-vacinas-covid>.

³⁹ Fahim, Kareem, and Karen DeYoung. “China Has Made Big Vaccine Promises. When They Come Up Short, Nations Struggle.” *The Washington Post*, 7 April 2021, https://www.washingtonpost.com/world/middle-east/china-sinovac-turkey-coronavirus-vaccine/2021/04/06/f87bc1bc-93cd-11eb-aadc-af78701a30ca_story.html.

⁴⁰ Zimmer, Carl and Ernesto Lodoño. “Turkey and Brazil Say Chinese Vaccine Effective, With Sparse Supporting Data.” *The New York Times*, 25 December 2020, <https://www.nytimes.com/2020/12/25/health/turkey-brazil-sinovac-coronavirus-vaccine.html>.

are involved in public debates.⁴¹ In theory, this openness and inclusivity could provide a framework for public oversight of the PRC's influence efforts, allowing citizens to hold political leaders accountable and fostering critical debates over the nature and extent of Sino-Brazilian relations.

- **Solomon Islands:**

- The country's political opposition has spoken out forcefully against President Sogavare's growing closeness with China. Malaita Premier Daniel Suidani has been a forceful advocate for resilience to PRC authoritarian influence and has been vocal about his concerns around PRC investment.⁴² In addition, Matthew Wale, the opposition's leader in parliament, has expressed strong opposition to the recently signed security deal – and to close relations with the PRC more broadly.⁴³
- Journalists and civil society organizations in the Solomon Islands have played a big role in questioning deals made by both the opposition and the ruling party. Among other instances, media reporting on leaked information sunk the PRC's attempt to lease the island of Tulagi. Unconfirmed reports suggest that scrutiny may have resulted in government retaliation against members of the press and, in one documented instance, limitations on press access to government events.⁴⁴
- Women leaders, such as the Solomon Islands National Council of Women, have driven efforts to expose malign instances of PRC influence and protect the country's fragile democracy.⁴⁵

- **Turkey:**

- The country's opposition parties have criticized the ruling AKP's cooperation with China, among them minority parties that have criticized the AKP for restrictive policies aimed at the Turkish Uyghur community. Other established and new political parties, including the Good Party, the Republican Party, and the Democracy and Progress Party, have raised questions about the damage the AKP's Uyghur policies inflict on Turkish democracy.⁴⁶

- **Kyrgyzstan:**

- Despite longstanding ties and concerted efforts to secure its influence in the country, Kyrgyzstan shows signs of resilience to the detrimental elements of PRC influence. The CCP's media, academia, and youth engagement activities have failed to penetrate key populations, which

⁴¹ "Brazil: Freedom in the World 2021." *Freedom House*, 2021, <https://freedomhouse.org/country/brazil/freedom-world/2021>; Wampler, Brian, and Leonardo Avritzer. "Participatory Publics: Civil Society and New Institutions in Democratic Brazil." *Comparative Politics*, vol. 36, no. 3, *City University of New York*, 2004, pp. 291–312, <https://doi.org/10.2307/4150132>;

Statistics from the Brazilian government's Institute of Applied Economic Research suggested there were 815,676 CSOs in Brazil as of 2020 – see: Lima, Mariana. "Mapa das OSCs: Brasil tem 815 mil organizações da sociedade civil." *Observatorio do 3o Setor*, 9 Sept. 2021, <https://observatorio3setor.org.br/noticias/mapa-das-oscs-brasil-815-mil-organizacoes-sociedade-civil/>.

⁴² Power, John. 2020. "As China Opens Embassy in Solomon Islands, a Bitter Feud Over Values Fuels Separatist Bid." *South China Morning Post*, 25 September 2020. <https://www.scmp.com/week-asia/politics/article/3102905/china-opens-embassy-solomon-islands-bitter-feud-over-values>.

⁴³ Nicholson, Brendan. "Opposition leader says Solomon Islanders don't want deal with China." *Australian Strategic Policy Institute*, 21 April 2022, <https://www.aspistrategist.org.au/opposition-leader-says-solomon-islanders-dont-want-deal-with-china/>.

⁴⁴ Lyons, Kate. 2022. "Solomon Islands Journalists Shut Out of China Foreign Minister Visit, Raising Secrecy Concerns." *The Pacific Project at The Guardian*, 24 May 2022. <https://www.theguardian.com/world/2022/may/25/secrecy-surrounding-pacific-grand-tour-by-chinas-foreign-minister-sparks-alarm>.

⁴⁵ "SINCW continues to demand release of signed China/SIG security pact." *Solomon Star*, 10 May 2022, <https://www.solomonstarnews.com/sincw-continues-to-demand-release-of-signed-china-sig-security-pact/>.

⁴⁶ "The 'East Turkestan' proposal submitted by the IYI Party to the Parliament was rejected, [İyi Parti'nin Meclis'e sunduğu 'Doğu Türkistan' önergesi reddedildi]." *Cumhuriyet*, 10 Mar. 2021, <https://www.cumhuriyet.com.tr/haber/iyi-partinin-meclise-sundugu-dogu-turkistan-onergesi-reddedildi-1819662>.

remain skeptical of China's interests in the country.⁴⁷ For example, independent media in Kyrgyzstan offers alternatives to pro-PRC narratives and reports on corruption cases involving PRC companies and Kyrgyz politicians.⁴⁸

- **South Africa:**

- Criticism of the more corrosive effects of China-South Africa ties and of China's human rights abuses globally takes place without restraint in political debates, in newspapers, and on social media.⁴⁹
- The opposition Democratic Alliance is frequently critical of the ANC's close and guarded relationship with China. On several occasions, the DA has been outspoken on South Africa's engagement with China. In one example, in September 2018, the DA demanded to see details of the 370 billion ZAR (\$USD 25 billion) loan from China that President Cyril Ramaphosa facilitated, warning that South Africa was in danger of a debt trap.⁵⁰ Also in 2018, the DA submitted a request for information on the terms and conditions of a 33 billion ZAR (\$USD 2.2 billion) loan from the China Development Bank to the state-owned energy company Eskom. The DA vowed that it would not allow China's model of debt trap diplomacy to take root in South Africa and would go to court if necessary to ensure government transparency about the terms and conditions of Chinese loans.⁵¹

⁴⁷ See Kyrgyzstan Case Study section on "Kyrgyzstan's Response."

⁴⁸ Pannier, Bruce, and Muhammad Tahir. "Majlis Podcast: The Temirov Case and the State of Kyrgyz Media." *Radio Free Europe*, 6 Feb. 2022, <https://www.rferl.org/a/majlis-kyrgyzstan-temirov-media/31689943.html>.

⁴⁹ See South Africa Case Study section on "Influence in the Information Space."

⁵⁰ "DA demands details of R370bn Chinese loan, warns of 'debt trap.'" *Fin24*, 16 Sep. 2018, <https://www.news24.com/Fin24/da-demands-details-of-r370bn-chinese-loan-warns-of-debt-trap-20180916>.

⁵¹ "DA threatens legal action after Eskom fails to publicise terms of China loan." *IOL*, 28 October 2018, <https://www.iol.co.za/news/politics/da-threatens-legal-action-after-eskom-fails-to-publicise-terms-of-china-loan-17674580>.



■ Introduction

Brazil, with its superlative dimensions – the largest population, territory, and economy in Latin America and an agricultural powerhouse responsible for 10 percent of the world’s food production⁵² – is of high strategic importance to the People’s Republic of China (PRC) and its most important economic and political partner in South America.⁵³ Brazil is the PRC’s principal supplier of agricultural commodities, and as such is fundamental to China’s food security.⁵⁴ A “strategic bilateral partner” since 1993, Brazil is also a key partner for China in the BRICS (Brazil, Russia, India, China, and South Africa), a forum for addressing political, security, economic, and cultural issues of common interest, which has come to serve as a venue for these emerging powers to advance their own vision of global governance.⁵⁵ For Brazil, China is a vital trading partner, accounting for 32 percent of all Brazilian exports and serving as the principal destination for agribusiness exports.⁵⁶ In some Brazilian civil and military power circles, there is also a perception that the PRC is an attractive alternative to counterbalance American influence in the world.⁵⁷

Over the last twenty years, the PRC has undertaken a strategy of influence in Brazil to advance its interests. China’s initial strategy in Brazil was gradual, centered on cultivating relationships with Brazilian political and economic leaders and solidifying China as an important export destination for Brazilian natural resources. With few exceptions, Brazilian leaders have welcomed PRC engagement and thus have been active and willing participants in PRC influence efforts. There is a prevailing view among Brazilian politicians, business leaders, and military personnel that China is an opportunity to be explored and not a threat, and that the “PRC only wants to do business.”⁵⁸

In the last two years, the PRC has increasingly instrumentalized these allies to exert overt influence on issues related to the China-Brazil relationship. Ties with China have provided an economic lifeline for Brazil’s battered economy, which is currently experiencing its most prolonged and profound crisis. Such ties, however, have also created economic dependence on the PRC, allowing it to wield diplomatic, political, and economic pressure on Brazil.

⁵² Araújo, Gabriel. “Brazil feeds some 10% of world’s population, research finds.” *Reuters*, 4 Mar. 2021, <https://www.reuters.com/article/brazil-grains/brazil-feeds-some-10-of-worlds-population-research-finds-idUSL2N2L23F6>.

⁵³ Trinkunas, Harold. “Testing the limits of China and Brazil’s partnership.” *The Brookings Institution*, 20 July 2020, <https://www.brookings.edu/articles/testing-the-limits-of-china-and-brazils-partnership/>.

⁵⁴ “China Food Imports by country in US\$ Thousand 2019.” *World Integrated Trade Solution*, <https://wits.worldbank.org/CountryProfile/en/Country/CHN/Year/LTST/TradeFlow/Import/Partner/by-country/Product/Food>.

⁵⁵ Trinkunas. “Testing the limits of China and Brazil’s partnership.”

⁵⁶ “Brazil’s Dependence on Exports to China Grows.” *China-Lusophone Brief*, 17 June 2020, <https://www.clbrief.com/brazils-dependence-on-exports-to-china-grows/>.

⁵⁷ Lapper, Richard. “Bolsonaro Took Aim at China. Then Reality Struck.” *Americas Quarterly*, 23 Apr. 2019, <https://www.americasquarterly.org/article/bolsonaro-took-aim-at-china-then-reality-struck/>.

⁵⁸ Author interviews with Brazil’s military sources; author interviews with Brazil’s cabinet members.

■ Economic Influence

Trade and investment, largely focused on the agricultural and mining sectors, have been the key drivers of increased economic ties between China and Brazil. Between 2003 and 2018, trade between the two countries

Brazil's reliance on PRC markets for exports of both agricultural and mineral commodities has created a uniquely interdependent relationship between the two countries.

increased rapidly, from \$6.7 billion⁵⁹ to \$100 billion.⁶⁰ In 2009, China became Brazil's leading trading partner.⁶¹ In 2020, 32.3 percent of all Brazilian exports and 40 percent of its agribusiness exports went to China.⁶² The PRC has also become one of the main sources of foreign investment in Brazil, investing \$110 billion in the country from 2007-2020, and coming to rival the United States as a source of foreign direct

investment.⁶³ PRC investments in Brazil, which accounted for nearly half of all PRC investments in South America in 2017, have been predominantly concentrated in oil, mining, commodities, and energy, strategic sectors for China and Brazil alike.⁶⁴ In addition, China has also sought to develop infrastructure that facilitates agricultural exports.⁶⁵ Marquee PRC investments include multi-billion dollar investments in energy generation and petroleum, as well as in the mining of niobium, an essential component in making steel stronger and lighter, and therefore a key resource for China's large steel industry.⁶⁶

Brazil's reliance on PRC markets for exports of both agricultural and mineral commodities has created a uniquely interdependent relationship between the two countries. Nevertheless, China has never strived for the commercial relationship to be understood in these terms, just as Brazil has not recognized its strategic value vis-à-vis China. Agribusiness, a critical pillar of these interdependent economic ties, illustrates the point.

Agribusiness

Agribusiness, particularly the export of soy, is the foundation of this expanded trading relationship, with 40 percent of Brazilian agribusiness exports going to the PRC.⁶⁷ Extensive PRC engagement in the Brazilian

⁵⁹ Liana, Sarah Miller and Andrew Downie. "In Brazil, Hu Jintao aims for bigger piece of Latin America trade." *The Christian Science Monitor*, 15 Apr. 2010, [https://www.csmonitor.com/Business/2010/0415/In-Brazil-Hu-Jintao-aims-for-bigger-piece-of-Latin-America-trade/\(page\)/2](https://www.csmonitor.com/Business/2010/0415/In-Brazil-Hu-Jintao-aims-for-bigger-piece-of-Latin-America-trade/(page)/2).

⁶⁰ Se Young Lee and Ryan Woo. "China Says Willing to Increase Agricultural, Industrial Goods Imports from Brazil." *Reuters*, October 25, 2019, <https://www.reuters.com/article/us-china-brazil-trade-idUSKBN1X41AG>.

⁶¹ Field, Alan. "China Overtakes US as Brazil's Top Trade Partner," *Journal of Commerce Online*, 24 Mar. 2014, <https://www.joc.com/international-trade-news/trade-data/south-america-trade-data/china-overtakes-us-brazil%E2%80%99s-top-trade-partner-20140324.html#:~:text=In%202009%2C%20China%20surpassed%20the,billion%20and%20%245.2%20billion%2C%20respectively>.

⁶² Mann, Richard. "China Accounts for Two-thirds of Brazil's Trade Surplus in 2020, Says FGV." *The Rio Times*, 15 Jan. 2021, <https://riotimesonline.com/brazil-news/brazil/china-accounts-for-two-thirds-of-brazils-trade-balance-surplus-in-2020-says-fgv/>.

⁶³ Cariello, Tulio. "Chinese Investments in Brazil – Global History, Trends and Challenges (2007-2020) [Investimentos Chineses no Brasil – Histórico, Tendências e Desafios Globais (2007-2020)]." *Brazil-China Business Council*, 5 Aug. 2021, <https://www.cebc.org.br/2021/08/05/investimentos-chineses-no-brasil-historico-tendencias-e-desafios-globais-2007-2020/>.

⁶⁴ Cariello. "Chinese Investments in Brazil – Global History, Trends and Challenges (2007-2020) [Investimentos Chineses no Brasil – Histórico, Tendências e Desafios Globais (2007-2020)]."

⁶⁵ Spring, Jake. "Bolsonaro's anti-China rants have Beijing nervous about Brazil." *Reuters*, 25 Oct. 2018, <https://www.reuters.com/article/us-brazil-election-china-insight-idUSKCN1MZ0DR>; Lapper. "Bolsonaro Took Aim at China. Then Reality Struck."

⁶⁶ Spring. "Bolsonaro's anti-China rants have Beijing nervous about Brazil.;" Lapper. "Bolsonaro Took Aim at China. Then Reality Struck."

⁶⁷ Rodrigues, Lorena. "Does China depend on Brazil? For experts, this is not so [A China depende do Brasil? Para especialistas, não é bem assim]." *Estado*, 1 Dec. 2020, <https://economia.estadao.com.br/noticias/geral,em-meio-a-disputa-por-5g-exportacoes-do-brasil-dependem-de-pais-asiatico,70003534822>.

agribusiness sector dates to 2004,⁶⁸ when the state-owned China National Cereals, Oils and Foodstuffs Corporation (COFCO) established a presence in Brazil, as part of a broader PRC effort in Latin America focused on commodities acquisition for domestic industrial and food security needs.⁶⁹ Initially acting as an intermediary to purchase and export commodities such as soy, corn, cotton, sugar, and coffee to China, COFCO has since become one of the largest companies in the sector, expanding its operations to include processing and storage facilities, port terminals, and sugar and ethanol production units.⁷⁰



Cranes in Nantong, China move soybeans imported from Brazil. August 21, 2018. (Photo by STR/AFP via Getty Images).

Over a similar period, from 2000 to 2016, Brazilian agribusiness exports increased by 318 percent and exports to China, concentrated in soybeans and meat, increased by almost 2,000 percent.⁷¹ While increased exports were mutually beneficial, China took strategic advantage of its own role in facilitating production growth in Brazil by promoting the perception that Brazil was dependent on the PRC market, and that the production growth was due exclusively to the increase in Chinese demand.⁷² In most Brazilian political and economic circles, these increased economic and trade ties were

strongly welcomed, with little thought about the dependencies developing in Brazil-China ties or about PRC control of strategic sectors.

In the early 2000s, the Brazilian Armed Forces, however, did issue the first warning about the PRC's influence in Latin America and, in particular, in Brazil.⁷³ When the PRC became Brazil's primary trade partner, the Brazilian military further raised the alarm, concerned about China's investment in key sectors and its strategic control of natural resources and the food supply, particularly as the PRC attempted to acquire important assets related to food production, from local companies to land.⁷⁴ Brazil's manufacturing sector has also raised concerns about the negative impact of the PRC's economic ties to domestic industry. Strong competition from China – without equal Brazilian access to the Chinese market – has been a contributing factor in the sector's decline in recent years.⁷⁵ Deindustrialization has coincided with rapid growth in the agricultural and mining sectors.

⁶⁸ "Cofro International Brasil SA." *Bloomberg*, <https://www.bloomberg.com/profile/company/6978225Z:BZ>. Accessed 27 January 2022.

⁶⁹ Trinkunas. "Testing the limits of China and Brazil's partnership."

⁷⁰ "COFCO around the world: Brazil - Cementing our position in the agricultural powerhouse." *Cofco International*, 26 Aug. 2021, <https://www.cofcointernational.com/stories/cofco-around-the-world-brazil-cementing-our-position-in-the-agricultural-powerhouse/>; Samora, Roberto and Marcelo Teixeira. "COFCO to turn Santos port terminal from grains to sugar: statement," *Reuters*, 27 May 2020, <https://www.reuters.com/article/us-cofco-commodities/cofco-to-turn-santos-port-terminal-from-grains-to-sugar-statement-idUSKBN23331T>.

⁷¹ Adami, Andreia. "Agribusiness Exports to China: Prices Vs. Exchange Rate [Exportações do Agronegócio à China: Preços X Câmbio]." *Universidade de São Paulo*, 25 Nov. 2016, Accessed at: <https://www.cepea.esalq.usp.br/br/opiniao-cepea/exportacoes-do-agronegocio-a-china-precos-x-cambio.aspx>.

⁷² See, for example: Marshall, Euan. "Brazil more dependent on China than ever." *The Brazil Report*, 14 Nov. 2018, <https://brazilianreport.com/business/2018/11/14/brazil-trade-china-commodities>.

⁷³ Author interview with a former Brazilian military intelligence officer.

⁷⁴ Author interviews with Brazilian top military personnel and intelligence officers to understand how and when the Brazilian government and defense institutions started paying attention to Chinese presence and potential threats.

⁷⁵ Lapper. "Bolsonaro Took Aim at China. Then Reality Struck."

Brazilian intelligence alerts and industry concerns have had little or no effect on policy. COFCO continued its expansion, and as of 2018 was responsible for the purchase and export of 9 percent of soybean exports produced by Brazil.⁷⁶ With regard to the market more broadly, as of 2019, 78 percent of the soy and 65 percent of the oilseed exported by Brazil went to the PRC, and Brazilian commodities accounted for 65 percent of China's soy imports.⁷⁷ The narrative that Brazilian agricultural exports are dependent on the PRC market, and therefore strong relations with China are essential to Brazil's trade balance and economic stability, remains a prevailing view perpetuated by Brazil and China alike.⁷⁸ According to reports by soy and cotton producers in the agricultural areas of Brazil, the consensus is that "there is no alternative" for Brazil without the Chinese market.⁷⁹ In practice, producers have few incentives to diversify their buyers, as the PRC offers a considerable – and guaranteed – market for their products.⁸⁰ Brazil's powerful farm and mineral lobbies have been ardent and vocal advocates of protecting the political relationship with China in order to maintain strong commercial ties.⁸¹

They have been supported in these efforts by the China-Brazil Business Council (CEBC), which promotes multilateral commercial interests and has become an important tool for defending Chinese interests in Brazil.⁸² Previously led by former Ambassador Sergio Amaral, who played a founding role in the opening of one of Brazil's Confucius Institutes,⁸³ the CEBC is now led by the former Brazilian ambassador to China (2004-2008) Luiz Augusto de Castro Neves.⁸⁴ The current deputy economy minister for foreign trade, Roberto Fendt, also previously served as the executive secretary of the CEBC.⁸⁵ The leadership of the CEBC demonstrates the close connection between Brazilian business interests and politics – a revolving door between government service and PRC advocacy that has become an important entry point for pro-PRC activity and sentiment in the country.

■ Political Influence

The story of how the PRC has utilized this narrative of dependence to attempt to exert political influence in Brazil centers around Ambassador Yang Wanming, the PRC's ambassador to Brazil from December 2019 to May 2022, and a longtime diplomat focused on Latin America.⁸⁶ China and Brazil have maintained political ties since 1974 when they established diplomatic relations, and Brazilian officials and their PRC counterparts regularly exchange

⁷⁶ Chinese Embassy in Brazil. "Brazilian soy feeds China [Soja brasileira alimenta chineses]." *O Globo*, 11 Nov. 2019, <https://oglobo.globo.com/economia/parceria-brasil-china/soja-brasileira-alimenta-chineses-24074283>.

⁷⁷ Cagliari, Arthur. "Pandemic reinforces trade rapprochement between Brazil and Asia [Pandemia reforça aproximação comercial entre Brasil e Ásia]." *Folha de São Paulo*, 12 Feb. 2021, <https://www1.folha.uol.com.br/mercado/2021/02/pandemia-reforca-aproximacao-comercial-entre-brasil-e-asia.shtml>.

⁷⁸ Casado, José. "Dependence on China grows and Bolsonaro loses support in the countryside [Cresce a dependência da China e Bolsonaro perde apoio no campo]." *Veja*, 22 May 2021, <https://veja.abril.com.br/coluna/jose-casado/cresce-a-dependencia-da-china-e-bolsonaro-perde-apoio-no-campo/>; Marshall; Chinese Embassy in Brazil. "Brazilian soy feeds China [Soja brasileira alimenta chineses];" Cagliari.

⁷⁹ Author interviews with Brazilian soybean producers from Mato Grosso state and cotton farmers from Bahia state.

⁸⁰ Author interviews with Brazilian soybean producers from Mato Grosso state and cotton farmers from Bahia state.

⁸¹ Trinkunas. "Testing the limits of China and Brazil's partnership."

⁸² "China-Brazil Business Council." *LinkedIn*, https://www.linkedin.com/company/china-brazil-business-council?trk=pprof_cprof. Accessed 27 January 2022.

⁸³ "Ambassador to Brazil Li Jinzhang Meets with Brazilian Chairman Sergio Amaral of Brazil-China Entrepreneurs Committee." *Ministry of Foreign Affairs of the People's Republic of China*, Apr. 2014, https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zwjg_665342/zwbdt_665378/t1149423.shtml;

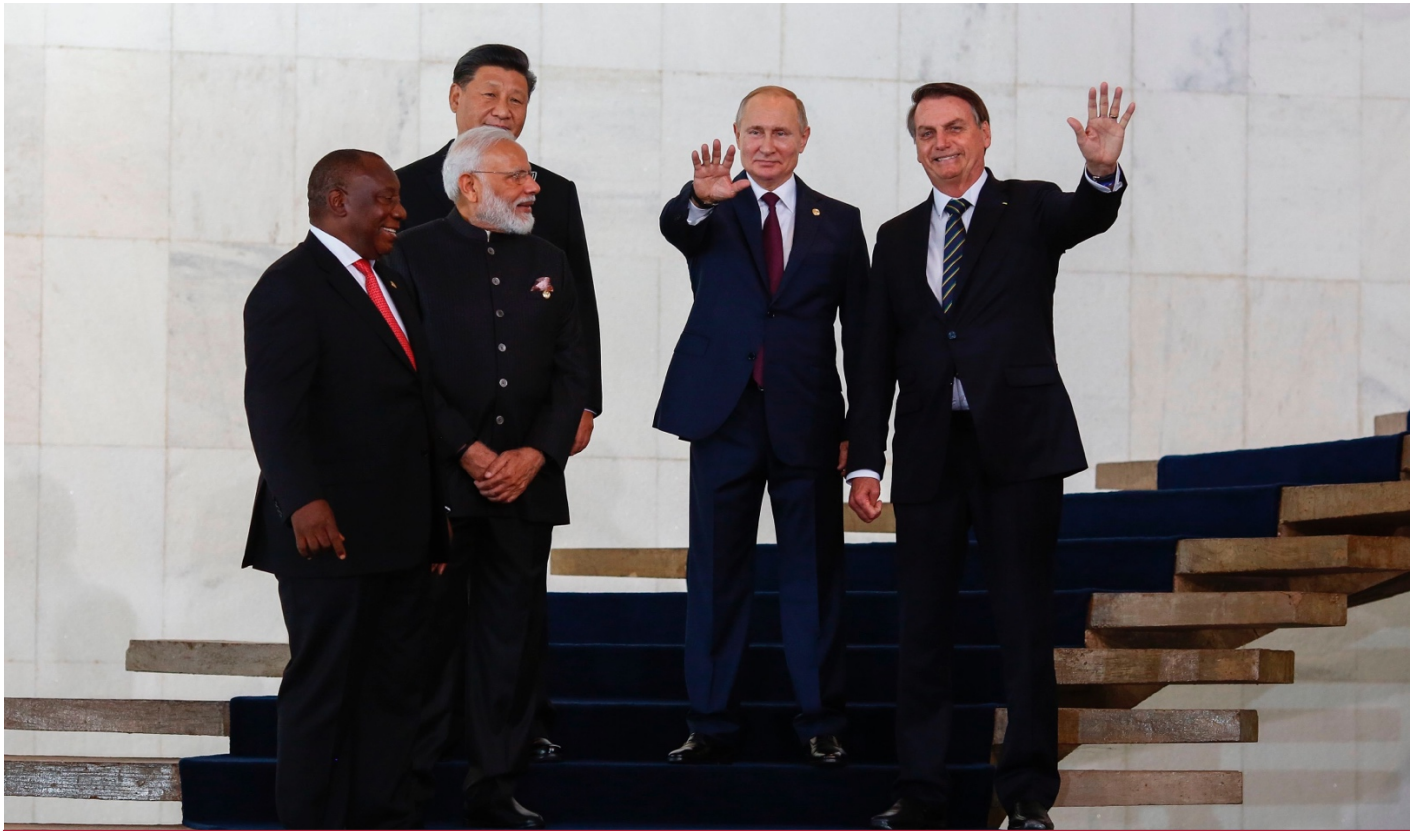
Luna, Filipi. "China Business [Negócio da China]." *Revista FAAP*, <http://revista.faap.br/negocio-da-china-instituto-confucio-faap/>. Accessed 27 January 2022.

⁸⁴ "Ambassador Li Jinzhang meets with former Brazilian Ambassador to China, Mr. Luiz Augusto de Castro Neves [Embaixador Li Jinzhang se encontra com o ex-embaixador do Brasil na China, Sr. Luiz Augusto de Castro Neves]." *Embassy of the People's Republic of China in Brazil*, 25 Sept. 2015, <http://br.chineseembassy.org/por/sghds/t1306728.htm>.

⁸⁵ "Roberto Fendt named as Brazil's deputy economy minister for foreign trade." *Reuters*, 27 May 2020, <https://www.reuters.com/article/us-brazil-economy-appointment-idUSKBN23323X>.

⁸⁶ Ambassador Yang previously served as Director-General of the Ministry of Foreign Affairs (MOFA) Department of Latin American and the Caribbean and PRC ambassador to Chile and Argentina. "Ambassador's C.V. [C.V.do Embaixador]." *Embassy of the People's Republic of China in Brazil*, 7 Jan. 2019, <http://br.china-embassy.org/por/zjsg/dsil/t1108461.htm>.

state visits.⁸⁷ With Ambassador Yang's ascendance to the center of PRC foreign policy toward Latin America, which began with President Hu Jintao's first visit to the region in 2004, political exchanges increased in frequency.⁸⁸ Yang's management of the portfolio marked not only the rise of the PRC as Brazil's leading economic partner, but also the intensification of bilateral relations between the two countries.



Leaders assemble at the BRICS summit in Brasilia, Brazil. From left to right, President of South Africa Cyril Ramaphosa, Prime Minister of India Narendra Modi, President of China Xi Jinping, President of Russia Vladimir Putin, and President of Brazil Jair Bolsonaro. November 14, 2019. (Photo by SERGIO LIMA/AFP via Getty Images).

From Soft Power to Sharp Power: The 2018 Brazilian Presidential Election

The economic dependency between Brazil and China was not used publicly as a pressure tool until the 2018 Brazilian presidential campaign. Leading candidate Jair Bolsonaro ran on a nationalist platform and regularly criticized the PRC's expansion in Latin America.⁸⁹ His attacks escalated to the point that in October 2018, two days before the second round of the election, the PRC's embassy in Brasilia spoke out about Bolsonaro's lack of understanding of the Brazil-China partnership.⁹⁰

⁸⁷ Since 1974, visits of presidents, vice presidents, or prime ministers have been carried out between the countries, seventeen of which have occurred in the last 14 years. "People's Republic of China." *Ministry of Foreign Affairs of Brazil*, 10 June 2021, <https://www.gov.br/mre/en/subjects/bilateral-relations/all-countries/people-s-republic-of-china>.

⁸⁸ "Hu Jintao's Visit to the Four Latin-American Countries and His Attending of the Informal APEC Summit." *Ministry of Foreign Affairs of the People's Republic of China*, 2004, https://www.fmprc.gov.cn/mfa_eng/topics_665678/huvisit_665888.

⁸⁹ Spring, "Bolsonaro's anti-China rants have Beijing nervous about Brazil."

⁹⁰ "Chinese diplomat criticizes Bolsonaro for 'lack of knowledge [Diplomata chinês critica Bolsonaro por 'falta de conhecimento']'." *Metropoles*, 25 Oct. 2018, <https://www.metropoles.com/brasil/eleicoes-2018/diplomata-chines-critica-bolsonaro-por-falta-de-conhecimento>.

These pronouncements had little impact on the campaign, and Bolsonaro won the presidency and assumed office in January 2019. Cognizant of the potential challenges of a Bolsonaro presidency, Beijing deployed Ambassador Yang as its next ambassador to Brasilia in December 2018.⁹¹ Ambassador Yang had successfully conducted sharp power diplomacy to advance and protect PRC interests during his previous tenure in Argentina,⁹² where he had expanded ties beyond traditional economic and political domains into the media and academia.⁹³ Ambassador Yang proved adept at cultivating relationships with the political and business elite to secure pro-China policies and news coverage.⁹⁴ Upon his arrival in Brazil, it quickly became clear that Yang set out to do the same.

Discourse Power and The New Phase of PRC Diplomacy

Before he had even presented his credentials, Ambassador Yang started building pro-PRC influence networks, using the PRC's competitive advantage as Brazil's largest trading partner. In January 2019, the PRC's embassy sponsored an all-expenses-paid visit to China for members of Congress affiliated with Bolsonaro's Social Liberal Party (with whom the president later cut ties).⁹⁵ Other notable events in Ambassador Wang's early Brazil tenure in 2019 included an event with the business lobby group Lide, founded by the current governor of the state of São Paulo João Doria and run by his son João Doria Neto;⁹⁶ an interview with one of the largest newspapers in Brazil, *Folha de S.Paulo*;⁹⁷ and four op-eds, in one of which he praised the advantages of a good relationship with the PRC.⁹⁸ Through such engagements, Ambassador Yang is increasingly making a name for himself in Brazilian political circles and the press.

To further bolster engagement with the Brazilian press, Ambassador Yang established content sharing and other arrangements with leading Brazilian media outlets, authored regular op-eds in the print media, and expanded his presence on social media.⁹⁹ While Yang's predecessors had conducted some soft power engagement in Brazil –the country is home to eleven Confucius Institutes, with the first one dating to 2004¹⁰⁰ - it was Yang who presided over the PRC's first forays into discourse power and influence in the information space, brokering or facilitating the signing of several cooperation agreements with leading media entities in Brazil. In November 2019, the state-

⁹¹ Burdman, Julio. "Mauricio, Jair and Donald [Mauricio, Jair y Donald]." *Perfil*, 29 Dec. 2018, <https://www.perfil.com/noticias/columnistas/mauricio-jair-y-donald.phtml>.

⁹² Interviews by the author with former members of the office of former President Mauricio Macri and with officials from the Ministry of Foreign Affairs of Argentina. According to these sources, Chinese Ambassador Yang Wanming changed the style of Chinese diplomacy in Argentina.

⁹³ Cardenal, Juan Pablo, et al. "From 'Soft Power' to 'Sharp Power': Rising Authoritarian Influence in the Democratic World." *National Endowment for Democracy*, Dec. 2017, https://www.wsj.com/public/resources/documents/NEDSharpPowerRisingAuthoritarianInfluenceFullReport122017.pdf?mod=article_inline.

⁹⁴ Cardenal, et al. "From 'Soft Power' to 'Sharp Power': Rising Authoritarian Influence in the Democratic World."

⁹⁵ Gonçalves, Eduardo. "The Chinese circus [O circo chinês]." *Veja*, 25 Jan. 2019, <https://veja.abril.com.br/politica/o-circo-chines/>.

⁹⁶ "New Chinese ambassador to Brazil makes first official visit to São Paulo at LIDE China event [Novo embaixador da China no Brasil faz primeira visita oficial a São Paulo em evento do LIDE China]." *Terra*, 26 Feb. 2019, <https://www.terra.com.br/noticias/dino/novo-embaixador-da-china-no-brasil-faz-primeira-visita-oficial-a-sao-paulo-em-evento-do-lide-china.dcdb93b72e061895d49924d12925ea5a4bxxorkn.html>;

"'Impacts of the pandemic will be transitory and limited', says Chinese ambassador to Brazil [Impactos da pandemia serão transitórios e limitados', afirma embaixador chinês no Brasil]." *LIDE*, 22 June 2020, <https://www.prnewswire.com/news-releases/-impactos-da-pandemia-serao-transitorios-e-limitados-afirma-embaixador-chines-no-brasil-844675535.html>.

⁹⁷ Bergamo, Mônica. "'Venezuela issue must be resolved by the Venezuelan people', says Chinese ambassador [A questão da Venezuela deve ser resolvida pelo povo venezuelano]." *Folha de São Paulo*, 28 Feb. 2019, <https://www1.folha.uol.com.br/colunas/monicabergamo/2019/02/questao-da-venezuela-deve-ser-resolvida-pelo-povo-venezuelano-diz-embaixador-da-china.shtml>.

⁹⁸ Wanming, Yang. "Opportunities for Brazil-China relations [Oportunidades para Relação Brasil-China]." *Folha de São Paulo*, 23 May 2019, <https://www1.folha.uol.com.br/opiniao/2019/05/oportunidades-para-as-relacoes-brasil-china.shtml>.

⁹⁹ See @WanmingYang. *Twitter*, <https://twitter.com/wanmingyang?lang=en>.

¹⁰⁰ Embaixada da China. "Chinese culture wins over young people [Cultura chinesa conquista jovens]." *O Globo*, 11 Nov. 2019, <https://oglobo.globo.com/economia/parceria-brasil-china/cultura-chinesa-conquista-jovens-24074710>.

owned China Media Group signed an agreement with the Band network, which has Brazil's third highest viewership, for joint production and content sharing.¹⁰¹ One program featured as part of the agreement is "Mundo China," which has peddled propaganda about the genocide in Xinjiang.¹⁰² That same month, the China Media Group signed a content exchange and production agreement with Grupo Globo, a Brazilian media conglomerate with ownership of Brazil's largest television network,¹⁰³ Globo TV,¹⁰⁴ and the *O Globo* newspaper.¹⁰⁵ The China Media Group also inked an agreement on content and technology sharing, joint production, and training with the Empresa Brasil de Comunicação (Brazil Communication Company), a state-owned company that manages TV Brazil, eight radio stations, and the Agência Brasil news agency.¹⁰⁶ Beyond such agreements, the PRC has also invested in other media through paid advertising.¹⁰⁷

These agreements have granted the PRC access to Brazil's information ecosystem, facilitating its attempts to influence coverage of China and Brazil-China relations. Since 2019, *O Globo*, one of Brazil's most widely-read newspapers, has published twelve op-eds by either Ambassador Yang or by the PRC consul in Rio de Janeiro, Li Yang.¹⁰⁸ The diplomats have used their platforms to promote pro-PRC messages, deploying disinformation that

¹⁰¹ de Sá, Nelson. "Band closes deal with Chinese state TV [Band fecha acordo com TV estatal chinesa]." *Folha de São Paulo*, 6 Nov. 2019, <https://www1.folha.uol.com.br/mercado/2019/11/band-fecha-acordo-com-tv-estatal-chinesa.shtml>.

¹⁰² @mundo_china. "Popular opinion at #Xinjiang. @LiuXininBeijing has been talking to people there and this is what they say about their life in that beautiful land with the allegations of 'genocide' and 'forced labor.'" [Opinião popular em . tem conversado com as pessoas lá e isso é o que elas falam sobre sua vida naquela bela terra com as alegações de "genocídio" e "trabalho forçado]." *Twitter*, 8 Apr. 2021, 9:51 a.m., https://twitter.com/mundo_china/status/1380156280984199170?s=20.

¹⁰³ With five stations and 131 network affiliates, Globo TV reaches more than 183 million Brazilians. Sharma, Mit. "How to Stream Globo TV outside Brazil anywhere with Globo Play?" *Gadgets Why?*, 24 Dec. 2021, <https://www.gadgetswhy.com/stream-globo-tv-outside-brazil/>.

¹⁰⁴ "About Globo." *Globo*, 2021, <https://globoir.globo.com/show.aspx?idMateria=bOz0NXkg3cBj1kFF1zqnUA==>.

¹⁰⁵ Lubianco, Júlio. "Who's right? In fight for national market, Brazil's two main newspapers proclaim themselves 'the most widely read'." *Knight Center for Journalism in the Americas*, 19 May 2021, <https://latamjournalismreview.org/articles/folha-globo-brazil-audience-newspapers/>.

de Sá, Nelson. "Globo signs with Chinese giant for co-production and 5G technology [Globo assina com gigante chinesa para coprodução e tecnologia 5G]." *Folha de São Paulo*, 14 Nov. 2019.

¹⁰⁶ "Brazil's and China's communication firms expand cooperation." *Agência Brasil*, 14 Nov. 2019, <https://agenciabrasil.ebc.com.br/en/geral/noticia/2019-11/brazils-and-chinas-communication-firms-expand-cooperation>.

¹⁰⁷ According to a report from the Foreign Agent's Registration Act of the U.S. Department of Justice, between November 2016 and October 2020, *Folha de S.Paulo*, *O Globo's* contender for Brazil's top newspaper, received \$405,000 in advertising funds from China Daily, while *O Globo* received \$109,000 between 2017 and 2018, and *Correio Braziliense* received \$15,450 in November 2019. Costa, Cristyan. "Brazilian newspapers received sponsorship from the Chinese dictatorship [Jornais brasileiros receberam patrocínio da ditadura chinesa]." *Revista Oeste*, 21 Nov. 2020, <https://revistaoste.com/brasil/jornais-brasileiros-receberam-patrocínio-da-ditadura-chinesa/>.

¹⁰⁸ Wanming, Yang. "The Chinese and world miracle [O milagre chinês e mundial]." *O Globo*, 4 Oct. 2019, <https://oglobo.globo.com/opiniao/artigo-milagre-chines-mundial-23994654>; Wanming, Yang. "Solidarity and cooperation: most powerful weapon to defeat the pandemic [Solidariedade e cooperação: arma mais poderosa para derrotar a pandemia]." *O Globo*, 22 May 2020, <https://oglobo.globo.com/opiniao/solidariedade-cooperacao-arma-mais-poderosa-para-derrotar-pandemia-24438578>; Wanming, Yang. "Defend multilateralism and the UN-centered international system [Defender o multilateralismo e o sistema internacional centrado na ONU]." *O Globo*, 24 Sept. 2020, <https://oglobo.globo.com/opiniao/defender-multilateralismo-o-sistema-internacional-centrado-na-onu-1-24657151>; Wanming, Yang. "Shenzhen Special Economic Zone, 40 years of success [Zona Econômica Especial de Shenzhen, 40 anos de sucesso]." *O Globo*, 17 Oct. 2020, <https://oglobo.globo.com/opiniao/zona-economica-especial-de-shenzhen-40-anos-de-sucesso-24696812>; Yang, Li. "China and Latin America Closer [China e América Latina mais próximas]." *O Globo*, 1 Nov. 2020, <https://oglobo.globo.com/opiniao/china-america-latina-mais-proximas-24722601>; Wanming, Yang. "What kind of multilateralism does the world need [De que tipo de multilateralismo o mundo precisa?]" *O Globo*, 4 Feb. 2021, <https://blogs.oglobo.globo.com/opiniao/post/de-que-tipo-de-multilateralismo-o-mundo-precisa.html>; Yang, Li. "The global significance of poverty eradication in China [O significado global da erradicação da pobreza na China]." *O Globo*, 3 Mar. 2021, <https://blogs.oglobo.globo.com/opiniao/post/o-significado-global-da-erradicao-da-pobreza-na-china.html>; Yang, Li. "How long will the Fort Detrick crime last [Quanto tempo ainda vai durar o crime de Fort Detrick?]" *O Globo*, 3 June 2020, <https://oglobo.globo.com/opiniao/quanto-tempo-aindavidurar-crime-de-fort-detrick-24458965>; Yang, Li. "No moral condition to criticize China [Sem condição moral de criticar a China]." *O Globo*, 10 July 2020, <https://oglobo.globo.com/opiniao/sem-condicao-moral-de-criticar-china-24523950>; Yang, Li. "Cherish China-Brazil relations, Deputy Eduardo [Valorize as relações China-Brasil, deputado Eduardo]." *O Globo*, 4 Apr. 2020, <https://oglobo.globo.com/opiniao/artigo-valorizeas-relacoes-china-brasildeputado-eduardo-24350358>; Yang, Li. "Political prejudice and conspiracy theory [Preconceito político e teoria da conspiração]." *O Globo*, 20 Mar. 2020, <https://oglobo.globo.com/opiniao/artigo-preconceito-politico-teoria-da-conspiracao-24322035>; Yang, Li. "Climate change, a priority for

Ambassador Yang and his fellow diplomats leveraged this combination of content sharing agreements and advertising, economic pressure, and co-optation of political and economic elites to shape Brazil's information environment in markedly pro-PRC directions, taking an increasingly confrontational tone in response to Bolsonaro's erratic behavior toward China.

found natural allies among opposition politicians, the parts of the population opposed to the president, and pro-China actors.

Capturing the Brazilian Congress

The Brazilian Congress has been a vocal advocate of close relations between Brazil and China, and has been used ably by Ambassador Yang and other elements of the PRC party-state as a counterweight to the less friendly stance of the Bolsonaro administration. The Brazilian Congress has been assertive in its executive oversight function and powerful in shaping Brazilian policy at the national level, through both pressure on the presidency and via legislative measures.¹¹¹ Under the Bolsonaro administration, it has been a key platform for the opposition, which the PRC has sought to exploit.

Numerous caucuses regularly and vocally advocate for pro-China policies on issues ranging from foreign investment and land ownership to extradition and vaccines.¹¹² The National Congress of Brazil's China Parliamentary Group, a group created to advance Brazil-China relations, includes over 50 percent of the members of the Senate and 44 percent of the Chamber of Deputies.¹¹³ The group's president, Congressman Fausto Ruy Pinato, maintains close ties to the PRC embassy and PRC businesspeople, and has been highly responsive to

went unchecked, as was the case in June 2020 when Li Yang stated that the United States had created COVID-19.¹⁰⁹

Ambassador Yang and his fellow diplomats leveraged this combination of content-sharing agreements and advertising, economic pressure, and co-optation of political and economic elites to shape Brazil's information environment in markedly pro-PRC directions, taking an increasingly confrontational tone in response to Bolsonaro's erratic behavior toward China.¹¹⁰ In the environment of political polarization in Brazil, Yang

the Sino-Brazilian partnership [Mudanças climáticas, uma prioridade para a parceria sino-brasileira]." *O Globo*, 14 Apr. 2021, <https://blogs.oglobo.globo.com/opiniaopost/mudancas-climaticas-uma-prioridade-para-parceria-sino-brasileira.html>.

¹⁰⁹ Yang, Li. "How long will the Fort Detrick crime last [Quanto tempo ainda vai durar o crime de Fort Detrick?]"

¹¹⁰ Stuenkel, Oliver. "China's Diplomats Are Going on the Offensive in Brazil." *Foreign Policy*, 15 May 2020, <https://foreignpolicy.com/2020/05/15/chinas-diplomats-are-going-on-the-offensive-in-brazil/>.

¹¹¹ Rey, Beatriz. "Brazil's Congress is Becoming More Powerful, But That's Not Necessarily Bad for Democracy." *Wilson Center*, 19 Mar. 2020, <https://www.wilsoncenter.org/blog-post/brazils-congress-becoming-more-powerful-thats-not-necessarily-bad-democracy>.

¹¹² "Meeting at the Chamber celebrates partnership between Brazil and China [Encontro na Câmara comemora parceria entre Brasil e China]." *Agência Câmara de Notícias*, 14 Dec. 2021, <https://www.camara.leg.br/noticias/837178-ENCONTRO-NA-CAMARA-COMEMORA-PARceria-ENTRE-BRASIL-E-CHINA;>

"Brazil-China Parliamentary Front says that MA government puts Porto São Luís at risk [Frente Parlamentar Brasil-China diz que governo do MA põe em risco o Porto São Luís]." *Agência Câmara de Notícias*, 20 Apr. 2020, <https://www.camara.leg.br/noticias/655484-frente-parlamentar-brasil-china-diz-que-governo-do-ma-poe-em-risco-o-porto-sao-luis/>;

"CCJ approves extradition agreement signed by Brazil and China [CCJ aprova acordo de extradição firmado por Brasil e China]." *Agência Câmara de Notícias*, 11 Nov. 2010, <https://www.camara.leg.br/noticias/143805-ccj-aprova-acordo-de-extradicao-firmado-por-brasil-e-china/>.

¹¹³ "Brazil-China Parliamentary Group [Grupo Parlamentar Brasil - China]." *Senado Federal*, <https://www25.senado.leg.br/web/atividade/conselhos/-/conselho/gpchina>. Accessed 27 January 2022;

"Brazil-China Parliamentary Front [Frente Parlamentar Brasil-China]." *Câmara dos Deputados*, <https://www.camara.leg.br/internet/deputado/frenteDetalhe.asp?id=53906>. Accessed 27 January 2022.

Beijing's agenda.¹¹⁴ The PRC also counts on the unequivocal support of the Agribusiness Caucus, which includes 178 members of the chamber (35 percent) and 24 senators (24 percent).¹¹⁵ The caucus is a powerful political tool within the Congress, with the capacity to mobilize voices and finances in support of trade and investment policy.¹¹⁶

The PRC's work to build relationships with members of Congress¹¹⁷ has proven a useful strategy. When Bolsonaro made critical comments on the PRC's management of the pandemic¹¹⁸ and Ambassador Yang pushed back,¹¹⁹ he received an apology from the president of the Chamber of Deputies, Rodrigo Maia, who went on to praise the importance of the Brazil-China strategic partnership.¹²⁰ PRC-funded congressional delegations have also proven to be an effective tool.¹²¹ There are several examples of Brazilian members of Congress who participated in PRC-sponsored delegations and returned as vocal supporters of PRC interests in Brazil. Congressman Felício Laterça, for example, participated in the January 2019 delegation and publicly expressed his support for the import of

¹¹⁴ "Law that brought advances in Brazil-China relationship completes one year [Lei que trouxe avanços na relação Brasil-China completa um ano." *Fausto Pinato*, 27 June 2019, <https://faustopinato.com.br/lei-que-trouxe-avancos-na-relacao-brasil-china-completa-um-ano/>; "Understand the functioning and objectives of the Brazil-China Parliamentary Front [Entenda como funciona e quais os objetivos da Frente Parlamentar Brasil-China]." *Fausto Pinato*, 29 Apr. 2019, <https://faustopinato.com.br/entenda-como-funciona-e-quais-os-objetivos-da-frente-parlamentar-brasil-china/>.

¹¹⁵ "Agricultural Parliamentary Front - FPA [Frente Parlamentar da Agropecuária - FPA]." *Câmara dos Deputados*, <https://www.camara.leg.br/internet/deputado/frenteDetalhe.asp?id=53910>. Accessed 29 January 2022.

¹¹⁶ Stargardter, Gabriel and Anthony Boadle. "Brazil farm lobby wins as Bolsonaro grabs control over indigenous lands." *Reuters*, 2 Jan. 2019, <https://www.reuters.com/article/us-brazil-politics-agriculture/brazil-farm-lobby-wins-as-bolsonaro-grabs-control-over-indigenous-lands-idUSKCN10W00S>;

"Brazil's Bolsonaro picks rural caucus leader to be agriculture minister." *Reuters*, 7 Nov. 2018, <https://www.reuters.com/article/brazil-politics-agriculture/brazils-bolsonaro-picks-rural-caucus-leader-to-be-agriculture-minister-idUSS0N1UZ023>;

Pompeu, Lauriberto. "For commercial relationship, rural Caucus defends China and repudiates Eduardo [Por Relação Comercial, Bancada Ruralista defende China e reupida Eduardo]." *Congresso em Foco*, 19 Mar. 2020, <https://congressoemfoco.uol.com.br/area/congresso-nacional/por-relacao-comercial-bancada-ruralista-defende-china-e-repudia-eduardo/>.

¹¹⁷ Truffi, Renan and Raphael Di Cunto. "Away from the government, China has stepped up lobbying in Congress [Distante do governo, China reforçou lobby no Congresso]." *Valor*, 21 Oct. 2019, <https://valor.globo.com/politica/noticia/2019/10/21/distante-do-governo-china-reforcou-lobby-no-congresso.ghtml>.

¹¹⁸ Coletta, Ricardo Della. "In A New Attack, Bolsonaro Suggests that China Is Waging a Biological War with Covid." *Folha de São Paulo*, 6 May 6 2021, <https://www1.folha.uol.com.br/internacional/en/world/2021/05/in-a-new-attack-bolsonaro-suggests-that-china-is-waging-a-biological-war-with-covid.shtml> ;@BolsonaroSP, "Anyone who watched Chernobyl will understand what happened. Replace the nuclear plant with the coronavirus and the Soviet dictatorship with the Chinese. +1 time a dictatorship preferred to hide something serious than expose it with wear, but that would save countless lives. It's China's fault and freedom would be the solution [Quem assistiu Chernobyl vai entender o q ocorreu.Substitua a usina nuclear pelo coronavírus e a ditadura soviética pela chinesa +1 vez uma ditadura preferiu esconder algo grave a expor tendo desgaste,mas q salvaria inúmeras vidas A culpa é da China e liberdade seria a solução]." *Twitter*, 18 Mar. 2020, 10:38 a.m., <https://twitter.com/BolsonaroSP/status/1240286560953815040?s=20>.

¹¹⁹ @EmbaixadaChina. "1-Your words are extremely irresponsible and sound familiar to us. They do not cease to be an imitation of their dear friends. Upon returning from Miami, he unfortunately contracted a mental virus, which is infecting friendships between our peoples. [1-As suas palavras são extremamente irresponsáveis e nos soam familiares. Não deixam de ser uma imitação dos seus queridos amigos. Ao voltar de Miami, contraiu, infelizmente, vírus mental, que está infectando a amizades entre os nossos povos.]" *Twitter*, 18 Mar. 2020, 9:45 p.m., <https://twitter.com/EmbaixadaChina/status/1240456558007508993?s=20>.

¹²⁰ Ribeiro, Marcelo and Daniel Rittner. "Maia apologizes to China after Eduardo Bolsonaro blames country for coronavirus pandemic [Maia pede desculpas à China após Eduardo Bolsonaro culpar país por pandemia de coronavírus]." *Valor Econômico*, 19 March 2020, <https://valor.globo.com/brasil/noticia/2020/03/19/maia-pede-desculpas-china-aps-eduardo-bolsonaro-culpar-pas-por-pandemia-de-coronavirus.ghtml>.

¹²¹ Prior to the pandemic, Ambassador Yang organized several congressional delegations to the PRC to cultivate ties with leading Brazilian lawmakers. Through open-source research, the author documented 14 visits by senators and members of Congress to China between 2019 and 2020. These included a May 2019 official delegation by the Minister of Agriculture, accompanied by 11 parliamentarians, among others, on agribusiness, and a September 2019 trip organized by the CCP for six parliamentarians, including President Bolsonaro's other son, Senator Flávio Bolsonaro, to explore Chinese industry interested in investing in the Brazilian market. Minister in Asia [Ministra na Ásia]." *Brazilian Ministry of Agriculture, Livestock, and Supply*, May 2019, <https://www.gov.br/agricultura/pt-br/ministra-na-asia>; Adghirni, Samy. "All-Expenses-Paid Trip to China Dazzles Brazilian Lawmakers." *Bloomberg*, 7 Oct. 2019, <https://www.bloomberg.com/news/articles/2019-10-07/all-expenses-paid-trip-to-china-dazzles-brazilian-lawmakers>; "Scandal over a luxury trip paid for by the Chinese regime to Brazilian senators: 'Now we support Huawei' [Escândalo por un viaje de lujo pagado por el régimen chino a senadores brasileños: 'Ahora apoyamos a Huawei']." *Infobae*, 8 Oct. 2019, <https://www.infobae.com/america/america-latina/2019/10/09/escandalo-por-un-viaje-de-lujo-pagado-por-el-regimen-chino-a-senadores-brasilenos-ahora-apoyamos-a-huawei/>.

facial recognition systems produced in China as a way to fight crime in Brazil.¹²² In another example, Irajá Abreu, a member of the Agribusiness Caucus and the Brazil-China Parliamentary Group, and the son of the chairman of the Senate Foreign Relations Committee and fellow Caucus member Kátia Abreu, participated in a delegation and returned to praise the PRC's leadership and economic model.¹²³ Prior to his visit to China, Abreu was the author of a bill paving the way for increased foreign land acquisition.¹²⁴ The bill proposes to reform the current law restricting foreign ownership of large land parcels and open up 2.12¹²⁵ million square kilometers of land to foreign ownership – a reform the PRC has been advocating for.¹²⁶

Whether for the protection of the Brazilian export market to the PRC, in response to recruitment by Ambassador Yang, or opposition politics in an era of political polarization, members of the Brazilian Congress have become an important partner for the PRC in promoting pro-China policies. To leverage this widespread support for the PRC within the Congress, in May 2020 Ambassador Wang sent a letter to the Chamber of Deputies asking members not to speak in favor of Taiwan's democracy on the occasion President Tsai Ing-wen's re-election.¹²⁷ The letter noted that the Taiwan issue is an internal matter for China and asked parliamentarians to refrain from expressing any sentiments regarding the Taiwan election. It also asked legislators not to maintain official contacts with Taiwanese leaders that would be harmful to the "One China" policy.¹²⁸ Congressman Paulo Eduardo Martins leaked the letter and congratulated President Tsai on her victory on Twitter, indicating that at least one member did not heed this request.¹²⁹

Nevertheless, the pro-China disposition of the Brazilian Congress looks set to continue. In May 2021, for example, the President of the Senate, Rodrigo Paheco, sent a letter to Ambassador Yang on the importance of greater diplomatic and political coordination. According to a copy of the letter obtained by Reuters, the Senate president wants to expand collaboration in all areas, science, technology, trade, and investment.¹³⁰

¹²² "Chinese facial recognition system may arrive in Brazil in 2019 [Sistema de reconhecimento facial chinês pode chegar ao Brasil ainda em 2019]." *Olhar Digital*, 16 Jan. 2019, <https://olhardigital.com.br/en/2019/01/16/noticias/sistema-de-reconhecimento-facial-chines-pode-chegar-ao-brasil-ainda-em-2019/?gfetch=2019%2F01%2F16%2Fnews%2Fchinese-facial-recognition-system-may-arrive-in-Brazil-in-2019%2F>.

¹²³ "Senator Irajá Abreu is impressed with the competence of the Chinese government in the economic agenda [Senador Irajá Abreu está impressionado com a competência do governo chinês na pauta econômica]." *CRI*, 24 Sept. 2019, <http://portuguese.cri.cn/videos/noticias/3325/20190924/357416.html>.

¹²⁴ "Law number 2963 of 2019 [Projeto de Lei nº 2963, de 2019]." *Senado Federal*, <https://www25.senado.leg.br/web/atividade/materias/-/materia/136853>.

¹²⁵ "Senate approves Bill that makes the sale of Brazilian land to foreigners more flexible [Senado aprova Projeto de Lei que flexibiliza a venda de terras brasileiras para estrangeiros]." *Instituto Socioambiental*, 18 Dec. 2020, <https://www.socioambiental.org/pt-br/blog/blog-do-monitoramento/senado-aprova-projeto-de-lei-que-flexibiliza-a-venda-de-terras-brasileiras-para-estrangeiros>.

¹²⁶ Durta, Luiz Filipe Cout. "Chinese appetite for land in Brazil [O apetite chinês por terras no Brasil]." *Exame.com*, 17 Oct. 2019, <https://exame.com/blog/negocios-da-china/o-apetite-chines-por-terras-no-brasil>.

¹²⁷ Amaral, Luciana. "China urges House not to favor Taiwan; deputies see 'pressure' [China pede que Câmara não fique a favor de Taiwan; deputados veem 'pressão']." *Uol*, 28 May 2020, <https://noticias.uol.com.br/internacional/ultimas-noticias/2020/05/28/china-pressiona-deputados-federais-a-nao-se-manifestarem-a-favor-de-taiwan.htm>.

¹²⁸ *Ibid.*

¹²⁹ "Brazilian netizens fight back against CCP threats over Taiwan support." *Taiwan News*, 26 May 2020, <https://www.taiwannews.com.tw/en/news/3940533>.

¹³⁰ Brito, Ricardo. "In letter to ambassador, Pacheco defends constructive relationship with China [Em carta a embaixador, Pacheco defende relação construtiva com a China]." *Reuters*, 7 May 2021, <https://www.reuters.com/article/senado-presidente-carta-china-embaixador-idBRKBN2CO21X-OBDRN>.

Case Study: Pandemic Politics and Beyond

Alongside its efforts to gain friends in Congress, the PRC cultivated relationships with Bolsonaro's political opposition, dealing directly with state governors and opposition political parties looking to the PRC for help managing the COVID-19 pandemic.¹³¹ A group of Bolsonaro opponents organized under a consortium called Nordeste and appealed to the PRC for medical supplies and equipment.¹³² The most portentous alliance between China and the insurgent governors was established with Brazil's wealthiest, most populous state, São Paulo, whose governor, João Doria, is a strong ally of the PRC. Prior to joining politics, he led the lobby group Lide, which represented several Chinese companies and established a branch in China to promote "better conditions for Chinese investment in Brazil."¹³³ Doria was also an early adopter of PRC surveillance technology. Both São Paulo and Bahia received PRC donations of surveillance cameras and facial recognition equipment.¹³⁴ Moreover, Doria negotiated an agreement with SinoVac through which he purchased millions of doses of COVID vaccines and established a research partnership with the São Paulo-based Butantan medical center, a public institution affiliated with the São Paulo State Secretariat of Health, to conduct clinical trials in the country.¹³⁵ Doria is also one of Bolsonaro's political rivals and a candidate in the upcoming 2022 presidential elections.¹³⁶

With backing from some of Brazil's most prominent politicians and business elites, the PRC engaged in an intense political influence effort around the COVID-19 pandemic, taking advantage of political polarization to achieve its own political ends and highlight positive narratives around the PRC's response to the pandemic and its altruistic support to Brazil.

With backing from some of Brazil's most prominent politicians and business elites, the PRC engaged in an intense political influence effort around the COVID-19 pandemic, taking advantage of political polarization to achieve its own political ends and highlight positive narratives around the PRC's response to the pandemic¹³⁷ and its altruistic support to Brazil.¹³⁸ This narrative of China's benevolence

¹³¹ Lang, Marina. "Brazil's state governors open their own channels with China." *Diálogo Chino*, 13 Aug. 2020, <https://dialogochino.net/en/trade-investment/36888-brazils-state-governors-open-their-own-channels-with-china/>.

¹³² "Chinese Ambassador responds to Northeast Consortium's request for help: 'we will strive for it' [Embaixador da China responde pedido de ajuda do Consórcio Nordeste: 'vamos esforçar por isso']." *Jornal Grand Bahia*, 21 Mar. 2020, <https://www.jornalgrandebahia.com.br/2020/03/embaixador-da-china-responde-pedido-de-ajuda-do-consorcio-nordeste-vamos-esforcar-por-isso/>.

¹³³ "About Us." *LIDE China*, <https://lidechina.org/en/home-2/>. Accessed 29 January 2022.

¹³⁴ "Chinese donations to SP total BRL 8.5 million [Doações de chineses a SP somam R\$ 8,5 milhões]." *Epoca Negócios*, 29 July 2017, <https://epocanegocios.globo.com/Brasil/noticia/2017/07/epoca-negocios-doacoes-de-chineses-a-sp-somam-r-85-milhoes.html?status=500>.

¹³⁵ McGeever, Jamie and Pedro Fonseca. "Brazil clears emergency use of Sinovac, AstraZeneca vaccines, shots begin." *Reuters*, 17 Jan. 2021, <https://www.reuters.com/article/us-health-coronavirus-brazil/brazil-clears-emergency-use-of-sinovac-astrazeneca-vaccines-shots-begin-idUSKBN29M0M3>;

Londoño, Ernesto, et al. "Bolsonaro Talked Vaccines Down. Now Brazil Has Too Few Doses." *The New York Times*, 18 Jan. 2021, <https://www.nytimes.com/2021/01/18/world/americas/brazil-covid-variants-vaccinations.html>;

"Sao Paulo starts building production plant for China's Sinovac vaccine: governor." *Reuters*, 9 Nov. 2020, <https://www.reuters.com/article/us-health-coronavirus-brazil-sinovac-idINKBN27P24K>.

¹³⁶ *Ibid.*

¹³⁷ Wanming. "Solidarity and cooperation: most powerful weapon to defeat the pandemic [Solidariedade e cooperação: arma mais poderosa para derrotar a pandemia]."

¹³⁸ "China calls for enhancing cooperation with Brazil under BRI: ambassador." *Xinhua*, 19 Oct. 2021, http://www.news.cn/english/2021-10/19/c_1310254945.htm.

in helping not just Brazil, but the world, became a recurring theme in the Brazilian press.¹³⁹ Key PRC friends such as Doria propagated this narrative within their own networks and worked to pressure Brazil's National Health Surveillance Agency (Anvisa) to grant emergency authorization to SinoVac's CoronaVac vaccine.¹⁴⁰ In January 2021, Brazil's National Health Surveillance Agency (Anvisa) granted CoronaVac emergency authorization alongside the AstraZeneca vaccine.¹⁴¹

It was then, however, that Sino-Brazil cooperation on vaccine production and dissemination began to fall apart. China placed a hold on the export of materials needed for production of both the CoronaVac and the Oxford/AstraZeneca vaccines, allegedly over PRC complaints about rhetoric from the Bolsonaro administration¹⁴² and Foreign Minister Ernesto Araújo's stance on China.¹⁴³ According to CNN, high-ranking members of the Bolsonaro government acknowledged that the "the country's troubled relationship with China" was the reason for the freeze on importing vaccine components, which were scheduled to have started arriving in December 2020.¹⁴⁴ As revealed in the press and confirmed by investigations for this report, Ambassador Yang conditioned the release of both vaccine supplies and vaccines doses on a clear signal from the government in support of relations with China, with Beijing specifically pressing for Araújo's resignation as such a signal.¹⁴⁵ Allegedly, toward this end, a group of ministers and advisors suggested to the president that he should encourage Araújo's resignation.¹⁴⁶ The Brazilian press, as well as former diplomats currently working in the knowledge economy, were supportive of a conciliatory approach.¹⁴⁷

¹³⁹ Prazeres, Tatiana. "Beijing invests in vaccine diplomacy as it immunizes Chinese [Pequim investe em diplomacia das vacinas enquanto imuniza chineses]." *Folha de São Paulo*, 25 Feb. 2021, <https://www1.folha.uol.com.br/colunas/tatiana-prazer/2021/02/pequim-investe-em-diplomacia-das-vacinas-enquanto-imuniza-chineses.shtml>;

"China helps other countries, including Brazil, in the fight against coronavirus [China ajuda outros países, inclusive o Brasil, no combate ao coronavírus]." *Rede Brasil Atual*, 23 Mar. 2020, <https://www.redebrasilatual.com.br/mundo/2020/03/china-ajuda-outros-paises-inclusive-o-brasil-no-combate-ao-coronavirus/>.

¹⁴⁰ Gielow, Igor. "Doria prepares full study and Chinese record to pressure Anvisa to approve Coronavac [Doria prepara estudo completo e registro chinês para pressionar Anvisa a aprovar Coronavac]." *Folha de São Paulo*, 14 Dec. 2020, <https://www1.folha.uol.com.br/equilibrioesaude/2020/12/doria-prepara-estudo-completo-e-registro-chines-para-pressionar-anvisa-a-aprovar-coronavac.shtml>;

"Sao Paulo state in Brazil asks approval to use Sinovac COVID-19 vaccine." *Reuters*, 3 Oct. 2020, <https://www.reuters.com/article/health-coronavirus-brazil-vaccine/sao-paulo-state-in-brazil-asks-approval-to-use-sinovac-covid-19-vaccine-idUSKBN260068>.

¹⁴¹ McGeever, Jamie and Pedro Fonseca, "Brazil clears emergency use of Sinovac, AstraZeneca vaccines, shots begin." *Reuters*, 17 Jan. 2021, <https://www.reuters.com/article/us-health-coronavirus-brazil/brazil-clears-emergency-use-of-sinovac-astrazeneca-vaccines-shots-begin-idUSKBN29M0M3>;

Mallapaty, Smrit. "China COVID vaccine reports mixed results — what does that mean for the pandemic?" *Nature*, 15 Jan. 2021, <https://www.nature.com/articles/d41586-021-00094-z>.

¹⁴² McGeever et al. "Brazil clears emergency use of Sinovac, AstraZeneca vaccines, shots begin."

¹⁴³ Foreign Minister Araújo was a leading figure in the anti-China camp within the Bolsonaro administration. In April 2020, Araújo publicly reprimanded Ambassador Yang for his outspokenness toward the Bolsonaro government, going so far as to issue a complaint to the PRC asking for his withdrawal. Zarur, Camila. "Seven moments when Ernesto Araújo attacked China [Sete momentos em que Ernesto Araújo atacou China]." *O Globo*, 18 May 2021, <https://oglobo.globo.com/brasil/sete-momentos-em-que-ernesto-araujo-atacou-china-1-25023701>; Wiziack, Julio and Ricardo Della Coletta. "China ignores Bolsonaro's requests for ambassador change in Brazil [China ignora pedidos de Bolsonaro por troca de embaixador no Brasil]." *Folha de São Paulo*, 14 Feb. 2021, <https://www1.folha.uol.com.br/mundo/2021/02/china-ignora-pedidos-de-bolsonaro-por-troca-de-embaixador-no-brasil.shtml>.

¹⁴⁴ Gadelha, Igor and Thais Arbexda. "Government admits attacks on China hinder the arrival of vaccine supplies [Governo admite que ataques à China travam chegada de insumos para vacina]." *CNN Brasil*, 19 Jan. 2021, <https://www.cnnbrasil.com.br/politica/governo-admite-que-ataques-a-china-travam-chegada-de-insumos-para-vacina/>.

¹⁴⁵ Lima, Wilson. "China presses for Ernesto Araújo's resignation to release vaccine inputs [China pressiona por demissão de Ernesto Araújo para liberar insumos das vacinas]." *Gazeta do Povo*, 21 Jan. 2021, <https://www.gazetadopovo.com.br/república/china-pressiona-demissao-ernesto-araujo-vacinas-covid>.

¹⁴⁶ Author interviews.

¹⁴⁷ "The failures of diplomacy that do not help vaccination in Brazil [As falhas da diplomacia que não ajudam a vacinação no Brasil]." *O Globo*, 22 Jan. 2021, <https://oglobo.globo.com/podcast/as-falhas-da-diplomacia-que-nao-ajudam-vacinacao-no-brasil-1-24849983>.

Bolsonaro initially rejected the idea of Araújo's resignation, but soon agreed to advice from the Minister of Communications, Fábio Faria, who suggested instead that Brazil should allow Huawei to bid for the rights to develop 5G networks in the country,¹⁴⁸ despite a previous government decision to bar it from the competition.¹⁴⁹ Faria went to Beijing in February 2021 to meet with Huawei executives, and "took advantage of the trip to ask for vaccines."¹⁵⁰ Several weeks after his visit, Brazil announced the 5G auction, allowing Huawei's participation.¹⁵¹ Beyond being a direct response to the PRC's threat to withhold vaccine supplies, the decision was the culmination of an intense lobbying effort by Huawei, led by former President Michel Temer, who Huawei hired as an advisor to offer "legal advice on 5G implementation in Brazil."¹⁵² While Faria denies a *quid pro quo*, the decision to include Huawei in the auction was followed by the arrival of millions of vaccine shipments.¹⁵³ In the end, however, Huawei did not participate in the bidding. Huawei is however, involved, having secured a radio access network deal with one of the 5G auction winners, TIM Cellular, to provide equipment.¹⁵⁴



Employees in a Sao Paulo, Brazil facility on the production line of CoronaVac, the Sinovac vaccine against COVID-19. January 14, 2021. (Photo by NELSON ALMEIDA/AFP via Getty Images).

Meanwhile, the Araújo saga continued. In March 2021, the Senate Foreign Relations Committee convened a session with Minister Araújo to demand an explanation for the government's failure to procure vaccines and roll out a vaccination campaign.¹⁵⁵ Demanding his resignation, the Senate blamed Araújo for the situation with China and also for the failure to get vaccines from the United States.¹⁵⁶ Four days after the session, committee

chair and pro-PRC Senator Kátia Abreu published an article in which she criticized what she said was Brazil's subservient relationship to the United States and stated that going forward the Brazilian Congress would orient itself toward China, the country that has best helped Brazil confront COVID-19.¹⁵⁷

¹⁴⁸ Author interview with Brazilian government officers.

¹⁴⁹ Brígido, Carolina. "Bolsonaro says 5G will not be used as a bargaining chip in international negotiations [Bolsonaro diz que 5G não será usado como moeda de troca em negociações internacionais]." *O Globo*, 30 Jan. 2021, <https://oglobo.globo.com/economia/bolsonaro-diz-que-5g-nao-sera-usado-como-moeda-de-troca-em-negociacoes-internacionais-1-24862637>.

¹⁵⁰ Lodoño, Ernesto and Letícia Casado. "Brazil Needs Vaccines. China is Benefiting." *The New York Times*, 15 Mar. 2021, <https://www.nytimes.com/2021/03/15/world/americas/brazil-vaccine-china.html>.

¹⁵¹ Ibid.

¹⁵² Makichuk, Dave. "Huawei hires a former president to advise on 5G." *Asia Times*, 31 Jan. 2021, <https://asiatimes.com/2021/01/huawei-hires-a-former-president-to-advise-on-5g/>.

¹⁵³ Lodoño. "Brazil Needs Vaccines. China is Benefiting."

¹⁵⁴ "Brazil's TIM to begin 5G rollouts with Ericsson, Huawei." *BN Americas*, 9 Dec. 2021, <https://www.bnamericas.com/en/news/brazils-tim-to-begin-5g-rollouts-with-ericsson-huawei>.

¹⁵⁵ "Watch: Ernesto Araújo is pressured by senators to resign [Ernesto Araújo é pressionado por senadores a pedir demissão; assista]." *Poder 360*, 24 Mar. 2021, <https://www.poder360.com.br/congresso/ernesto-araujo-e-pressionado-por-senadores-a-pedir-demissao-assista/>.

¹⁵⁶ Paraguassu, Lisandra and Maria Carolina Marcello. "Pressure grows on Bolsonaro to ditch top diplomat over COVID-19 failures." *Reuters*, 25 Mar. 2021, <https://www.reuters.com/article/us-brazil-politics/pressure-grows-on-bolsonaro-to-ditch-top-diplomat-over-covid-19-failures-idUSKBN2BH30C>.

¹⁵⁷ Abreu, Kátia. "Us and China: Who will side with Brazil? [EUA e China: quem vai ficar do lado do Brasil?]." *O Globo*, 28 Mar. 2021, <https://blogs.oglobo.globo.com/opiniao/post/eua-e-china-quem-vai-ficar-ao-lado-do-brasil.html>

In response, Araújo accused Abreu of attempting to pressure him to support China. According to Araújo, Abreu had asked him to make “a gesture about 5G,” which was understood as a *quid pro quo* for accepting Huawei’s technology in Brazil in exchange for preserving his political future.¹⁵⁸ Whether he was pushed out because of Bolsonaro’s mismanagement of the COVID-19 pandemic or because of his critical position on China, Araújo resigned on March 29, 2021.¹⁵⁹

Araújo’s resignation, however, did not put an end to the PRC’s tactic of withholding vaccine supplies in direct response to political discourse it didn’t like. In April 2021, allegedly in response to comments made by Bolsonaro and the Minister of the Economy, Paulo Guedes, the PRC again put a freeze on vaccine supply shipments.¹⁶⁰ This time, both Bolsonaro and Temer got involved in negotiations with the PRC to resume shipments.¹⁶¹ Doria also worked directly with Ambassador Yang to break the impasse, calling on Bolsonaro and Guedes to apologize in order for China to resume exports.¹⁶² Yang has long denied that China withholds vaccines for political purposes, instead citing technical challenges in meeting demand.¹⁶³ Such messaging didn’t stop the Xinhua News Agency (the official press agency of the PRC) from picking up Doria’s narrative that resolving diplomatic issues would clear the way for vaccine supplies.¹⁶⁴ At a meeting with the Forum of Governors on May 20, 2021, including Doria, Ambassador Yang announced that the PRC would release the latest batch of active pharmaceutical ingredient for vaccine production in Brazil.¹⁶⁵

Since then, the PRC’s allies in Congress, state government, and the business community have continued to express unequivocal support for China and have applied political pressure on the Bolsonaro administration accordingly. Moreover, Brazil’s so-called negative treatment of China has been a central theme in congressional investigations of Bolsonaro’s pandemic response, placing sole responsibility on Araújo and the Bolsonaro administration for a lack of vaccines.¹⁶⁶ The investigations make little mention of the fact that China withheld vaccines to achieve political ends.

¹⁵⁸ @ernestofarajujo. “On 4/3 I received Senator Kátia Abreu for lunch at the MRE. Courteous conversation. Little or nothing has been said about vaccines. At the end, at the table, she said: “Minister, if you make a gesture towards 5G, you will be king of the Senate.” I made no gesture. [Em 4/3 recebi a Senadora Kátia Abreu para almoçar no MRE. Conversa cortês. Pouco ou nada falou de vacinas. No final, à mesa, disse: “Ministro, se o senhor fizer um gesto em relação ao 5G, será o rei do Senado.” Não fiz gesto algum.]” *Twitter*, 28 Mar. 2021, 2:05 p.m., <https://twitter.com/ernestofarajujo/status/1376234123019309061?s=20>.

¹⁵⁹ @ernestofarajujo. “Today I presented to President Jair Bolsonaro this letter in which I placed at his disposal the position of Minister of Foreign Affairs: [Apresentei hoje ao Presidente Jair Bolsonaro esta carta em que coloquei à sua disposição o cargo de Ministro das Relações Exteriores.]” *Twitter*, 29 Mar. 2021, 7:47 p.m., <https://twitter.com/ernestofarajujo/status/1376682355994279939?s=20>.

¹⁶⁰ “Bolsonaro asks China for supplies for doses [Bolsonaro pede a China insumos para dosis].” *Ansa Latina*, 8 Apr. 2021, https://www.ansalatina.com/americalatina/noticia/brasil/2021/04/08/bolsonaro-pide-a-china-insumos-para-dosis_5a3fff49-6818-47d1-9467-1ad7c368038d.html.

¹⁶¹ Ibid.

¹⁶² Savarse, Mauricio. “Sao Paulo authorities plead with China to release vaccines.” *Associated Press*, 12 May 2021, <https://apnews.com/article/sao-paulo-china-coronavirus-pandemic-business-global-trade-b455cc11c8a971fd1b72230e3b6be7b3>.

¹⁶³ Simões, Eduardo. “China ambassador says export delays for Brazil vaccine supplies not political.” *Reuters*, 26 Jan. 2021, <https://www.reuters.com/article/us-health-coronavirus-brazil/china-ambassador-says-export-delays-for-brazil-vaccine-supplies-not-political-idUSKBN29V27D>;

“Doria asks the Chinese ambassador for help to avoid delays in delivering the IFA to Butantan [Doria pede a embaixador chinês ajuda para evitar atrasos na entrega do IFA ao Butantan].” *São Paulo Government*, 20 May 2021, <https://www.saopaulo.sp.gov.br/sala-de-imprensa/release/doria-pede-a-embaixador-chines-ajuda-para-evitar-atrasos-na-entrega-da-ifa-ao-butantan/>.

¹⁶⁴ “Brazil needs to resolve diplomat issues with China for COVID-19 vaccine: Sao Paulo governor.” *Xinhua*, 15 May 2021, http://www.xinhuanet.com/english/2021-05/15/c_139947542.htm.

¹⁶⁵ Vassallo, Roberta. “Chinese ambassador announces new release of vaccine inputs in Brazil [Embaixador chinês anuncia nova liberação de insumos para vacinas no Brasil].” *Exame*, 20 May 2021, <https://exame.com/brasil/embaixador-chines-anuncia-nova-liberacao-de-insumos-para-vacinas-no-brasil/>.

¹⁶⁶ Boadle, Anthony. “Brazil senators say anti-China views hurt access to COVID-19 vaccines.” *Reuters*, 18 May 2021, <https://www.reuters.com/world/americas/brazil-senators-say-anti-china-views-hurt-access-covid-19-vaccines-2021-05-18/>;

■ Brazil's Response

Brazilian politics have a widespread reputation for being corrupt¹⁶⁷ and are, moreover, subject to political pressures stemming from a need to maintain strong Sino-Brazilian economic relations. As such, the Brazilian political sphere's efforts to check malign PRC influence are likely to be only lukewarm, at least for the time being. However, the country's civil society and media sectors are large and well-developed: Brazil has a vibrant free media, robust academic discourse, and is home to a large array of civil society organizations (CSOs) that are involved in public debates.¹⁶⁸ In theory, this openness and inclusivity could provide a framework for public oversight of the PRC's influence efforts, allowing citizens to hold political leaders accountable and fostering critical debates over what Sino-Brazilian relations should look like. However, there are at least a few factors that can negatively impinge on this potential: first, Brazilian political discourse is currently very polarized, and has been plagued by fake news since before Bolsonaro's election - this may drown out meaningful conversations about China amidst acrimony and misinformation, or reduce the issue to simple binaries (e.g. pro-and anti-Bolsonaro or pro- and anti-Lula¹⁶⁹ positions) that do not reflect China's complex role in Brazil's ongoing development.¹⁷⁰

Secondly, Brazil's media offers robust reporting on national issues, but it is also subject to pressures that can compromise its integrity, such as the need to bring in advertisement revenues, the rise of social media as a parallel news source, the concentration of media ownership in large conglomerates, and bias from private interests or fake news.¹⁷¹ Large Brazilian media organizations have both received ad revenue and engaged in partnerships with PRC state sources. This does not necessarily mean that the PRC has a significant say over the content produced by Brazilian news organizations, but these pressures may have given it an opening to do so. In the future, this potential ability to shape news coverage could be used as leverage for the PRC to engage in sharp power censorship or further promote advertorials in Brazil, should there be no pushback from the media or policy communities.

Ultimately, it is possible that there simply have not been visible enough examples of malign PRC influence in Brazil to push civil society and politicians toward a more energetic response. Brazil's recent negative experiences with China revolve around acrimony surrounding COVID-19 and diplomatic spats over Brazil's PRC policies. The concern in Brazil is not yet that politicians have been proven to be in league with the PRC, nor is it about whether PRC engagement has undermined democratic norms.

¹⁶⁷ Felter, Claire and Rocio Cara Labrador. "Brazil's Corruption Fallout." *Council on Foreign Relations*, 7 Nov. 2018, <https://www.cfr.org/background/brazils-corruption-fallout>;

Pring, Coralie and Jon Vrushi. *Global Corruption Barometer - Latin America and the Caribbean 2019*. Transparency International, September 2019, pp. 10, 37, https://images.transparencycdn.org/images/2019_GCB_LatinAmerica_Caribbean_Full_Report_200409_091428.pdf.

¹⁶⁸ "Brazil: Freedom in the World 2021." *Freedom House*, 2021, <https://freedomhouse.org/country/brazil/freedom-world/2021>; Wampler, Brian, and Leonardo Avritzer. "Participatory Publics: Civil Society and New Institutions in Democratic Brazil." *Comparative Politics*, vol. 36, no. 3, *City University of New York*, 2004, pp. 291-312, <https://doi.org/10.2307/4150132>;

Statistics from the Brazilian government's Institute of Applied Economic Research suggested there were 815,676 CSOs in Brazil as of 2020 - see: Lima, Mariana. "Mapa das OSCs: Brasil tem 815 mil organizações da sociedade civil." *Observatorio do 3o Setor*, 9 Sept. 2021, <https://observatorio3setor.org.br/noticias/mapa-das-oscs-brasil-815-mil-organizacoes-sociedade-civil/>.

¹⁶⁹ President Luiz Inacio Lula de Silva was in power in 2004 when the China-Brazil relationship began to blossom and is again running for president.

¹⁷⁰ Harden, Christopher. "Brazil Fell for Fake News: What to Do About It Now?" *The Wilson Center*, 21 Feb. 2019, <https://www.wilsoncenter.org/blog-post/brazil-fell-for-fake-news-what-to-do-about-it-now>; Stuenkel, Oliver. "Brazil's Polarization and Democratic Risks." *Carnegie Endowment for International Peace*, 17 Feb. 2021, <https://carnegieendowment.org/2021/02/17/brazil-s-polarization-and-democratic-risks-pub-83783>.

¹⁷¹ *TI 2020 Country Report - Brazil*. Bertelsmann Stiftung, 2020, pp. 9, https://bti-project.org/fileadmin/api/content/en/downloads/reports/country_report_2020_BRA.pdf;

Newman, Nic et al. "Brazil - Reuters Institute Digital News Report 2019." *Reuters Institute for the Study of Journalism*, 2019, <https://www.digitalnewsreport.org/survey/2019/brazil-2019/>; Newman, Nic et al. "Brazil - Reuters Institute Digital News Report 2020."

There may not have been a strong enough trigger to cause a nationwide debate on the relationship between the two countries. Were such a triggering event to occur, the consequences could be momentous: on one hand, it might push the civic and public sectors into collaborating on strengthening safeguards against PRC influence, but on the other, it could worsen polarization and prejudice as well as damage a relationship that has indeed been important for Brazil's development. As such, marshalling civil society, media, and politics towards countering PRC influence is an effort that will require sensitivity, knowledge of Brazil's socioeconomic context, and adherence to democratic norms and processes so as to not worsen the country's current ills.

■ Conclusion

Expansive economic ties and a narrative of Brazilian dependence on Chinese markets for exports provided an entry point for increased PRC influence in Brazil. By fostering ties with members of Congress, state governors, the commodities lobby, and elements of the press, the PRC has developed a cadre of vocal supporters among Brazil's political and economic elite, which it has aptly leveraged to support pro-China narratives and policies.

Expansive economic ties and a narrative of Brazilian dependence on Chinese markets for exports provided an entry point for increased PRC influence in Brazil. By fostering ties with members of Congress, state governors, the commodities lobby, and elements of the press, the PRC has developed a cadre of vocal supporters among Brazil's political and economic elite, which it has aptly leveraged to support pro-China narratives and policies. Bolsonaro, for his part, has largely maintained his views on China, but has been unable to sustain them consistently in the face of domestic political pressure, which has been encouraged, aided, and abetted by Ambassador Yang and the PRC

constellation. In at least one case, the PRC's deployment of aggressive diplomacy and economic coercion had a real political impact, resulting in the sacking of a foreign minister and a momentary shift in China policy away from the presidency.

The long-term political impact is less certain. Pro-PRC actions have often been conflated with an anti-Bolsonaro agenda, making it difficult to discern what is legitimately PRC capture versus opportunistic messaging by an anti-Bolsonaro opposition that seized on his management of the relationship with China for political ends and/or out of genuine concern about the government's response to the pandemic. This reality is compounded by Bolsonaro's often contradictory reaction to China's tactics under Ambassador Wang and to the relationship overall. Bolsonaro's reactions range from the nationalist-tinged anti-China rhetoric emblematic of his campaign stance to noting the importance of the relationship with China to Brazil's future.¹⁷² With presidential elections upcoming in October 2022, and former President Lula leading in the polls, strong and uncritical Sino-Brazil relations look set to stay.¹⁷³ To limit the current and future impact of the PRC's influence on Brazil's democracy, the country must diversify its export-dominated economy and reduce its economic dependence on China; adopt transparency and accountability measures to map and expose political and financial connections between Brazilian government leaders, media outlets, and parliamentarians and the PRC; and develop expertise among civil society, media, and members of parliament to ensure that democratic stakeholders have an understanding of and the resources to foster critical debate on Sino-Brazilian relations.

¹⁷² Trinkunas. "Testing the limits of China and Brazil's partnership."

"China part of Brazil's future, Jair Bolsonaro says as he and Xi Jinping sign transport and investment agreements." *Agence France Presse*, 14 Nov. 2019, <https://www.scmp.com/news/world/americas/article/3037631/china-part-brazils-future-jair-bolsonaro-says-he-and-xi-jinping>.

¹⁷³ "China-Brazil Ties to Get Boost if Lula Wins, Says Ex Foreign Minister." *Reuters*, 24 Jan. 2022, <https://www.usnews.com/news/world/articles/2022-01-24/china-brazil-ties-to-get-boost-if-lula-wins-says-ex-foreign-minister>.



ITALY

■ Introduction

This study describes the tactics used by the Chinese Communist Party (CCP) to influence Italy and advance Beijing's narrative, how local actors have responded to this offensive, and the implications of these dynamics for Italy's national security and that of its Euro-Atlantic allies. Much of China's influence efforts in the country are carried out through a "web of influence," a network of groups, organizations, and intermediaries loosely connected to and coordinated through CCP bodies.

The CCP seeks influence in Italy because of its position within the Euro-Atlantic alliance and its place in Xi Jinping's signature foreign policy initiative, the Belt and Road Initiative (BRI).¹⁷⁴ As a G7 country, a founding member of the European Union and NATO, and a longstanding ally of the U.S., Italy is a prime target for Beijing's efforts to drive a wedge in the Euro-Atlantic alliance and weaken the U.S. at a historical moment characterized by heightened U.S.-China tensions. Beijing also seeks access to advanced Western technology and scientific knowledge and know-how, which Italy has developed over time due to its integration with the transatlantic community.

The People's Republic of China, hereinafter referred to as China, had previously focused its attentions at the EU level — the European Commission in particular — and on the "big three" (Germany, France, and the United Kingdom). However, the CCP realized it needed to strengthen ties with other EU member states in order to increase its influence in Europe, and Italy became an ideal candidate for this new offensive.¹⁷⁵ In 2013, with the launch of the BRI, whose maritime endpoint is the Mediterranean Sea, Italy has become more important to China strategically.¹⁷⁶ As Chinese leaders have repeatedly stated in recent years, because of growing China-Europe trade¹⁷⁷ the Mediterranean has become increasingly important as it connects the Indian Ocean and Europe via the Red Sea.

■ Economic Influence

The CCP has co-opted a sizable number of Italian political and corporate elites who have endorsed China's narrative and objectives.¹⁷⁸ China's elite capture has been particularly

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¹⁷⁴ This assessment is based on Chinese leaders' policy speeches and interventions in the press in recent years. See: Xi Jinping, "East Meets West." *CGTN*, 20 Mar. 2019. See also Men Honghua, "China's International Strategy." *Chinese Journal of Strategic Studies*, No. 2, 2018.

¹⁷⁵ Personal consultation with experts from the International Department of the CCP, Beijing, 2016.

¹⁷⁶ Fardella, Enrico and Giorgio Prodi. "The Belt and Road initiative impact on Europe: an Italian perspective." *China & World Economy*, Vol. 25, n. 5, 2017, pp. 125-138. <http://106.120.125.13/docs/2018-11/20181111101806217531.pdf>.

¹⁷⁷ "Li Keqiang Meets with Prime Minister Giuseppe Conte of Italy." *Ministry of Foreign Affairs of the People's Republic of China*, Apr. 28, 2019,

https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zjzg_663340/xos_664404/gjlb_664408/3311_664600/3313_664604/201904/t20190430_577339.html. See also Casarini, Nicola. "When All Roads Lead to Beijing. Assessing China's New Silk Road and its Implications for Europe." *The International Spectator*, Vol. 51, n. 4, 2016, pp. 95-108. <https://www.tandfonline.com/doi/abs/10.1080/03932729.2016.1224491>.

¹⁷⁸ Italy is not the only Western country to have experienced the CCP's elite capture. For an account of the United States, see for instance: Peter Schweizer. *Red-Handed: How American Elites Get Rich Helping China Win*. New York: HarperCollins, 2022.

evident in the run-up to the signing of the Memorandum of Understanding (MOU) on the BRI in March 2019. This signing triggered renewed interest in Rome-Beijing relations and raised questions about the methods used by the CCP to influence political developments in Italy.¹⁷⁹ So far, Italy is the only G7 nation that has officially endorsed Chinese President Xi Jinping's BRI initiative through a MOU. It was a major win for the Chinese leader, who had chosen Italy for his first state visit in 2019. The view in Beijing was that Italy had decided to become part of China's sphere of influence — or so CCP propaganda claimed.

The MOU formalized China-Italy ties and marked the culmination of a years'-long charm offensive deployed by the CCP. The CCP's two principal instruments for this strategy continue to be elite capture and targeted investments. In 2014, Italy became the recipient of a sudden flow of calibrated investments by the People's Bank of China which acquired two percent of several strategically important companies, including ENI, ENEL, Fiat-Chrysler, Telecom Italia, Generali, and Mediobanca.¹⁸⁰ These purchases were a strong message of economic investment from Beijing that seemed to have a positive impact on Italian public perceptions of China. Between spring 2014 and spring 2015, the Pew Research Center registered a 14 percent increase in favorable Italian public views of China, much higher than in Germany (at +6 percent) and France (+3 percent).¹⁸¹ In April 2015, Italy joined the Asian Infrastructure Investment Bank (AIIB) as a founding member, along with the U.K., Germany, and France. That year, a massive flood of Chinese BRI investments in Europe followed, with Italy as the main recipient, resulting in a 36 percent rise in investment as compared with the previous year.¹⁸²

China has since intensified its elite capture efforts, seeking to co-opt individual political and business elites directly. The CCP succeeded in luring former Prime Minister Paolo Gentiloni, who led a center-left coalition government between December 2016 and June 2018, to the first BRI Forum for International Cooperation in Beijing in May 2017. Gentiloni was the only leader of a G7 country and a big EU member state to attend.¹⁸³ The Chinese government promised to increase BRI investment in Italy, including the port of Genoa and ports in the North Adriatic Sea: Trieste, Venice and Ravenna. At the time, these port cities were administered by center-left coalitions, the same kind of coalitions that supported the Gentiloni government in Rome. Political parties supporting the government coalition in Rome viewed these prospective Chinese investments, with their concurrent commercial opportunities and job creation, to be important for strengthening Gentiloni's political position. These port cities also had active pro-China business lobbies that were mobilized by Beijing. Some representatives of the port authorities of Venice and Trieste attended the BRI Forum in 2017, where they voiced support for closer ties with China.¹⁸⁴ Beyond the local level, the CCP mobilized its political contacts at the national level, in particular its longstanding ties with some politicians in the ruling center-left Democratic Party. Former Prime Minister Romano Prodi established strong links with the CCP's top leadership. Prodi is an advocate of closer ties between Italy, the EU, and China, and played an important role ahead of Italy's endorsement of the BRI. Prodi was an active supporter of Chinese investments in Italian ports on the North Adriatic Sea, and was often

¹⁷⁹ Casarini, Nicola. "Italy's China card: Finance, trade and geopolitics." *Chatham House*, 30 Oct. 2020. <https://americas.chathamhouse.org/article/italy-china-card/>; "Italy's China Card in EU-US Relations." *The Diplomat*, 14 December 14, 2020, <https://thediplomat.com/2020/12/italys-china-card-in-eu-us-relations/>.

¹⁸⁰ Moloney, Liam. "China Central Bank Buys Stakes in Eni, Enel." *The Wall Street Journal*, 27 Mar. 2014, <https://www.wsj.com/articles/SB10001424052702304688104579465482022981014>; "China central bank governor says Italian investments continue." *Reuters*, 22 Jan. 2015, <https://www.reuters.com/article/china-investments-italy-idUKL6NOV10FT20150122>. ¹⁸¹ Wike, Richard, et al. "Globally, More Name U.S. Than China as World's Leading Economic Power." *Pew Research Center*, July 2017, https://www.pewresearch.org/global/wp-content/uploads/sites/2/2017/07/PG_2017.07.13_VIEWS-on-China_Full-Report.pdf.

¹⁸² Percy, Joseph. "Chinese FDI in the EU's Top 4 Economies." *China Briefing*, 8 May 2019, <https://www.china-briefing.com/news/chinese-fdi-eu-top-4-economies/>.

¹⁸³ This author was part of the Italian delegation during the Belt and Road Forum in Beijing in May 2017 and can confirm that no other Western country received the "guest of honor" treatment reserved for Italy. Gentiloni was also the only Western leader to attend the closed-door session with Xi on the final day of the forum.

¹⁸⁴ Personal exchanges with Pino Musolino, president of the Port Authority of the North Adriatic Sea. See also: <https://www.port.venice.it/en/node/9132>.

the keynote speaker at conferences and workshops with PRC investors and Italian authorities. In July 2016, Prodi gave the introductory speech at the international conference titled “Along the Silk Roads” organized by the Venice Port Authority and the Silk Road Program at Nankai University (a Tianjin-based research university that is funded by the Chinese government), with support from the Binhai New Area - the Special Economic Zone in Tianjin.¹⁸⁵ That year, the Chinese authorities appointed Prodi to the Advisory Council of the Belt and Road Forum. The appointment came when Prodi was no longer in government.

Prodi is an important political ally of Gentiloni. The two come from the former *Democrazia Cristiana* (Christian Democrats), the party that governed Italy until the early 1990s.¹⁸⁶ First as foreign minister (October 2014 to December 2016) and subsequently as prime minister (December 2016 to June 2018), Gentiloni maintained Prodi’s stance in favor of closer Italy-China relations. Gentiloni’s participation in the BRI Forum in May 2017 was the result of longstanding ties the CCP forged with political figures who, like Prodi, dominated Italian political life in the 1990s and 2000s. These former leaders continued to influence key representatives of the Democratic Party (PD).

Italy’s participation in China’s infrastructure projects were also endorsed by Sergio Mattarella, Italy’s president since 2015, who, like Prodi and Gentiloni, is a former Christian Democrat and a supporter of closer Italy-China ties. During his state visit to China in February 2017, Mattarella gave a speech at Fudan University in Shanghai where he declared that Italy firmly supports BRI, adding that “Italy will actively respond to China’s initiative and be part of this plan.”¹⁸⁷ His statement laid the groundwork for Gentiloni’s participation at the BRI Forum a few months later, and for the MOU signing in 2019.

Michele Geraci, the undersecretary of state at the Italian Ministry of Economic Development, was also a key player in the MOU negotiations. Geraci was responsible for international trade and foreign direct investments under the Giuseppe Conte government (June 2018 to September 2019).¹⁸⁸ Before being appointed undersecretary, Geraci lived in Shanghai for more than 10 years and was a member of the League, a conservative party that traditionally held critical views of China. Geraci accelerated a shift toward China begun by center-left politicians in previous years. Other strong supporters of the MOU were Prime Minister Conte and Luigi Di Maio, the then-deputy prime minister and political leader of the Five Star Movement (M5S).

China has also co-opted the individual interests of Italian corporate leaders to advance its goals and narrative.

China has also co-opted the individual interests of Italian corporate leaders to advance its goals and narrative. One example is Pirelli CEO Marco Tronchetti Provera, who is an advocate of China’s development model in Italy.¹⁸⁹ Tronchetti Provera sold Pirelli to ChemChina, a state-owned Chinese company in 2015. The US\$7.9 billion deal gave ChemChina a 16.89 percent stake in Pirelli, the world’s fifth-largest tire maker. The deal was completed with the participation of the Silk Road Fund, a newly established state-owned investment fund aimed at promoting

¹⁸⁵ “The International Conference ‘Along the Silk Roads.’” *Port of Venice*, 10-11 July 2016, <https://www.port.venice.it/en/the-international-conference-along-the-silk-roads.html>.

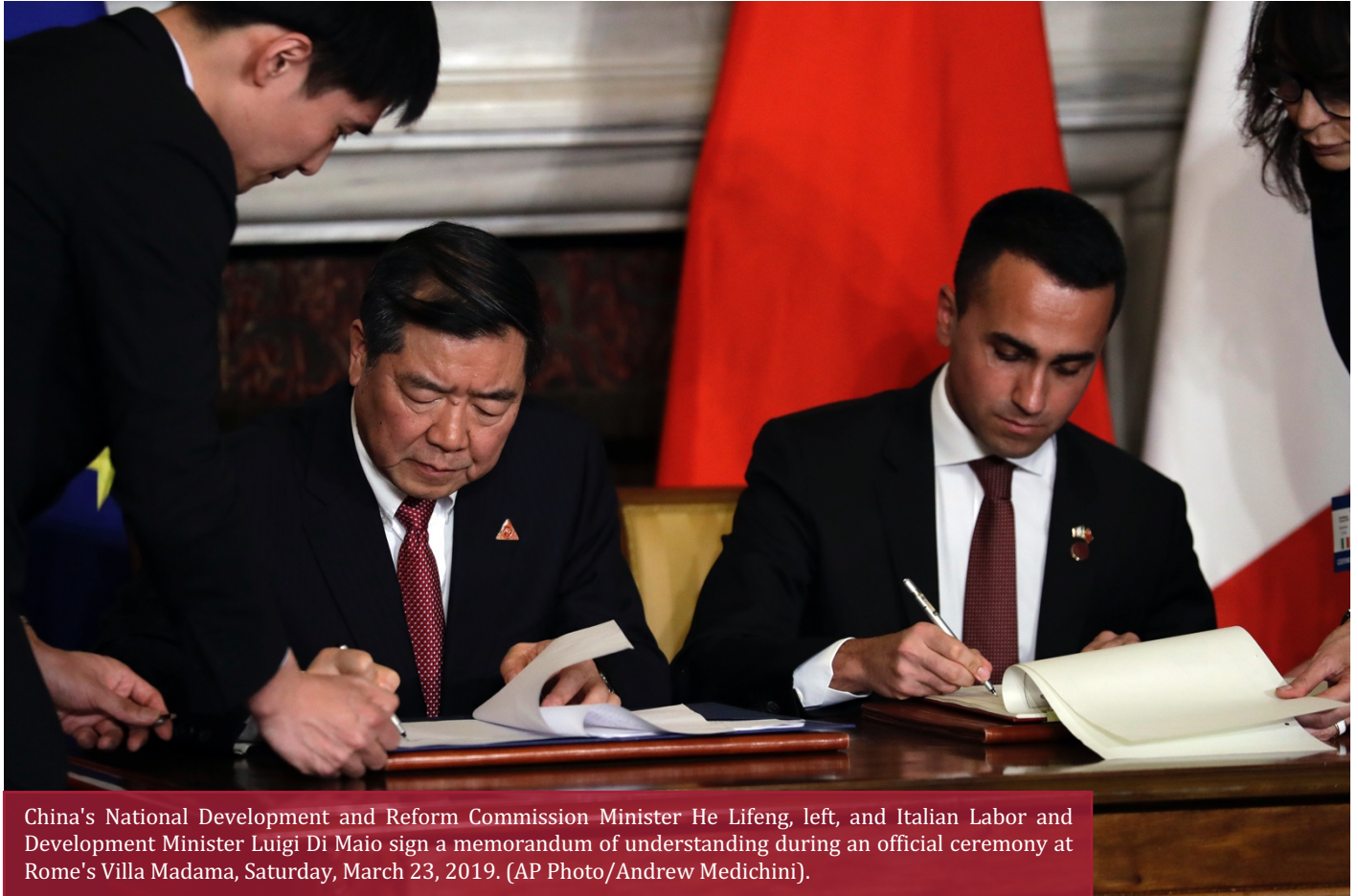
¹⁸⁶ “Elections, Prodi chooses Together and invests in Gentiloni: ‘With him the country is stronger’ [Elezioni, Prodi sceglie Insieme e investe Gentiloni: ‘Con lui Paese è più forte.’]” *La Repubblica*, 17 Feb. 2018, https://www.repubblica.it/politica/2018/02/17/news/elezioni_prodi_serve_coalizione_centrosinistra_forte_-189079102/.

¹⁸⁷ He, Wei. “Italian president backs Belt and Road Initiative.” *China Daily*, 24 Feb. 2017, http://www.chinadaily.com.cn/world/2017-02/24/content_28342684.htm.

¹⁸⁸ Poggetti, Lucrezia. “China’s growing political influence in Italy: A case study of Beijing’s influencing tactics in Europe.” In Andrew Foxall and John Hemmings (eds.). *The Art of Deceit: How China and Russia Use Sharp Power to Subvert the West*. Henry Jackson Society, Dec. 2019, pp. 14-19.

¹⁸⁹ “Pirelli CEO Expects Double-Digit Growth in China in 2019.” *Bloomberg*, 25 Feb. 2019, <https://www.bloomberg.com/news/videos/2019-02-25/pirelli-ceo-expects-double-digit-growth-in-china-in-2019-video>.

investment in countries along the BRI.¹⁹⁰ After the buyout, Tronchetti Provera was retained as CEO and executive vice chairman, effectively becoming ChemChina's front man in Italy and an advocate of closer Italy-China ties.¹⁹¹ Tronchetti Provera was the keynote speaker at the high-level conference on "The Belt and Road: Building a Concrete Roadmap for Italy and China's Joint Growth" in Milan on November 30, 2017. The event was organized by the Italy-China Business Forum (ICBF), one of several organizations loosely connected to the CCP,¹⁹² and served as an opportunity for Chinese and Italian politicians and corporate leaders to meet and discuss ways to advance projects under the BRI framework.



China's National Development and Reform Commission Minister He Lifeng, left, and Italian Labor and Development Minister Luigi Di Maio sign a memorandum of understanding during an official ceremony at Rome's Villa Madama, Saturday, March 23, 2019. (AP Photo/Andrew Medichini).

Along with the Italy-China Business Forum, which has become an important bilateral event organized annually in either Italy or China since 2014, the Italy-China Chamber of Commerce (ICCC) also strengthens corporate ties between the two countries. Following Rome's recognition of the PRC, the ICCC became one of the high-level exchange bodies established in the mid-1970s. The ICCC is a partner of the China Council for the Promotion of International Trade which is linked to the Chinese Ministry of Commerce. The leadership of the ICCC is drawn from the Italian manufacturing, service, and legal sectors, as well as from Italian representatives of major Chinese companies, such as Alibaba and ZTE.¹⁹³ Typically, the work of the ICCC serves the interests of small and medium

¹⁹⁰ "Silk Road Fund joins ChemChina in industrial investment in Pirelli & C. SpA." *China Daily*, 5 June 2015, http://www.chinadaily.com.cn/business/2015-06/05/content_20923643.htm.

¹⁹¹ "Pirelli CEO Sees Strong Sales Recovery in China, U.S." *Bloomberg*, 1 Apr. 2021, <https://www.bloomberg.com/news/videos/2021-03-31/pirelli-ceo-sees-strong-sales-recovery-in-china-u-s-video>.

¹⁹² "The Belt and Road: Building a Concrete Roadmap for Italy and China's Joint Growth." *Italy-China Business Forum*, 30 Nov. 2017, https://www.ispionline.it/sites/default/files/nuovo_invitation_to_conference_belt_and_road.pdf.

¹⁹³ Codarin, Livia, et al. "Hijacking the mainstream: CCP influence agencies and their operations in Italian parliamentary and local politics." *Sinopsis*, Nov. 2021, p. 19. <https://sinopsis.cz/wp-content/uploads/2021/11/it0.pdf>.

sized Italian businesses that form the backbone of the Italian economy. In contrast, membership of the Italy-China Business Forum is almost exclusively reserved for big corporations.

The Italy-China Business Forum receives support directly from the CCP's top leadership. The fourth meeting of the ICBF, held in Beijing in 2017, was organized to celebrate the meeting between Presidents Xi and Mattarella. Supported financially by the two governments and used by the CCP to project influence in Italy, the Business Forum is comprised of more than 100 companies including some of China's and Italy's largest state-owned enterprises (SOE). The last in-person Business Forum was held in Rome in March 2019 during Xi's state visit to Italy and the signing of the MOU on the BRI. On that occasion, Italy's sovereign wealth fund, Cassa Depositi e Prestiti (CDP), played a prominent role. CDP's CEO, Fabrizio Palermo, co-chaired the event alongside Bank of China President Chen Siqing.¹⁹⁴

China has established strong links with the CDP. In 2014, the CDP sold a 35 percent share of CDP Reti (an Italian holding company that operates in the gas and electricity sectors) to the China State Grid Corporation, a state-owned company, for 2.1 billion euros. The transaction was part of a broader plan aimed at strengthening financial links between Italian and Chinese SOEs. In July 2014, the then-CEO of CDP, Giovanni Gorno Tempini, signed a MOU with Zhao Xiaoyu, who was at the time executive vice president of the China Development Bank (CDB), during a visit to China by a senior Italian delegation led by former Minister of Economy and Finance, Pier Carlo Padoan. With the MOU, the CDB and CDP committed to work together on BRI-related projects, in particular in infrastructure, export finance, equity, and capital markets.¹⁹⁵

Since April 2020, Gorno Tempini has been chairman of the board of CDP Equity SpA. Prior to this, Tempini was the treasurer and head of finance at Banca Intesa and head of investment banking at Intesa Sanpaolo Group, both subsidiaries of Intesa Sanpaolo, Italy's largest bank by assets. In his role at Banca Intesa, Tempini was involved in setting up the Mandarin Fund with Alberto Forchielli, a close associate of Romano Prodi. The Mandarin Fund is possibly Europe's most successful private equity fund doing business with China.¹⁹⁶

Another Italian state manager who has established close relations with China is Fabrizio Palermo, who until May 2021 was CEO of CDP Reti and CEO and general manager of Cassa Depositi e Prestiti. On March 23, 2019, Palermo signed the MOU with Wang Yanzhi, the President of the Silk Road Fund, to promote joint projects under the BRI.¹⁹⁷ Since February 2019, Palermo has been co-chairman of the Italy-China Business Forum. China's ties with the CDP, through a formal MOU, are significant for Chinese information and communication technology (ICT) companies such as Huawei and ZTE. CDP holds stakes in Telecom Italia and Open Fiber, two of Italy's biggest ICT companies, and is set to play a decisive role in enhancing the country's digital infrastructure. Italy plans to spend more than 8 billion euros on broadband, 5G, and satellite technologies in the coming years.¹⁹⁸

¹⁹⁴ "Business Forum Italy- China: the CDP Group is a key player." *Cassa Depositi e Prestiti*, 26 Mar. 2019, https://www.cdp.it/sitointernet/page/en/business_forum_italy_china_the_cdp_group_is_a_key_player?contentId=PRG20994.

¹⁹⁵ "CDP and China Development Bank sign memorandum of understanding for collaboration between the two institutes [CDP e China Development Bank firmano memorandum d'intesa per collaborazione fra i due istituti]." *Cassa Depositi e Prestiti*, 24 July 2014, https://www.cdp.it/sitointernet/page/it/cdp_e_china_development_bank_firmano_memorandum_dintesa_per_collaborazione_fra_i_due_istituti?contentId=CSA11118.

¹⁹⁶ The Mandarin Fund focuses on the international growth of Italian mid-market enterprises, with a particular focus on growth in the Chinese market. For more details on China-Italy banking and financial links, see: Bilotta, Nicola. "China's Belt and Road Initiative in Italy: An Analysis of Financial Cooperation." *IAI Papers*, 18 Apr. 2021, <https://www.iai.it/sites/default/files/iaip2118.pdf>.

¹⁹⁷ "Cassa depositi e prestiti, Snam and Silk Road Fund sign a memorandum of understanding." *Snam Spa*, 23 Mar. 2019, https://www.snam.it/export/sites/snam-rp/repository/ENG_file/Media/Press_releases/2019/Comunicato_n_19_del_23_03_2019_MoU_CDP_Snam_SRF_EN.pdf.

¹⁹⁸ "Italy to spend 60% more of EU funds on better broadband, sources say", *EURACTIV* with *Reuters*, 14 Apr. 2021, <https://www.euractiv.com/section/digital/news/italy-to-spend-60-more-of-eu-funds-on-better-broadband-sources-say/>.

Besides the CDP, whose leadership is appointed by the government and is close to the ruling Democratic Party, China has used Chinese ICT firms to exert influence over the company that directs the voting behavior of Five Star Movement lawmakers. Until end of June 2022, Five Star was the largest party in the Italian Parliament. For instance, Huawei has developed strong business links with Casaleggio Associates, owned by Davide Casaleggio - the son of Gianroberto Casaleggio - who is one of the founders, with the comedian Beppe Grillo of the M5S. Davide Casaleggio owns the firm Rousseau Association which controls the Rousseau platform, a participatory democracy platform that fostered the Five Star movement and used to control M5S voting in the Italian Parliament.¹⁹⁹

Casaleggio has organized various events at which the keynote speaker was Thomas Miao, the CEO of Huawei Italia. Several figures in M5S are closely associated with Huawei. At a ceremony in September 2018, Luigi Di Maio, then-leader of the M5S, switched on the antenna for the Bari Matera 5G Project, a pilot program by Huawei, TIM, and Fastweb that also involved an array of public and private partners. The formal inauguration of Huawei's new Rome office in October 2019 was attended by Manlio Di Stefano, an undersecretary in the Ministry of Foreign Affairs who was group leader of the M5S in the Italian Parliament from 2013 to 2018. In December 2020, Huawei and ZTE co-sponsored a high-level conference on 5G in Italy which was attended by various business leaders and politicians particularly from the M5S.²⁰⁰

As a result of growing ties between Huawei and M5S politicians, Giorgia Meloni, the leader of the conservative Brothers of Italy party, raised the possibility of an inquiry into connections between M5S/Casaleggio, Huawei, and illegal financing.²⁰¹ In February 2022, Italian judges opened an official investigation into shadow financing of the M5S and Casaleggio Associates. Accusations include money transfers coming from a foreign country, with allegations of Chinese funds flowing into M5S. While no concrete evidence has emerged to support the allegations, the controversy has been widely covered in the Italian media.²⁰²

Chinese companies are known to have provided illegal funding to some government officials close to M5S. In February 2021, during the height of the COVID-19 pandemic, Italian prosecutors launched an investigation into eight people suspected of skimming millions of euros off government contracts for personal protective equipment (PPE). The contracts, signed by the government's coronavirus crisis commissioner Domenico Arcuri and three Chinese consortiums, were for the supply of more than 800 million face masks for 1.25 billion euros. According to Italy's financial police, a group of middlemen pocketed illegal commissions worth "tens of millions of euros," paid by PRC entities to make the deals happen. One of the indicted individuals told judges he had acted on a mandate from Arcuri,²⁰³ a public manager politically close to the M5S and the Italian left, who was appointed Extraordinary Commissioner for the Implementation of Health Measures to Contain the COVID-19 pandemic in March 2020 by former prime minister and current leader of M5S, Giuseppe Conte. Arcuri held the office until March 2021, when he was dismissed by Prime Minister Draghi over allegations that he received 77 million euros from Chinese entities as a commission for mask purchases.

¹⁹⁹ The Rousseau platform's grip on M5S lawmakers has decreased recently.

²⁰⁰ For more details see the website of the conference, in particular the sponsor page: "5G Italy 2020 – The Global Meeting in Rome, Third Edition 2020." <https://www.5gitaly.eu/2020/>.

²⁰¹ Meloni, Giorgia. "Clarify Casaleggio's role due to possible conflict of interest [Chiarire ruolo di Casaleggio per possibile conflitto di interesse]." *Alanews*, 23 Dec. 2019, <https://www.youtube.com/watch?v=8Et5HjWT6Ao>.

²⁰² "M5s, Grillo investigation: secret accounts of Casaleggio with state subsidiaries [M5s, inchiesta Grillo: conti segreti di Casaleggio con partecipare statali]." *Affaritaliani.it*, 4 Feb. 2022, <https://www.affaritaliani.it/politica/m5s-inchiesta-grillo-conti-segreti-di-casaleggio-con-partecipate-statali-778428.html>.

²⁰³ Sciorilli Borrell, Silvia. "Italy launches probe into €1.25bn PPE contract with China." *Financial Times*, 18 Feb. 2021, <https://www.ft.com/content/ae05d6be-4787-4b07-b13c-d4c0b9b57829>.

The ties between Chinese state-backed companies and Italian corporate elites close to the ruling Democratic Party, links between Huawei and M5S, and the case of Arcuri all raise questions as to whether, and to what extent, Chinese companies have been able to leverage their contacts in Italy for their benefit. These incidents also demand an examination of the CCP's ability to exert influence over Italian political parties.

■ Political Influence

The CCP appears to have succeeded in exercising considerable influence over M5S, the largest party in Italy since the 2017 elections when the party won control of more than a third of the seats in the Italian legislature. The CCP has also established strong ties with key political figures in the Democratic Party (PD), which has governed the country for the past decade, as well as some leftist politicians.²⁰⁴ M5S has played a key role in every Italian government since 2018, while the PD is part of a coalition government, with M5S, since September 2019. The two parties form the backbone of the coalition that has supported the Draghi government since February 2021.

The M5S is regarded as the most China-friendly political party in Italy. Beppe Grillo, the comedian who founded the party has never been elected to any office. However, he has a firm grip on important sections of the party, exerts influence on numerous lawmakers in the Italian Parliament and on the majority of the M5S activists. On several occasions, Grillo has declared his friendship with China and held many meetings with the Chinese ambassador in Rome both before and after the M5S became the largest party in the Italian Parliament. The contents of their discussions have been kept secret. Grillo's last meeting with Li Junhua, the Chinese ambassador to Italy, occurred on June 11, 2021, the same day Prime Minister Draghi attended the opening ceremony of the G7 in the U.K. According to Giulia Pompili, a journalist at the centrist Italian daily *Il Foglio* who has tracked the connections between China and the M5S, Grillo's meeting with the Chinese Ambassador could be interpreted as an attempt by Beijing to influence developments in Italy at a time when Draghi was re-positioning the country toward a traditional transatlantic alliance.²⁰⁵

Grillo's widely read blog has long echoed Chinese propaganda, with Xi-era concepts like "shared destiny" often treated uncritically.²⁰⁶ The blog continues to post articles that ridicule the protest movement in Hong Kong and the Uyghur genocide. The reflections of Fabio Massimo Parenti, a professor of geopolitics and avid Xi defender, are often featured on the blog. Parenti, a member of the M5S, has claimed that the detention of hundreds of thousands of Uyghurs in Xinjiang is an invention of the Western media.²⁰⁷ More recently, Grillo's blog praised the Beijing Olympics and criticized the U.S.-led boycott of the games.²⁰⁸

Luigi Di Maio, Italy's foreign minister and a public face of M5S, has often mirrored China's official narrative. In November 2019, he skipped the G20 summit in Japan and instead visited Shanghai to attend the second China International Import Expo (CIIE), where he met Xi. On that occasion, Di Maio echoed China's foreign policy

²⁰⁴ Codarin, Livia et al. "Hijacking the mainstream: CCP influence agencies and their operations in Italian parliamentary and local politics."

²⁰⁵ Personal consultation with Giulia Pompili. For more details, see: "Italy has become the perfect experiment of Chinese soft power. And the fault lies with the M5s [L'Italia è diventata l'esperimento perfetto del soft power cinese. E la colpa è del M5S]." *Il Foglio*, 21 Apr. 2020, <https://www.ilfoglio.it/esteri/2020/04/21/news/litalia-e-diventata-lesperimento-perfetto-del-soft-power-cinese-e-la-colpa-e-del-m5s-314081/>; "Grillo at the Chinese Embassy: 'So Beijing moves its pawns to attack Draghi [Grillo all'Ambasciata cinese: "Cosi Pechino muove le sue pedine per attaccare Draghi]." *Il Sussidiario.net*, 12 June 2021, <https://www.ilsussidiario.net/news/grillo-allambasciata-cinese-cosi-pechino-muove-le-sue-pedine-per-attaccare-draghi/2182568/>.

²⁰⁶ For more details on Beppe Grillo's blog, see: <https://beppegrillo.it/>.

²⁰⁷ Parenti, Fabio Massimo. "Xinjian: New Frontier [Xinjiang: "Nuova Frontiera]." *Beppe Grillo's blog*, 15 Nov. 2019, <https://beppegrillo.it/xinjiang-nuova-frontiera/>.

²⁰⁸ Carrer, Gabriele. "Grillo bows to Xi. Praise to the 'peace' Olympics from blog [Grillo s'inchina a Xi. Dal blog elogi alle Olimpiadi 'di pace]." *Formiche.net*, 4 Feb. 2022, <https://formiche.net/2022/02/pechino-2022-cina-blog-grillo/>.

statements by insisting that the Hong Kong issue is “an internal Chinese affair.”²⁰⁹ Since the formation of the Draghi government, Di Maio has somewhat changed his tone, ostensibly to survive politically inside a coalition government that is less susceptible to Chinese influence than previous administrations. For instance, during a news conference in Rome in June 2021, standing beside U.S. Secretary of State Antony Blinken, Di Maio said that Sino-Italian commercial ties “are absolutely incomparable with” Italy’s alliance with the U.S. as well as its partnerships with NATO and the EU.²¹⁰ However, Di Maio continues to vacillate on Italy’s Euro-Atlantic positioning, sending friendly messages to Beijing. During his meeting with Chinese State Councilor and Foreign Minister Wang Yi in October 2021, Di Maio declared that Italy will continue to support “construction of the Belt and Road” with China and that the country “adheres firmly to the One China Policy.”²¹¹

Under the Draghi government, some sectors of M5S have begun adopting critical positions vis-à-vis China, though such criticism is limited to a few issues and is mainly due to pressure from other coalition partners in the current government, such as Matteo Salvini’s League. For instance, at the beginning of March 2021, a majority of members of parliament from the M5S voted to adopt a parliamentary resolution, recognizing China’s violation of human rights in Xinjiang and demanding the EU adopt necessary countermeasures.²¹² However, the M5S and some members of the PD agreed to avoid calling the treatment of Uyghurs by China genocide, which was a condition for the China-friendly M5S and some members of the PD to pass the text.²¹³ Following the adoption of the resolution, the Draghi government backed the decision by the EU to join the U.S., the U.K., and Canada to impose sanctions on Chinese officials for human rights abuses in Xinjiang.²¹⁴ However, the elimination of the word “genocide” from the resolution by the Italian Parliament caused some strain in the ruling coalition, as two conservative parties, the League and Brothers of Italy, overtly accused the M5S and some members of the PD of being subservient to Chinese interests.

Aside from the M5S and some leaders of the PD, some leftist politicians have also built ties with the CCP. These include former Prime Minister Massimo D’Alema, who was also one of the last leaders of the Italian Communist Party. D’Alema was one of the founding members of the PD but left it in 2017 to join Free and Equal (LeU), a leftist party. D’Alema continues to maintain good relations with the CCP through his foundation, ItalianiEuropei, which has organized several meetings with high-level Chinese delegations.²¹⁵ D’Alema has repeatedly expressed his support for the BRI. He is also a member of the Silk Road Cities Alliance, an initiative that seeks international support for the promotion and implementation of the BRI.

Initially called Article One, the LeU was formed in February 2017, as part of a left-wing split from the PD. It was soon joined by a group from the Italian Left party (SI). Article One and SI are the heirs of the Italian Communist Party (PCI) which was the largest communist party in the West during the Cold War. The PCI, which was dissolved

²⁰⁹ “Di Maio: lets not intefere in Hong Kong [Di Maio: non interferiamo su Hong Kong].” *ANSA*, 5 Nov. 2019, https://www.ansa.it/sito/notizie/topnews/2019/11/05/di-maio-non-interferiamo-su-hong-kong_4019d8ee-ebf1-4d3b-96dc-c19a16e7155f.html.

²¹⁰ Roberts, Hannah. “Italy’s Di Maio says ties to US more important than those to China.” *Politico*, 28 June 2021, <https://www.politico.eu/article/italys-di-maio-says-ties-to-us-more-important-than-those-to-china/>.

²¹¹ “Wang Yi Holds Talks with Italian Minister of Foreign Affairs and International Cooperation Luigi Di Maio.” *Ministry of Foreign Affairs of the People’s Republic of China*, 30 Oct. 2021, https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202110/t20211031_10413635.html.
²¹² “Resolution n. 7/00613.” *Chamber of Deputies of the Italian Republic*, 10 Mar. 2021, https://aic.camera.it/aic/scheda.html?numero=7_00613&ramo=C&leg=18.

²¹³ Bechis, Francesco. “Uighurs, the Italian Parliament growls at Xi. But the genocide...[Uiguri, il Parlamento italiano ringhia contro Xi. Ma il genocidio].” *Formiche.net*, 26 May 2021, <https://formiche.net/2021/05/uiguri-il-parlamento-italiano-ringhia-contro-xi-ma-il-genocidio/>.
²¹⁴ Emmott, Robin and David Brunnstrom. “West sanctions China over Xinjiang abuses, Beijing hits back at EU.” *Reuters*, 23 March 2021, <https://www.reuters.com/article/uk-usa-china-eu-sanctions-west-sanctions-china-over-xinjiang-abuses-beijing-hits-back-at-eu-idUSKBN2BE2LF>.

²¹⁵ “Visit the Chinese Academy of Social Sciences [Visita alla Chinese Academy of Social Sciences].” *Fondazione ItalianiEuropei*, 18 January 2010, <https://www.italianieuropei.it/it/le-iniziativa/ie-abroad/item/1507-visita-alla-chinese-academy-of-social-sciences.html>.

in 1991, had established strong ties with the CCP. Today, LeU, which has also shown signs of being pro-CCP, is led by its secretary, Roberto Speranza. Among its leading members are D'Alema and former PD secretary Pier Luigi Bersani. Speranza, who has been the Minister of Health since 2019, praised China in his book, *Perche' guariremo* (Why We Will Heal), in which he admires the manner in which China tackled the COVID-19 pandemic without mentioning the political and democratic implications of the country's approach.²¹⁶

■ United Front Work

While the CCP has prioritized ties with individual political leaders to advance Beijing's interests in Italy, China's United Front strategy has also played an important role. Led by a CCP division called the United Front Work Department, it is a network of party and state agencies responsible for influencing groups in order to promote the interests of the CCP. Italy has the largest representation of Chinese United Front bodies among European countries.²¹⁷ The United Front is active through the Italy-China Friendship Association (ICFA), which is an instrument of the Chinese People's Association for Friendship with Foreign Countries (CPAFFC), whose stated aim is to promote friendship and mutual understanding between the Chinese people and foreign nations.

Irene Pivetti is the president of ICFA; she was president of the Italian Chamber of Deputies between 1994 and 1996. A study by Toshi Yoshihara and Jack Bianchi details the political and business connections between Pivetti and the CCP, including some cases where Pivetti facilitated business deals between Italian and Chinese companies.²¹⁸ However, the ICFA seems to have lost influence in recent years. Its reach has been limited to some business deals of not great significance, mainly due to the fact that Pivetti is a relatively minor figure.

Italy's Parliamentary Association of Friendship with China has also enjoyed close links with, and support from, the CCP. The president of this association is Vito Rosario Petrocelli, a senator, member of the M5S, and former president of the Foreign Affairs Committee. In May 2022, three months after the Russian invasion of Ukraine, Petrocelli was forced to resign as president of the Foreign Affairs Committee because of his pro-Russia stance.²¹⁹ Petrocelli also heads the bilateral friendship section with China of the Inter-Parliamentary Union (IPU), the global organization of national parliaments, of which China is also a member — something which has received attention by Chinese media, since Petrocelli is considered one of the most important pro-China politicians in the West.²²⁰

Petrocelli has established good links with the top CCP leadership. In April 2019, he met with Vice-minister of the International Department of the CCP Central Committee Qian Hongshan during a forum on people-to-people connectivity at the second Belt and Road Forum for International Cooperation in Beijing. Qian made positive comments on China-Italy relations, saying the CCP attaches great importance to exchanges and cooperation with Italian political parties, including the M5S. Petrocelli said the M5S was “willing to strengthen dialogue and

²¹⁶ Speranza, Roberto. *Perche' guariremo* (Why we will heal), Feltrinelli, 2020.

²¹⁷ “[Authorized release] List of overseas members hired by the 10th Committee of the All-China Federation of Returned Overseas Chinese at the 10th National Congress of Returned Overseas Chinese.” *All China Federation of Returned Overseas Chinese*, 1 Sept. 2018, <http://www.chinaql.org/n1/2018/0901/c421026-30265666.html>.

²¹⁸ Yoshihara, Toshi and Jack Bianchi. “Uncovering China's Influence in Europe: How Friendship Groups Coopt European elites.” *Center for Strategic and Budgetary Assessments*, 2020, [https://csbaonline.org/uploads/documents/CSBA8225_\(Uncovering_Chinas_Influence_Report\)_FINAL.pdf](https://csbaonline.org/uploads/documents/CSBA8225_(Uncovering_Chinas_Influence_Report)_FINAL.pdf). See in particular pp. 25-34.

²¹⁹ “Petrocelli case, resignation en bloc to clear the Foreign Affairs commission [Caso Petrocelli, dimissioni in blocco per azzerare la commissione Esteri].” *Il Sole 24 Ore*, 5 May 2022, <https://www.ilsole24ore.com/art/caso-petrocelli-dimissioni-blocco-azzerare-commissione-esteri-AE2o05VB>.

²²⁰ “Five-Star MP to head Italy-China friendship section of Inter-Parliamentary Union.” *China Daily*, 13 Feb. 2019, <http://global.chinadaily.com.cn/a/201902/13/WS5c638f2ea3106c65c34e918f.html>.

exchanges with the CCP, enhance mutual understanding and play a positive role in the steady and long-term development of the Belt and Road Initiative.”²²¹

In November 2020, Qian held video talks with Petrocelli and Ettore Antonio Licheri, the group leader in the Senate for the M5S. On that occasion, Qian spoke positively of relations between the two parties and countries and spoke to the spirit of the fifth plenary session of the 19th CPC Central Committee. Qian said, “the CPC is willing to further dialogues and exchanges with [the] Five Star Movement, so as to make contributions to China-Italy relations.” Petrocelli spoke highly of China’s achievements in combating COVID-19, saying the “Five Star Movement hopes to strengthen exchanges and mutual learning with the CPC, enhance mutual understanding and promote Italy-China and EU-China relations.”²²²

■ Influence in the Information Space

Academia

Confucius Institutes (CI) are one of the main instruments by which United Front work has been conducted in Italy. CIs have been positioned as the flagship of Chinese cultural promotion and educational exchange.²²³ At the time of this writing, there are 12 CIs in Italian universities²²⁴ and several Confucius Classrooms - CI offshoots found in secondary schools. Confucius Classrooms offer Chinese-language and culture classes.²²⁵

The CIs are integrated into their host universities. Italy’s biggest — and Europe’s second largest — CI opened in 2006 at the Department of Oriental Studies at La Sapienza University in Rome, Italy’s largest university. Other important CIs are in Naples and Venice. The first Confucius Classroom opened at the Convitto Nazionale Vittorio Emanuele II high school in Rome in 2010. A few years ago, a Confucius Classroom opened in the Convitto Nazionale Vittorio Emanuele II in Naples, followed by another in Arezzo in Tuscany. In those secondary schools, which are administered by the Ministry of Education, teachers are paid by Hanban - the Office of Chinese Language Council International - and teach Chinese language, history, and geography. Beijing provides a significant portion of the funding and pays the salaries of the teaching staff, a practice warmly welcomed by Italy’s universities and secondary schools which are under severe budget constraints. Moreover, there has been a steep demand for Chinese-language courses in recent years, in particular in secondary schools, as an increasing number of young Italians look to China as a source of promising career opportunities.²²⁶

²²¹ “Qian Hongshan Meets with President of the Foreign Affairs Committee of the Senate of Italy and Head of the International Relations of the Five Star Movements.” *International Department of the CCP Central Committee*, 26 Apr. 2019, https://www.idcpc.org.cn/english/news/201905/t20190505_100355.html.

²²² “Qian Hongshan Meets with President of the Foreign Affairs Committee of the Senate of Italy and Head of the International Relations of the Five Star Movements.”

²²³ For more details see: Ties, Dams et al. “China’s Soft Power in Europe - Falling on Hard Times. Network on China.” Apr. 2021. https://www.ifri.org/sites/default/files/atoms/files/etnc_2021_-_chinas_soft_power_in_europe_-_falling_on_hard_times.pdf.

²²⁴ They are: Istituto Confucio Sapienza Università di Roma; Istituto Confucio Università degli Studi di Milano; Istituto Confucio di Napoli; Istituto Confucio di Pisa; Istituto Confucio di San Marino; Istituto Confucio Università Cattolica Sacro Cuore di Milano; Istituto Confucio Università degli Studi di Firenze; Istituto Confucio Università di Macerata; Istituto Confucio Università di Padova; Istituto Confucio Università di Torino; Istituto Confucio Università di Bologna; Istituto Confucio Venezia - Ca’ Foscari.

²²⁵ “Confucius Institutes Around the World - 2021.” *Dig Mandarin*, <https://www.digmandarin.com/confucius-institutes-around-the-world.html>. Dig Mandarin is controlled by the Office of Chinese Language Council International (also known as Hanban), a government agency affiliated with the Chinese Ministry of Education that oversees the Confucius Institutes.

²²⁶ De Gregorio, Antonella. “Boom of Chinese among Italian students. One year stories in China [Boom del cinese tra gli studenti italiani. Storie di un anno in Cina].” *Corriere Della Sera*, 3 Oct. 2017, <https://www.corriere.it/scuola/studiare-e-lavorare-all-estero/notizie/boom-cinese-gli-studenti-italiani-null-5fba1e1a-a533-11e7-ac7b-c4dea2ad0535.shtml>.

The establishment of CIs at universities also has a spillover effect that goes beyond teaching Chinese language and culture. Funding from Beijing, often via the Chinese embassy, is sometimes channeled through CIs to other departments and research centers at host universities. This can lead to self-censorship. CIs can serve as entry points for PRC influence into Italy's larger academic system.²²⁷ Academic partnerships between Chinese and Italian universities create alumni networks that are often used by the CCP to promote further connections. One example is the gift sent by some Chinese alumni of Turin Polytechnic during the COVID-19 pandemic. They used WeChat to collect money in China to buy face masks they donated to Lombardy's civil protection, an effort organized with the local CI.²²⁸ The explicitly stated mission of many CI alumni networks is the creation of cross-border communities that often aim to facilitate placements of alumni in both private and public companies as well as in government.²²⁹ The donation of PPE to a community in need is not a nefarious act – the opposite in fact. However, the effort of the PRC state to ensure that its mechanisms for control and co-option sit inside of even a prosaic alumni organization means the ties that the donations solidify could be used for other purposes later on, muddying the undoubtedly caring intentions of the donors by potentially mixing them with CCP policy aims.

Huawei and ZTE have sponsored a growing number of partnerships between Italian and Chinese universities, co-opting scholars and administrators to advance Beijing's interests. In July 2017, the Italian branch of ZTE signed a MOU with Tor Vergata University in Rome to establish the ZTE Joint Training Center (JTC). This center is tasked with developing and promoting managerial training in collaboration with Tor Vergata's engineering department. In November that same year, ZTE and the University of L'Aquila signed a cooperation agreement to establish a joint innovation research center on 5G.²³⁰

In December 2017, ZTE held a conference in Rome titled "ZTE and Italy Grow Together." It was moderated by Hu Kun, the president for Western Europe and CEO of ZTE Italia. Guests included Jeffery Hedbery, the CEO of Wind Tre, a major Italian telecom company; Andrea Falessi, external affairs manager at Open Fiber; Paola Inverardi, dean of L'Aquila University; Giuseppe Novelli, president of Tor Vergata University in Rome; the economist Noreena Hertz; and Xuan Zheng, a representative from the Chinese Embassy. Hu said Italy was a key part of ZTE's global 5G deployment plans and that the company would invest considerably in the Italian telecommunications market. Additionally, Hu highlighted that ZTE's core strategy in Italy was to cooperate with local operators, the government, and invest in scientific research with local universities to build a 5G industry-university ecosystem in Italy.²³¹

In February 2018, ZTE and the Rome City Council signed a MOU for the Roma 5G project. According to the MOU, ZTE would participate in future 5G network and wireless network technology test projects and develop the network infrastructure needed for digital smart city services. In August 2019, Hu supported the establishment of ZTE's internship centers in Italy in collaboration with the Xi'an Jiaotong University in China.²³² In December 2020, ZTE organized a major conference on 5G with various speakers from academia and the Italian government,

²²⁷ This was confirmed by various scholars at Italian universities.

²²⁸ Di Paco, Leonardo. "Coronavirus, here is the gift of Chinese alumni at the Poli: they collect 17 thousand euros and buy masks [Coronavirus, ecco il regalo degli ex allievi cinesi al Poli: raccolgono 17mila euro e comprano mascherine]." *La Stampa Torino*, 19 Mar. 2020, <https://www.lastampa.it/torino/2020/03/19/news/coronavirus-ecco-il-regalo-degli-ex-allievi-cinesi-al-poli-raccogliono-17mila-euro-e-comprano-mascherine-1.38612646>.

²²⁹ Politecnico Milano Alumni Polimi Groups, Alumni Italia-Cina. <https://cm.alumni.polimi.it/en/alumni-italia-cina/>.

²³⁰ See: https://web.uniroma2.it/module/name/Content/action/showpage/content_id/46184.

²³¹ "University "Tor Vergata" agreement with ZTE Italy: a high-level training center on ICT and management is born [Accordo Ateneo 'Tor Vergata' con ZTE Italia: nasce polo di alta formazione su ICT e management.]" *University of Rome*, 28 July 2017, https://web.uniroma2.it/module/name/Content/action/showpage/content_id/44271.

²³² "ZTE and the University of L'Aquila in Italy signed a cooperation agreement to establish a 5G joint innovation research center [中兴通讯与意大利拉奎拉大学签署合作协议 建立5G联合创新研究中心]." *Sohu.com*, 5 Nov. 2017, https://www.sohu.com/a/202465655_171073.

including some ministers from the M5S and the PD. The keynote speakers were Massimo D'Alema, individuals from ZTE's top leadership, and the Chinese ambassador to Italy.²³³

Huawei has also sponsored academic partnerships and cooperation agreements with Italian universities. In 2008, in Segrate (Milan), Huawei established its Global Research and Development Center which supports the company's global operations. Huawei has also funded projects with the Polytechnic of Milan on optical technologies and algorithms to be used for fixed access; with the University of Trento on optical filter assembly feasibility study activities; with the University of Perugia on MEMS²³⁴ device technologies and design; with the University of Bologna on the Ray-Tracing Core Algorithms Collaboration Project; with the University of Pavia on semiconductor technologies; and with the University of Cagliari on Reliability and Spectroscopy analysis.²³⁵ Huawei is also the main sponsor of a collaboration between the University of Electronic Science and Technology of China (UESTC) – which is a public technological university in Chengdu – and the Polytechnic of Milan on 6G. Among the alumni of UESTC is Sun Yafang, chairwoman of Huawei from 1999 to 2018.

Recent studies have highlighted the risk of Huawei technology for the national security of the U.S. and its allies.²³⁶ Italian universities are often unaware of the potential security concerns of their projects and research collaborations with Chinese universities and companies, partly the result of China's efforts to obscure the industrial and military ties of the scholars – and sometimes students – involved in joint projects and/or research exchanges with Italian universities and research institutes. In January 2020, the European Commission issued a report underlining that cooperation on research and innovation with China should first protect EU research findings and intellectual assets.²³⁷ This position followed U.S. pressure to ban Chinese ICT companies, including Huawei and ZTE, from Europe. The Italian government has yet to make a similar request regarding Italian universities and their relationships with Chinese ICT companies.

Whether China's sponsorship of academic partnerships and cooperation projects by ZTE and Huawei has influenced the debate on 5G in Italy in a way that fits China's interests remains to be determined. The Conte government (June 2019 to February 2021), and to some extent also the Draghi government, have resisted repeated calls from the U.S. to ban Chinese ICT companies from the development of 5G networks in Italy. These governments adopted legislation on the rollout of 5G that contain loopholes,²³⁸ despite the fact the Parliamentary Committee for the Security of the Republic (Copasir) advised the government in a non-binding opinion in December 2019 to consider banning involvement by Huawei and ZTE in Italy's 5G network.

Telecommunications Infrastructure

In March 2020, the administration of former U.S. President Donald Trump released its “National Strategy to Secure 5G,” which aimed, among other goals, to prevent Chinese telecommunications companies such as Huawei and ZTE

²³³ Photos of the politicians and business leaders who attended the ZTE conference on 5G were published on 7 December 2020 by DagoSpia, an Italian website that covers celebrity news, gossip, and politics <https://m.dagospia.com/il-governo-italiano-e-il-5g-cinese-una-sfilza-di-eventi-in-barba-alle-sanzioni-usa-su-huawei-zte-254928>.

²³⁴ Micro-electromechanical system is a technology used to create tiny integrated devices or systems that combine mechanical and electrical components.

²³⁵ For more details on Huawei academic partnerships and cooperation projects in Italy, see: https://www.esteri.it/MAE/resource/doc/2017/06/huawei_chan_sito.pdf.

²³⁶ Dou, Eva. “Documents link Huawei to China's surveillance programs.” *The Washington Post*, 14 Dec. 2021, <https://www.washingtonpost.com/world/2021/12/14/huawei-surveillance-china/>.

²³⁷ “European Commission Steps Up Protection of European Intellectual Property in Global Markets.” *European Commission*, 9 Jan. 2020, https://ec.europa.eu/commission/presscorner/detail/en/IP_20_12.

²³⁸ Ghiretti, Francesca. “Europe's Maneuvering on 5G Technology: The Case of Italy.” *IAI Commentary*, Sept. 2020, <https://www.iai.it/en/pubblicazioni/europes-manoeuvring-5g-technology-case-italy>.

from entering the U.S. and European markets. As a result, a succession of Italian governments has vacillated on the Huawei issue. While Rome sent signals to the Trump administration that it was cooperating, vested interests adopted a more pro-China stance - arguing that action against Huawei risked antagonizing China. Some important members of the Conte I and II governments, mainly M5S politicians, took the position that the question of Huawei was too complex and that simply banning the company was not the right approach.

Two conservative parties, the League and Brothers of Italy, have taken a different view, arguing that Italy should take a tougher stance on Huawei and Chinese technology. A number of pro-NATO and pro-U.S. members of the PD share Washington's concerns about possible infiltration by foreign entities in 5G networks, including cyber-theft and cyber-espionage linked to Beijing.

In May 2021, Vodafone Group's Italian unit secured conditional approval from the government to use equipment made by Huawei in its 5G radio access network. The Draghi cabinet imposed a set of prescriptions on this approval, including restrictions on Huawei's ability to repair the network remotely. It also mandated an extremely high-security threshold.²³⁹ Even with these restrictions, the move was a victory for Huawei. It is not clear whether Vittorio Colao's role as Minister of Technological Innovation and Digital Transition has helped Huawei to continue to operate in Italy, or whether this would have happened anyway. Colao is a former CEO of the Vodafone Group, which is a key Huawei ally in Italy and across Europe. Colao has previously downplayed concerns over Chinese ICT and security implications.²⁴⁰

Influencing the domestic debate in Italy is important for CCP leadership, which is aware that Rome continues to waver between its traditional transatlantic alliance and the pull of Chinese money. The CCP has used elite capture, research funding for academic institutions, and has sought to extend its grip over the information space so as to further promote China's narrative in Italy.

Media/Content-Sharing Agreements

Chinese state-run media have largely relied on MOUs and content-sharing agreements to penetrate the Italian media environment. These partnerships translate into significant sources of funding for Italian media companies, though the actual size of the financing is difficult to pinpoint as the agreements are usually protected by non-disclosure clauses.²⁴¹ Two analysts at the Rome-based Istituto Affari Internazionali,

Francesca Ghiretti and Lorenzo Mariani, have argued in a recent study that the economic advantages offered by these partnerships are "especially important in light of the prolonged crisis of the publishing and media industry in Italy."²⁴²

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²³⁹ Pollina, Elvira and Giuseppe Fonte. "Italy gives Vodafone 5G deal with Huawei conditional approval." *Reuters*, 31 May 2021, <https://www.reuters.com/technology/italy-gives-vodafone-5g-deal-with-huawei-conditional-approval-sources-2021-05-31/>.

²⁴⁰ Woo, Stu. "Why Washington Is So Obsessed with China's Huawei." *Wall Street Journal*, 6 Mar. 2018, <https://www.wsj.com/articles/why-washington-is-so-obsessed-with-chinas-huawei-1520373341>.

²⁴¹ Interview with Italian journalists at *La Repubblica*, *Il Sole 24 Ore* and *Il Foglio*, May 2021.

²⁴² Ghiretti, Francesca and Lorenzo Mariani. "One Belt One Voice: Chinese Media in Italy." *IAI Papers*, Oct. 2021, <https://www.iai.it/sites/default/files/iaip2143.pdf>.

One of China's most important agreements is with the Italian media conglomerate Radio Televisione Italiana (RAI), Italy's national public broadcaster and one of the country's most popular news outlets, accounting for almost 36 percent of total audience share.²⁴³ Another agreement is with ANSA, Agenzia Nazionale Stampa Associata, Italy's main news agency, with almost 179 million website views per month.²⁴⁴ Both RAI and ANSA signed a MOU with state-owned Xinhua during Xi's state visit in March 2019. However, collaboration between ANSA and Xinhua began earlier with an agreement to collaborate signed in May 2016.²⁴⁵ Following the MOU, ANSA has boosted its coverage of China-related news and hosts an increasing number of Xinhua-produced news stories. These now constitute the majority of ANSA's China-related news stories. According to ANSA's website, ANSA now runs a Xinhua news bulletin produced in Italian, called the Xinhua Italian Service, as per the terms of the 2019 agreement.

Xinhua also established a partnership with Agenzia Giornalistica Italia (AGI), one of Italy's most prominent news agencies. AGI is owned by the Italian multinational company ENI and was among the first media outlets to partner with Chinese news groups. In 2008, in partnership with Xinhua and China Radio International, it launched AGI China 24, a web show devoted exclusively to news about China. It only lasted a few years.²⁴⁶ In 2014, the agency signed a MOU with Xinhua Europe that included content sharing.²⁴⁷ The partnership was renewed in 2019 during Xi's state visit. Xinhua is also a partner of the Italian news agency Adnkronos. The two companies signed a content sharing agreement in 2017; Adnkronos now publishes news provided by Xinhua in English.²⁴⁸

Another Beijing-controlled media outlet that has made inroads into Italy is the China Media Group (CMG), an entity overseen by the CCP's Central Propaganda Department. The CMG was formed in 2018 through the merger of three state-run media organizations, China Central Television, China National Radio, and China Radio International. CMG has established partnerships with a number of Italian media companies, including Milan-based Class Editori, which publishes 10 financial and lifestyle magazines, the most famous of which is the business paper "Milano Finanza." Class Editori also runs three TV channels: Class New, Class TV Moda, and Class CNBC. Although a relatively small player in the Italian news ecosystem, Class Editori is influential in the Italian business community. Since 2010, Class Editori has partnered with Xinhua on content sharing, joint events, and online training courses.²⁴⁹ In 2014, Class Editori signed a joint venture with Italian International Radio and Media (IIRM), an Italian subsidiary controlled by the Chinese group HMI, which owns the radio frequencies used by Radio China International.²⁵⁰ Class Editori is one of 30 members of the Belt and Road Economic Information Partnership (BREIP), founded in 2019, which provides members with information and assistance related to news and media content.

²⁴³ "Rai: a year of winning ratings [un anno di ascolti vincenti]." *Radiotelevisione Italiana*, 2 Jan. 2020, <https://www.rai.it/ufficiostampa/assets/template/us-articolo.html?ssiPath=/articoli/2020/01/Rai-un-anno-di-ascolti-vincenti-0e69568d-a9ce-44e6-ad5a-6feb5fb07c18-ssi.html>.

²⁴⁴ Agenzia ANSA. https://www.ansa.it/corporate/it/info/nostri_numeri.html.

²⁴⁵ "Italy-China: collaboration agreement between Ansa and Xinhua [Italia-Cina: accordo di collaborazione tra Ansa e Xinhua]." *La Stampa*, 17 May 2016, <https://www.lastampa.it/economia/2016/05/17/news/italia-cina-accordo-di-collaborazione-tra-ansa-e-xinhua-1.35005650>; "Italy-China: agreement between ANSA and Xinhua [Italia-Cina: accordo tra ANSA e Xinhua]." *ANSA*, 17 May 2016, https://www.ansa.it/sito/notizie/mondo/asia/2016/05/16/italia-cina-accordo-tra-ansa-e-xinhua_41469a4a-ec5e-4c52-8c81-193ae4b0bc47.html.

²⁴⁶ See Agi China's website, <https://web.archive.org/web/20140927215401/http://www.agichina24.it/>.

²⁴⁷ "New AGI-Xinhua Agreement on Economic Information [Nuovo accordo Agi-Xinhua su informazione economica]." *Agenzia Giornalistica Italia*, 2 July 2014, https://www.agi.it/estero/agichina/nuovo_accordo_agi-xinhua_su_informazione_economica-3235034/news/2014-07-02.

²⁴⁸ "News, video and web: New China (Xinhua) -Adnkronos agreement signed [News, video e web: firmata intesa Nuova Cina (Xinhua)-Adnkronos]." *Adnkronos*, 4 Dec. 2017, https://www.adnkronos.com/news-video-e-web-firmata-intesa-nuova-cina-xinhua-adnkronos_7S3nklGl8SnjDNI9epKvh.

²⁴⁹ See Class Editori's website, "Partnership." <https://www.classeditori.it/partnership>.

²⁵⁰ "Class Editori creates a joint venture with the Chinese HMI [Class Editori crea una joint venture con la cinese HMI]." *Il Messaggero*, 19 Nov. 2014, https://www.ilmessaggero.it/economia/flash_news/class_editori_crea_joint_venture_la_cinese_hmi-704958.html.

Chinese outlets also operate independently in Italy. One of the first to do so was China News Service (CNS), China's second-largest state-owned media, after Xinhua, which launched the magazine "Cina in Italia" (China in Italy) in 2001. The initial aim of the publication was to promote greater integration of the Chinese community in Italy. Over time, it has expanded its target audience. Today the magazine is sold on newsstands and distributed in mid-high Italian hotels, on flights to and from China operated by China Eastern Airlines, and in the Italian Parliament.²⁵¹

CMG, in partnership with the Italian branch of China Radio International, produces a bilingual magazine called "Cinitalia," which is available in both Italian and Chinese. Cinitalia has an app, a YouTube channel, and social media profiles on Facebook, Twitter, and Instagram.²⁵² Also known as the "Voice of China," Cinitalia promotes pro-China messages which has prompted criticism from some political parties, in particular the conservative League and Brothers of Italy, which have raised concerns about the dangers of the CCP spreading its narrative in Italy. In March 2020, some Brothers of Italy MPs accused RAI of uncritically repurposing news from Xinhua and contributing to the spread of Chinese propaganda.

Disinformation/Misinformation

Chinese attempts to manipulate Italy's information space to advance its narratives have wielded some success and also some disappointments. Fortunately, the Italian media environment shows resilience, though in recent years there have been various examples of China's influence on the Italian media. For instance, following the outbreak of the coronavirus in Wuhan and the strict lockdown in Italy, Beijing inserted Chinese state media content into Italian news outlets, in particular on RAI. In this way Beijing succeeded in expanding in Italy the scale and scope of the tactic referred to in Chinese official documents as "borrowing the boat to reach the sea"²⁵³ – a tactic made possible thanks to the numerous and longstanding collaborations between Italian and Chinese media developed over the years.

In March 2020, at the outset of the COVID-19 pandemic, Health Minister Roberto Speranza imposed a strict lockdown and began reaching out to Beijing for help obtaining critical medical supplies. In April, China donated masks and other medical supplies to Italy for which it received grateful acknowledgement from Speranza. The mainstream media, especially RAI, presented this as a donation even though some of the supplies were part of a commercial deal.²⁵⁴

The support provided by China, together with a well-orchestrated media campaign,²⁵⁵ raised positive perceptions of the country among Italians. In April 2020, an opinion poll by the SWG research and polling firm showed that 52 percent of Italians considered China their "best friend," an astonishing increase of 42 points from 2019. This was possibly the most visible result of the propaganda campaign launched by China following the outbreak of the coronavirus pandemic.²⁵⁶

²⁵¹ See Camera di Commercio Italo Cinese's website, "Cina in Italia." <http://www.china-italy.com/it/cina-in-italia>.

²⁵² Casarini, Nicola. "Italy Oscillates on China." *Echowall*, 22 June 2020, <https://www.echo-wall.eu/currents-context/italy-oscillates-china>. ²⁵³ For more details see: Sarah Cook. "The Globalization of Beijing's Media Controls: Key Trends from 2018." *Freedom House*, 19 Dec. 2018, <https://freedomhouse.org/article/globalization-beijings-media-controls-key-trends-2018>.

²⁵⁴ "Is China winning the coronavirus response narrative in the EU?" *Atlantic Council*, 25 Mar. 2020, <https://www.atlanticcouncil.org/blogs/new-atlanticist/is-china-winning-the-coronavirus-response-narrative-in-the-eu/>.

²⁵⁵ Bechis, Francesco and Gabriele Carrer. "How China unleashed Twitter bots to spread COVID-19 propaganda in Italy." *Formiche.net*, 31 Mar. 2020, <https://formiche.net/2020/03/china-unleashed-twitter-bots-covid19-propaganda-italy/>.

²⁵⁶ Bechis, Francesco. "If Italians prefer China to the US (and the EU) [Se gli italiani preferiscono la Cina agli Usa (e alla Ue).]" *Formiche.net*, 21 Apr. 2020, <https://formiche.net/2020/04/italiani-preferiscono-cina-usa-ue/>.

This campaign had implications for some Italian companies. Italian Prosecco producer Bottega Spa apologized to its Chinese customers after its owner sparked outrage on Chinese social media for demanding China compensate Italy and the rest of the world for the economic damage caused by the coronavirus pandemic.²⁵⁷ This case illustrates how CCP propaganda and disinformation can have concrete economic consequences for those who fail to toe the line.

China's disinformation campaign over COVID-19 drew concern from Italy's Euro-Atlantic allies. For instance, then-U.S. Secretary of State Mike Pompeo denounced an "intentional disinformation campaign" by China over the pandemic. The European Parliament warned that China was "attempting to shift the focus and blame away from China as the origin of the new coronavirus" to position itself as a responsible global health leader, adding that "a combination of disinformation and heavily promoted health diplomacy, echoed by local proxies in Europe, could potentially pave the way for wider influence in other sectors in the wake of the crisis."²⁵⁸ The prominent Italian journalist Mattia Ferraresi accused Luigi di Maio and the M5S of acting as "China's chief enabler as Beijing spreads disinformation about the origins of the coronavirus."²⁵⁹



A staff member moves PRC-donated pandemic supplies ready to be sent to Italy in Hangzhou, Zhejiang Province, China. March 17, 2020. (Photo by Wang Gang via Getty Images).

Case Study: PRC Health Silk Road

The CCP's misinformation/disinformation campaign in Italy has gone hand in hand with praise for China's efforts to address the COVID crisis. It was in the context of this misinformation/disinformation offensive that China revitalized the Health Silk Road, a project that goes back to 2015, to try to control the narrative surrounding the pandemic. The Health Silk Road is China's plan to use BRI transportation networks, railroads, ports, airports and logistic hubs, to provide medical and health care

assistance to partner countries. Not coincidentally, the Health Silk Road promotes China's leadership in global health and its narrative abroad.²⁶⁰

In a call with Italian Prime Minister Conte in March 2020, Xi stated that "Italy and China are the cornerstones of the new Silk Road of health."²⁶¹ In September 2020, Italy became the first G7 nation to officially endorse China's Health Silk Road. This might have been just another move by the second Conte administration to establish closer ties with Beijing around the health crisis. However, it has gradually

²⁵⁷He, Huifeng. "Coronavirus: Italian prosecco maker apologises after owner asks China to pay compensation." *South China Morning Post*, 1 Apr. 2020, <https://www.scmp.com/economy/global-economy/article/3077996/coronavirus-italian-prosecco-maker-apologises-after-owner>.

²⁵⁸"COVID-19 foreign influence campaigns - Europe and the global battle of narratives." *European Parliament Research Service*, Apr. 2020, [https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649367/EPRS_BRI\(2020\)649367_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649367/EPRS_BRI(2020)649367_EN.pdf).

²⁵⁹Ferraresi, Mattia. "China Isn't Helping Italy. It's Waging Information Warfare." *Foreign Policy*, 31 Mar. 2020, <https://foreignpolicy.com/2020/03/31/china-isnt-helping-italy-its-waging-information-warfare/>.

²⁶⁰Yanzhong, Huang. "The Health Silk Road: How China Adapts the Belt and Road Initiative to the Covid-19 Pandemic." *American Journal of Public Health*, 23 Mar. 2022, <https://ajph.aphapublications.org/doi/epdf/10.2105/AJPH.2021.306647>.

²⁶¹"Xi says China to send more medical experts to Italy." *Xinhuanet*, 17 Mar. 2020, http://www.xinhuanet.com/english/2020-03/17/c_138886179.htm.

turned into an attempt by Chinese authorities to use the pandemic to promote China's zero-COVID policy, which in itself has evolved into a series of pandemic controls used as political campaigns, loyalty tests, and for social control.²⁶² The main tactics used to achieve these objectives have been elite capture and the use of propaganda.

Beginning in late spring 2020, the staff of Health Minister Roberto Speranza and that of Ma Xiaowei, director of China's National Health Commission, held various meetings online. These meetings were the result of a partnership begun in November 2019, when the two sides signed the China-Italy Action Plan on Health Cooperation for 2019-2021.²⁶³ As part of this plan, in February 2020 the Ministry of Health reached an accord with Google and YouTube on banning disinformation and "promoting reliable information," raising concerns among several Italian journalists of China-style censorship.²⁶⁴

Since the beginning of the pandemic, Health Minister Roberto Speranza has praised China's zero-COVID policy and the way China has succeeded in stopping the pandemic, including the way Beijing tracks and controls the population.²⁶⁵ Speranza was the main architect of Italy's Green Pass – a QR-code health certificate system for fighting the pandemic that was criticized by Amnesty International and opposition politicians alike for its overreach.²⁶⁶ The Draghi government suspended the Green Pass in May 2022, though Health Minister Speranza advocated for its continued use until 2025,²⁶⁷ raising criticism from Matteo Salvini's League and Giorgia Meloni, leader of the conservative Brothers of Italy party, who accused Speranza of seeking to "impose the Chinese model" in Italy.²⁶⁸ Walter Ricciardi, scientific advisor to Health Minister Speranza, has also repeatedly praised the China model. In his latest book "*Pandemonio: Quello che è successo, quello che non dovrà più succedere* (Pandemonium: What Happened, What Should Not Happen Anymore, Laterza, 2022)," Ricciardi states that Italy "must copy China," not only in its zero-COVID strategy, but also in the way Beijing controls and traces the whole population.²⁶⁹

²⁶² "It's all political – Admirers call China a pragmatic technocracy. Covid shows that politics comes first." *The Economist*, 21 May 2022, p. 56.

²⁶³ "Italy-China, meeting between health ministers Roberto Speranza and Ma Xiaowei [Italia-Cina, incontro tra i ministri della Salute Roberto Speranza e Ma Xiaowei]." *Italian Ministry of Health*, 8 Nov. 2019, https://www.salute.gov.it/portale/news/p3_2_1_1_1.jsp?lingua=italiano&menu=notizie&p=dalministro&id=3956.

²⁶⁴ Manti, Felice and Edoardo Montoli. "Thus, the Speranza-China agreement created social censorship [Cosi' l'intesa Speranza-Cina ha creato la censura social]." *Il Giornale.it*, 27 May 2021, <https://www.ilgiornale.it/news/politica/cos-lintesa-speranza-cina-ha-creato-censura-social-1949895.html>.

²⁶⁵ See for instance the book by Roberto Speranza, "*Perche' guariremo* (Why we will heal)." *Feltrinelli*, 2020.

²⁶⁶ "Don't discriminate against the unvaccinated, Amnesty International tells Italy." *Reuters*, 16 Jan. 2022, <https://www.reuters.com/world/europe/dont-discriminate-against-unvaccinated-amnesty-international-tells-italy-2022-01-16/>;

Sablone, Luca. "The rage of Meloni: Green Pass until 2025? No to the Chinese Model [L'ira della Meloni: "Green pass fino al 2025? No al modello cinese"]." *Il Giornale.it*, 11 Mar. 2022, <https://www.ilgiornale.it/news/politica/lira-meloni-green-pass-fino-2025-no-modello-cinese-2016972.html>.

²⁶⁷ "Italy to keep certain COVID restrictions in place as state of emergency comes to an end." *LifeSiteNews*, 21 Mar. 2022, <https://www.lifesitenews.com/news/covid-restrictions-remain-as-italys-state-of-emergency-ends/>.

²⁶⁸ Sablone, Luca. "The rage of Meloni: Green Pass until 2025? No to the Chinese Model [L'ira della Meloni: "Green pass fino al 2025? No al modello cinese"]." *Il Giornale.it*, 11 Mar. 2022. <https://www.ilgiornale.it/news/politica/lira-meloni-green-pass-fino-2025-no-modello-cinese-2016972.html>.

²⁶⁹ Grotti, Leone. "The Chinese model explained to Walter Ricciardi (who wants to copy it) [Il modello cinese spiegato a Walter Ricciardi (che vuole copiarlo)]." *Tempi*, 22 Jan. 2022. <https://www.tempi.it/ricciardi-modello-cina-tamponi-lockdown-covid/>.

■ Italy's Response



A Chinese Police officer, center, poses with an Italian Police officer, left, and a Carabinieri paramilitary police officer, in front of Milan's gothic cathedral, Italy, Tuesday, May 3, 2016. (AP Photo/Antonio Calanni).

Despite the influence of pro-China parties like the M5S and LeU (the small leftist party of Health Minister Roberto Speranza), political forces have mobilized to counter China's influence in Italy. Lawmakers from the centrist Forza Italia – a political party created by former Prime Minister Silvio Berlusconi – the transatlantic wing of the PD, and MPs from the conservative parties League and Brothers of Italy have denounced China's attempts to gain influence in Italy and criticized the M5S, LeU, and segments of the PD for bending to Beijing.

A major pushback against CCP attempts to influence political developments in Italy came in May 2020, when the conservative Fondazione Farefuturo published a report titled "*The Chinese challenge and the position of the Italian Republic*."²⁷⁰ Senator Adolfo Urso, a member of the Brothers of Italy and the president of the Parliamentary Committee for the Security of the Republic (Copasir), a body of the Italian Parliament deputed to survey and oversee the activities of the Italian intelligence agencies, presented the report. Urso has consistently denounced the efforts by the CCP to extend its grip over Italy.²⁷¹ In August 2021, Urso called for an investigation by the Italian secret services into an alleged Chinese cyber-attack against the health department of the Lazio region where data

²⁷⁰ "Knowing how to deliberate – The China challenge and the position of the Italian Republic [Conoscere per deliberare – La sfida cinese e la posizione della Repubblica Italiana]." *Fondazione Farefuturo*, May 2020, https://farefuturofondazione.it/wp-content/uploads/2020/05/FARE-FUTURO_RAPPORTO-CINA_MAGGIO-2020.pdf.

²⁷¹ See the Twitter account of Adolfo Urso: https://twitter.com/search?q=adolfo%20urso%20cina&src=typed_query.

related to the Green Pass were stored.²⁷² This event raised concerns about Beijing's ability to access sanitary and other sensitive information of Italian citizens who tend to keep their Green Pass inside their smartphones.²⁷³

Prime Minister Mario Draghi led the Italian government from February 2021 until his resignation in July 2022. Early in his tenure, Draghi declared that he would be "strongly pro-European and Atlanticist," thus signaling a break with the policies of the Conte government.²⁷⁴ As a result, he shuffled his cabinet and appointed Atlanticist politicians to key positions, though some of those in favor of closer ties with Beijing remained in office. The Defense Ministry went to Lorenzo Guerini, a representative of the transatlantic wing of the PD, who in May 2021 expressed serious concerns about China's penetration of the Mediterranean Sea. Draghi appointed Benedetto Della Vedova, a politician from the small Radical Party known for his critical views of China, as undersecretary in the Ministry of Foreign Affairs responsible for Asia. At the beginning of 2022, Della Vedova was particularly vocal in his criticism of China, expressing support for Lithuania in its diplomatic spat with Beijing, and calling on the West to unite against China's coercive behavior.²⁷⁵ Vincenzo Amendola, former minister of European affairs who repeatedly criticized the MOU with China, was not reconfirmed in his position under the Draghi administration.

The Draghi government also took concrete steps to contain Chinese investments, especially in industrial policy and 5G. In April 2021, Draghi blocked the takeover of the Italian semiconductor firm LPE by the Chinese company Shenzhen Invenland Holdings. This measure was supported by Minister of Economic Development Giancarlo Giorgetti, an influential member of Matteo Salvini's League, known for his critical positions regarding China. Giorgetti also expressed satisfaction that the Chinese company Faw Jiefang failed to acquire the Italian firm Iveco. Giorgetti had, in fact, made calls in previous weeks for Italy's so-called Golden Powers Rules to be extended to the automotive and steel sectors. The Golden Powers Rules allow the government to restrict, or block altogether, an investment deemed detrimental to Italy's national security. Italy has so far used its Golden Powers a handful of times since 2012 to block foreign takeovers of key industrial and strategic assets.²⁷⁶

Italy's pushback is also evident in the way the Draghi government is implementing the MOU on the BRI. Following a bilateral meeting between Draghi and Chinese Premier Li Keqiang ahead of the G20 in October 2021, the Italian Foreign Ministry produced a document, leaked to the Italian media,²⁷⁷ entitled "Three-year action plan for strengthened cooperation (2021-2023)." It aims to prioritize cooperation in the economy, including trade and investment, finance, and connectivity, and in the environment, sustainable development, health, medicine, science, technology, aerospace, cultural exchanges, and sports. The document states that the parties are willing to promote the implementation of the MOU on cooperation on the "Economic Silk Road and the 21st Century

²⁷² Calabrò, Maria Antonietta. "Adolfo Urso 'Serious attack. If there is the mark of States it is up to the Ministry of Defense and NATO [Adolfo Urso: "Attacco grave. Se c'è lo zampino di Stati tocca alla Difesa e alla Nato]." *Huffingtonpost.it*, 2 Aug. 2021. https://www.huffingtonpost.it/entry/adolfo-urso-attacco-grave-se-ce-lo-zampino-di-stati-tocca-alla-difesa-e-alla-nato_it_61082d06e4b038cedb367975/.

²⁷³ According to Canalis, the leading global technology market analyst firm, Chinese ICT companies have acquired more than 50% of Italy's market share in terms of sales of smartphones. "Xiaomi first in Italy in the smartphone market: even Samsung surpassed." *breakinglatest.news*, 9 Aug. 2021, <https://www.breakinglatest.news/health/xiaomi-first-in-italy-in-the-smartphone-market-even-samsung-surpassed/>.

²⁷⁴ Johnson, Miles et al. "Mario Draghi sets tone in cooling EU-China relations." *Financial Times*, 6 June 2021, <https://www.ft.com/content/4d7bf8ad-f585-44b2-9250-790ec430de4b>.

²⁷⁵ Carrer, Gabriele. "China, Italy in the Quint and Mediterranean partnership. Talk About the Widow [Cina, Italia nel Quint e partenariato mediterraneo. Parla Della Vedova]." *Formiche.net*, 16 Jan. 2022, <https://formiche.net/2022/01/cina-lituania-spagna-intervista-della-vedova/>.

²⁷⁶ Italian government intervention powers concerning private investments in strategic companies (Golden Powers Rules), already subject to intense reinforcement by the Law Decree no. 23/2020 (so-called "Decreto Liquidità"), have been subject to further recent regulatory amendments aimed at defining and specifying when the economic activity of a company can be considered of national interest. For more details, see: <https://www.gtlaw.com/en/insights/2021/5/italys-golden-powers-latest-legislative-developments>.

²⁷⁷ Carrer, Gabriele and Laura Harth. "The end of Italy's Belt and Road Initiative liaison? Maybe not. An exclusive document." *Formiche.net*, 16 June 2021, <https://formiche.net/2021/06/belt-and-road-document-mfa-draghi/>.

Maritime Silk Road Initiative,” and to “strengthen the Chinese Belt and Road initiative with the EU’s Eurasian connectivity strategy.” However, there are no concrete projects listed. Besides the rhetoric in the document, Beijing has been quite disappointed concerning the implementation of the BRI in Italy.²⁷⁸

China has failed to acquire stakes in the port authorities of Genoa and the various ports in the North Adriatic Sea (Trieste, Venice and Ravenna) that formed the backbone of the MOU in March 2019. This is largely due to provisions in Italian law that forbid the sale of such infrastructure to foreigners. Unlike the case of the port of Piraeus in Athens, where the Chinese state-owned COSCO Shipping secured the right to operate parts of the port in 2008, then acquired 51 percent of its Greek state-owned operator in 2016, and finally increased its stake to 67 percent in October 2021, Beijing has been unable to extend its reach over the ports in northern Italy, in particular those of Genoa and Trieste most coveted by COSCO Shipping. The Draghi government has also threatened to use the Golden Powers Rule, effectively closing the door to Beijing’s plans to make Italian ports the gateway for Chinese goods into Europe.

Italy’s membership in the EU and NATO has also provided a defense wall against China’s BRI.²⁷⁹ As a further pushback against Beijing, in June 2021 Draghi supported the U.S.-inspired B3W (Build Back Better), a plan expected to guide the G7’s actions in countering China’s infrastructure projects. While the Draghi government has put limits on the BRI, in particular those elements concerning Italy’s strategic infrastructure, it has, however, refrained from limiting China’s advances in other important areas, including in the information space and higher education. Moreover, the Italian government has been, so far, unable to ban Chinese ICT companies from the country.

Italian public opinion also remains firmly in favor of the transatlantic alliance and is critical of China. A major opinion poll by the Istituto Affari Internazionali and the Laboratory of Political and Social Analysis at the University of Siena, published at the end of 2021, showed that Italians continue to hold negative views of Beijing and of President Xi, who is perceived as an authoritarian ruler by a large majority of respondents.²⁸⁰ A survey by the Pew Research Centre published in June 2022 confirms these trends,²⁸¹ which also reflect the views of the more Atlanticist Draghi government that came to power in February 2021.

■ Conclusion

The CCP’s influence tactics in Italy and its heavy focus on corporate leaders and political parties seem to differ from influence operations in other developed democracies. China has co-opted the individual interests of Italian business leaders to advance its goals and narrative. Beijing has also succeeded in extending its grip on political parties, in particular the M5S, which until the end of June 2022 was the largest party in the Italian Parliament. Moreover, the CCP has established strong ties with key political figures such as Prodi (PD), Gentiloni and Mattarella (Christian Democrats), as well as some of the heirs of the Italian Communist Party, including Massimo D’Alema and politicians belonging to Liberi and Uguali (LeU). At the same time, lawmakers from the centrist Forza Italia, those belonging to the transatlantic wing of the center-left PD, and representatives of the two conservative

²⁷⁸ Personal consultation with a senior member of the International Department of the CCP (online), February 2022. See also: Ghiretti, Francesca. “The Belt and Road in Italy: 2 Years Later.” *The Diplomat*, 23 Mar. 2021, <https://thediplomat.com/2021/03/the-belt-and-road-in-italy-2-years-later/>.

²⁷⁹ This assessment was confirmed by officials in the Italian Ministry of Foreign Affairs (Asia and the Pacific Division) during a webinar on the BRI in Italy organized by the Rome-based Istituto Affari Internazionali on 19 January 2022.

²⁸⁰ DISPOC/LAPS (University of Siena) and IAI. *Gli italiani e la politica estera 2021*. https://www.iai.it/sites/default/files/laps-iai_2021.pdf. ²⁸¹ “Negative Views of China Tied to Critical Views of Its Policies on Human Rights.” *Pew Research Centre*, 29 June 2022, <https://www.pewresearch.org/global/2022/06/29/negative-views-of-china-tied-to-critical-views-of-its-policies-on-human-rights/>.

parties — the League and Brothers of Italy — have been active in denouncing Chinese attempts at gaining influence in Italy.

Rome's membership in the EU, NATO and the G7, as well as continued perceptions among Italian citizens about the country's democratic future, have put limits to the CCP's influence in the country. At key historical junctures when it seemed that China was able to advance its interests in Italy, such as on the occasion of the signature of the MOU in March 2019, Italy's allies intervened to keep Rome firmly inside the Euro-Atlantic family. The Draghi government has certainly put limits on China's influence efforts in Italy, in particular the BRI's infrastructure projects and China's predatory investments. However, some members of the Draghi government continue to support Beijing, including Health Minister Speranza and his advisors, who have become the chief promoters in the West of China's Health Silk Road and of a China-style response to the COVID-19 pandemic. Italy could further benefit from U.S. engagement to steer it away from initiatives by some China-friendly politicians.

There are some policies that Italy, in consultation with the U.S. and the EU, could adopt to bolster its resilience to foreign authoritarian influence. They include:

- 1) **Establishing the position of Coordinator of China Affairs**, tasked with collecting information and coordinating Italy's China policies. Ideally placed inside the office of Italy's prime minister and working in close consultation with the prime minister's diplomatic advisor, this "China Czar" will liaise with the Ministry of Foreign Affairs and other relevant organizations, including Copasir. This Coordinator of China Affairs office could raise early warnings about Beijing's influence activities. Creating the position of Coordinator for China Affairs would also facilitate the exchange of information and promote cooperation between Italy and the United States.
- 2) **Making the use of the Golden Powers less dependent on political parties.** The Golden Powers Rules have been used in recent times to block PRC dominance in ownership over strategic Italian companies. However, the use of this legislation depends on the political will of the government. A solution would be to grant use of the Golden Powers to an independent authority that will not face pressure from political parties like the M5S and, to a lesser extent, the PD.
- 3) **Increasing scrutiny of agreements and academic partnerships sponsored by Chinese entities,** including state-led research institutes and government-backed companies such as Huawei and ZTE. This could be done by creating a position inside Italy's Ministry of Education, University and Research (MIUR) which would liaise with the prime minister's office and the Copasir, as well as with EU and NATO officials dealing with these issues.
- 4) Setting up a **Parliamentary Commission of Inquiry tasked with collecting information on illegal financing to political parties coming from authoritarian regimes, including China.** The work of such a commission could lead to specific legislation that would make it more difficult for political parties and organizations to receive foreign funds without declaring them and exposing them to public scrutiny. One of the commission's goals could be to produce norms that would incentivize, and protect, prosecutors investigating murky or illicit financing from China and other authoritarian regimes.



■ Introduction

Efforts by the People's Republic of China (PRC) and the Chinese Communist Party (CCP) to enhance its influence in Indonesia face significant challenges. A 2018 editorial in the *Global Times* by Ai Jun made the apt observation: "It seems that clouds of anti-Chinese sentiment in Indonesia have not yet dissolved and the country is still puzzled by uncertainties about China's intention and role in Southeast Asia."²⁸² Despite these challenges, the PRC has continued to try to gain traction in Indonesia as it is too consequential to the PRC's foreign policy objectives to ignore, due in part to the size of its Chinese diaspora population and the significance of Indonesia's support for (or lack of opposition to) the PRC's policies in international fora.

Despite the unique historical context of a fiercely anti-communist political environment facing the PRC in Indonesia, it has deployed its typical tools to influence foreign countries with mixed results. Economic power is a cornerstone of the PRC's influence in Indonesia, where the PRC has catered to the political interests of Indonesia's political leadership through infrastructure mega-projects such as the Jakarta-Bandung High Speed Railway (HSR). The PRC has also cultivated relationships with Indonesia's most influential news outlets and such media have largely avoided critical coverage of PRC policies. Further, the PRC has produced content specifically designed to appeal to Indonesia's Muslim population and assuage concerns over its policies toward the Uighur ethnic minority in Xinjiang. Politically, the CCP engages Indonesia's political elites through outreach by its International Liaison Department (ILD). The ILD has interacted more frequently with Indonesia's political parties than it has with parties in other democracies in the region, and it has also become an unofficial channel for crisis resolution between the ruling party and the CCP, for example following a confrontation between Indonesian and Chinese ships in the South China Sea. In sum, while the PRC's efforts to develop its influence in Indonesia are constrained by significant lingering historic and geopolitical mistrust, there have already been significant payoffs to Beijing's efforts to tailor its approach to the local context.

■ Economic Influence

President Joko Widodo has staked his political future on his ability to facilitate Indonesia's economic development by attracting investment from international sources. His government announced a target of \$412 billion USD for projects between 2020 and 2024.²⁸³ The fit between Indonesia's high demand for infrastructure investment and China's excess supply of capital and capacity provides ample opportunities for deeper economic cooperation. Even so, there is a fundamental disconnect between Indonesia's demands and the scale of infrastructure projects that its Chinese counterparts are willing to provide.

²⁸² Likely the writer Ai Jun (艾俊) but the characters in his name cannot be confirmed.

²⁸³ Utomo, Dr. Wahyu. "Indonesia's Bold Infrastructure Plan." *KPMG*, October 2019, <https://home.kpmg/xx/en/home/insights/2019/10/indonesia-bold-infrastructure-plan.html>; Suhartono, Harry and Karlis Salna. "Indonesia Has a Grand \$412 billion plan to Rebuild the Country." *Bloomberg*, 15 May 2019, <https://www.bloomberg.com/news/articles/2019-05-16/indonesia-has-a-412-billion-plan-to-rebuild-the-country>.

To maximize its bargaining power, the government of Indonesia has deftly set international bidders against each other and capitalized on Indonesia's leverage to secure the most advantageous terms for infrastructure investment agreements. However, as the case of the Jakarta-Bandung High Speed Rail project shows, this strategy is not immune to China's effort to manipulate the bidding process in its favor by playing to the political interests of Indonesia's leaders.

The PRC's involvement in Widodo's push to build infrastructure has come primarily through Indonesian state-owned enterprises (SOEs). Their prominent role in the Indonesian economy and connections to the country's political elite provide potential pathways for China's influence, and Widodo's focus on infrastructure has further cemented their already prominent role.²⁸⁴ The president has used Indonesian SOEs as a way to borrow from Chinese creditors to finance infrastructure projects without the government taking on sovereign debt, making the growth of Indonesia's official debt to China appear smaller than it is in practice and avoiding the negative political optics of becoming indebted to China. While growth in government debt remains stable, the cumulative debt to China of the four largest Indonesian SOEs increased by 57 percent in one year (to \$11.3 billion USD), raising concerns of credit analysts of excessive borrowing.²⁸⁵



Representatives of Chinese and Indonesian companies shake hands during a signing ceremony in Jakarta on Oct. 16, 2015. They signed a joint-venture agreement to build Indonesia's first high-speed railway line, connecting Jakarta and the West Java provincial capital of Bandung, and have plans to compete for other railway projects in Middle East and East Asian countries. (Kyodo via AP Images).

²⁸⁴ Kim, Kyunghoon. "Indonesia's Restrained State Capitalism: Development and Policy Challenges." *Journal of Contemporary Asia*, vol. 51, no. 3, 2021, pp. 419-446.

²⁸⁵ Suzuki, Wataru. "Debt at Indonesian State Contractors Soars in Infrastructure Push." *Nikkei Asian Review*, 16 March 2018, <https://asia.nikkei.com/Business/Business-trends/Debt-at-Indonesian-state-contractors-soars-in-infrastructure-push#:~:text=JAKARTA%20%2D%2D%20The%20debt%20of%20fund%20the%20government's%20infrastructure%20push>.

Between 2007-2017, investment projects funded by Chinese entities exceeded \$2.3 billion USD and were primarily concentrated in Indonesia's energy (\$11.5 billion USD), transport and warehousing (\$5.7 billion USD) sectors, with another \$1.9 billion USD going into industry, mining, and construction.²⁸⁶ Chief among these investments, and perhaps most emblematic of how SOEs have served to facilitate the PRC's influence and interests in Indonesia, has been the Jakarta-Bandung High Speed Rail project, which demonstrates certain key individuals' ability to push projects with dubious economic value through the official procurement process without being subject to push back from other arms of the government or the wider civil society to ensure that they serve the public's interest. It underscores Indonesia's vulnerability to influence activities and the PRC's economic inducements.

Case Study: Jakarta-Bandung High Speed Rail (HSR) and Indonesian Inter-Elite Competition

The HSR is the first concrete Chinese-Indonesian project connected to the BRI and is the flagship of President Widodo's infrastructure push.²⁸⁷ Approximately \$5.5 billion USD in cost, the 142 km rail route would reduce travel time between Jakarta and Bandung, two major cities, from approximately three hours to 45 minutes.

After a high-profile bidding war between Chinese and Japanese contractors, PT Kereta Cepat Indonesia China (KCIC)²⁸⁸ was awarded the contract to build the railway, and the China Development Bank (CDB) was chosen the major financier of the project.²⁸⁹

Indonesians' reaction to the HSR project has been largely negative because of concerns about cost and skepticism about the PRC's infrastructure projects and China's ultimate goals in Indonesia.²⁹⁰ When the HSR project was proposed, observers argued that the size of the investment was not proportional to the relatively minimal distance between the two cities.²⁹¹ Furthermore, the train is supposed to surpass speeds of 217 mph but given that there are four planned stops along the short route, the HSR is unlikely to run as planned.²⁹²

From the beginning of the competitive process, the Indonesian Minister of State-Owned Enterprises, Rini Soemarno, was an influential facilitator for the Chinese.

²⁸⁶ "China's Development Finance." *AidData*, <https://www.aiddata.org/china-development-finance>.

²⁸⁷ Rahman, Riska. "Jakarta-Bandung high-speed railway progresses by 64%, completes drilling of fifth tunnel." *The Jakarta Post*, 17 December 2020, <https://www.thejakartapost.com/news/2020/12/17/jakarta-bandung-high-speed-railway-progresses-by-64-completes-drilling-of-fifth-tunnel.html>.

²⁸⁸ This is a joint venture between China Railway and four companies from Indonesia: Kereta Api Indonesia, Wijaya Karya (Wika), PT Perkebunan Nusantara VIII, and Jasa Marga. PT Wijaya Karya holds a 60% stake, and the Chinese hold the balance. See: "Reconnecting Asia Project Database." *Center for Strategic and International Studies*, December 2020, <https://reconnectingasia.csis.org/database/organizations/ptkereta-cepat-indonesiachina-kcic/b31b78d5-c635-4a20-99d6-bcb648217e57/>.

²⁸⁹ "The Belt and Road Initiative in the global trade, investment and finance landscape." *OECD Business and Finance Outlook 2018*, OECD Publishing, Paris, https://doi.org/10.1787/bus_fin_out-2018-6-en.

²⁹⁰ Although accounting for only a small percentage of total mentions, the Jakarta-Bandung HSR, at 4,761 total mentions, spiked in mid to late March 2021, due to conversations about the railway nearing completion and concerns about its price. English language mentions appear to be more positive or neutral regarding the Jakarta-Bandung HSR. Eighty-nine percent of the English language posts express positive sentiment, while 57 percent in other languages show positive sentiment. However, the HSR Twitter mentions in Indonesian tend to be negative and particularly focused on the high costs related to the project.

²⁹¹ Suzuki, Wataru. "Debt at Indonesian State Contractors Soars in Infrastructure Push." *Nikkei Asian Review*, 16 March 2018, <https://asia.nikkei.com/Business/Business-trends/Debt-at-Indonesian-state-contractors-soars-in-infrastructure-push#:~:text=JAKARTA%20%2D%2D%20The%20debt%20of.fund%20the%20government's%20infrastructure%20push>.

²⁹² Hutton, Jeffrey. "A Catch-22 from China that could derail Indonesia's Widodo." *South China Morning Post*, 12 May 2018, <https://www.scmp.com/week-asia/politics/article/2145806/catch-22-china-could-derail-indonesias-widodo>.

She was present when the Chinese Ambassador to Indonesia, Xie Feng, came to an exhibition of Chinese HSR technology at a Jakarta shopping mall in August 2015.²⁹³ She initiated the project's feasibility study with the Chinese contractor (which concluded within six months after a Japanese study had been underway for four years) and pushed the Cabinet to opt for the Chinese offer because it included plans to develop real estate around the train stations.²⁹⁴ She lobbied her Chinese counterparts to drop a clause relating to a financial guarantee against default by the Indonesian government as a requirement for financing and pushed for more concessions, such as technology transfer, from the Chinese contractors to their Indonesian counterparts.²⁹⁵ Furthermore, she reportedly cajoled reluctant Indonesian SOEs, including the SOE PT KAI, to participate in the project consortium despite PT KAI officials' preference for electrifying the existing route. Electrification would cut travel times between Jakarta and Bandung to around 80 minutes, but at a much cheaper cost than the HSR project.²⁹⁶

The timeline of Chinese bid was optimized to align with the presidential election and provide Widodo the biggest political boost possible.

Part of the calculus for choosing the Chinese bid was President Widodo's desire to leverage the HSR to showcase the achievements of his first term in office. The timeline of Chinese bid was optimized to align with the presidential election and provide Widodo the biggest political boost possible. However, the project's cost and timeline projections proved unrealistic.

Originally due for completion by May 2019, ahead of the presidential elections, as of July 2022 only 76 percent of the construction for the HSR was complete, reportedly delayed by the government's difficulties with land acquisition.²⁹⁷ Despite its purported business-to-business scheme, as the project went on, the Indonesian government had to contribute financially to the project due to the Indonesian companies involved in the consortium being state-owned companies. Cost overruns forced the government's hands and in late 2021, the government enacted Presidential Regulation No. 93/2021 to provide state capital injection to the Jakarta-Bandung high-speed rail project, superseding earlier regulations in 2015 that banned this.²⁹⁸

The bidding process for the HSR project demonstrates the Indonesian government's deft ability to play international bidders off each other and extract concessions. However, the bidding process was not immune to Chinese bidders' efforts to pander to the political interests of Indonesia's leaders and influence the outcome in China's favor.

²⁹³ Murdaningsih, Dwi. "Chinese High-Speed Rail Exhibition held at Atrium Senayan City [Pameran Kereta Cepat Cina Digelar di Atrium Senayan City]." *Republika*, 13 August 2015, <https://www.republika.co.id/berita/nt0hsu368/pameran-kereta-cepat-cina-digelar-di-atrimum-senayan-city>.

²⁹⁴ "Not Old Enough for High-Speed Train [Belum Cukup Umur Untuk Kereta Cepat]." *Tempo*, 14 September 2015, <https://majalah.tempo.co/read/ekonomi-dan-bisnis/148995/belum-cukup-umur-buat-kereta-cepat>.

²⁹⁵ "Heartbreak of an Older Brother [Patah Hati Saudara Tua]." *Tempo*, 18 October 2015, <https://majalah.tempo.co/read/laporan-utama/149201/patah-hati-saudara-tua>; See also, Idris Rusadi Putra, "Behind the high-speed rail project is Minister Rini's closeness to China [Dibalik proyek kereta cepat, ada kedekatan Menteri Rini dengan China]." *Merdeka.com*, 19 September 2015, <https://www.merdeka.com/uang/dibalik-proyek-kereta-cepat-ada-kedekatan-menteri-rini-dengan-china-splitnews-4.html>.

²⁹⁶ "Heartbreak of an Older Brother [Patah Hati Saudara Tua]."

²⁹⁷ For details on the progression of the rail project, see: Al-Farisi, Raisan. "Latest Progress of Jakarta-Bandung High Speed Rail [Progres Terkini Proyek Kereta Cepat Jakarta-Bandung]." *Detik*, 18 July 2022, <https://finance.detik.com/foto-bisnis/d-6185726/progres-terkini-proyek-kereta-cepat-jakarta-bandung/1>; Negara, Siwage Dharma and Leo Suryadinata. "Jakarta-Bandung High Speed Rail Project: Little Progress, Many Challenges." *ISEAS Perspective*, No. 2, 2018, https://www.iseas.edu.sg/images/pdf/ISEAS_Perspective_2018_2@50.pdf Rahman. "Progress on Jakarta-Bandung railway reaches 64%, with drilling of fifth tunnel."

²⁹⁸ Fabian Thomas, Vincent. "Jakarta-Bandung high-speed train gets government backing after cost overrun." *The Jakarta Post*, 12 October 2021, <https://www.thejakartapost.com/news/2021/10/11/jakarta-bandung-high-speed-train-gets-bigger-govt-backing-after-cost-overrun.html>.

■ Influence in the Information Space

The long history of anti-Chinese sentiment in Indonesia has consequences for the PRC's contemporary efforts to engage the Chinese diaspora. On a practical level, the Chinese-Indonesian community often lacks certain cultural touchstones, such as language, that are the basis of the PRC's usual outreach efforts. On an ideological level, representatives of the Chinese government also appear cognizant of the limited extent to which they can push public sentiment in the face of longstanding bias against Chinese culture in Indonesia.

During the 31 years of Suharto's presidency (1968-1998), Chinese language schools and all but one Chinese-language newspaper were forced to close.²⁹⁹ In recent years, there has been a resurgence of Chinese-language media, which the PRC has sought to cultivate, with limited success. Despite the dwindling population of Indonesians capable of, or interested in, reading Chinese-language news, the PRC has developed ties with Chinese-language journalists working for local publications. For example, 12 journalists associated with Indonesia attended the Tenth Forum on the Global Chinese Language Media, hosted by the State Council's Overseas Chinese Affairs Office (OCAO), in October 2019.³⁰⁰ Even with Beijing's outreach and support for Chinese-language media in Indonesia, it does not dominate the discourse, as most publications are privately funded, and some even considered to be pro-Taiwan.³⁰¹

Even with these challenges, the PRC has gained a foothold in Indonesia's information space through prominent domestic outlets, such as *The Jakarta Post*, and through a local chapter of China Radio International, which broadcasts in the local vernacular has had success engaging with Indonesians.³⁰² Meanwhile, the success of social media platforms such as ByteDance's TikTok provide a channel for the PRC to deliver bespoke messaging to Muslims in Indonesia, which is home to the world's largest Muslim population and therefore an important supporter (or rather non-objector) to China's domestic ethnic-driven policies in international fora.³⁰³

The PRC and government of Indonesia have a mutually shared interest in moderating internet content. Content moderation and censorship practiced by state and non-state actors from both the PRC and Indonesia have affected the latter's information environment with increasing frequency. At times, the two countries have taken actions that could be interpreted as cooperation, including limiting negative news coverage of their respective governments. As Chinese social media platforms become more popular in Indonesia, the two countries have had to find mutual agreements about their content moderation policies.

²⁹⁹ Suryadinata, Leo. "Rising China: Indonesia's Chinese-language newspapers avoid taking sides." *Think China*, 1 September 2020, <https://www.thinkchina.sg/rising-china-indonesias-chinese-language-newspapers-avoid-taking-sides>.

³⁰⁰ "The 10th World Chinese Media Forum Opens in Shijiazhuang [第十届世界华文传媒论坛在石家庄开幕]." *San Diego Chinese Press*, 12 October 2019, <http://www.sandiegochinesepress.com/press/%E7%AC%AC%E5%8D%81%E5%B1%8A%E4%B8%96%E7%95%8C%E5%8D%8E%E6%96%87%E4%BC%A0%E5%AA%92%E8%AE%BA%E5%9D%9B%E5%9C%A8%E7%9F%B3%E5%AE%B6%E5%BA%84%E5%BC%80%E5%B9%95%E5%EF%BC%88%E9%99%84%E5%A2%83%E5%A4%96%E5%AA%92/.html>.

³⁰¹ See details in Chang Yau Hoon, "A Hundred Flowers Bloom: The Re-emergence of the Chinese Press in Post-Suharto Indonesia." In *Media and the Chinese Diaspora: Community, Communications and Commerce*, London, Routledge, 2006, 91-118.

³⁰² The China Radio International Indonesian Service Facebook account has a relatively high level of engagement. As of 1 April 2021, 58,025 people have "liked" it, and 58,632 people follow the posts that are uploaded every day. As is the pattern with CRI branches worldwide, all the material is displayed in the local language (in this case Bahasa Indonesia).

³⁰³ For an example of this see the TikTok account "chinamuslim" which has had a high degree of engagement (82.7 thousand followers and 1.2 million likes as of July 2022). The account appears to be operated by a young Hui Chinese woman from the Ningxia Hui Autonomous Region. The videos largely focus on a group of limited topics: fashion for women wearing hijabs, snapshots of everyday life as a practicing Hui Muslims, and beautiful pictures of Muslims sites in Xinjiang, Qinghai, Gansu, and Yunnan. The interesting aspect of the account is that the captions and hashtags are largely in Bahasa Indonesia with a smaller amount in English. This linguistic context would suggest that the target audience is outside of Mainland China; "Ningxia rectifies the 'Sino-Arabian axis'! This is the land of China, Jing-Ags, get out! [宁夏整改“中阿之轴”！这是中国的土地·精阿们·滚！]" 1 November 2020, <https://read01.com/zh-my/5Mo0Ljz.html#.YuHYjHbMI2w>.

Xinjiang and PRC Cultivation of Indonesia's Islamic Community

Because Indonesia is a primarily Muslim country, the Chinese Communist Party is particularly interested in gaining its support for its policies on issues such as China's treatment of Muslims in Xinjiang. Eighty-eight percent of Indonesian citizens practice the Islamic faith, and the country is home to approximately 225 million Muslims, more than any other country in the world. Both official and unofficial PRC media sources have run stories about Indonesian politicians supporting Chinese policies, presumably to assuage concerns about China's actions both at home and abroad. To that end, the PRC has conducted extensive outreach to the Muslim community in Indonesia to cultivate influential voices on the issue of Xinjiang, with some success.

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In 2019, Beijing started planning outreach trips for Indonesian Muslim leaders to visit Xinjiang, along with journalists, academics, and social media influencers.³⁰⁴ The website of the Chinese Embassy in Indonesia provided a detailed description of one of these trips, which took place from 17-26 February 2019. The embassy invited three major Islamic groups to travel to Xinjiang: The Indonesian Ulema Council, Muhammadiyah, and Nahdlatul Ulama (the largest Indonesian Muslim organization in the country).³⁰⁵ The delegation also included members of the press from a Muslim-focused newspaper, *Republika*, a conservative TV station from East Jakarta, *tvOne*, and an Indonesian digital media company, *Detikcom*. The group met with Shöhret Zakir, a Uyghur CCP member who is the Chairman and Deputy Party Secretary of the Xinjiang Uyghur Autonomous Region, and Yang Faming, the Chairman of the Chinese Islamic Association. Other items on the itinerary included visits to the Moyu County Vocational Skills Education and Training Center, a number of mosques and villages, and an "exhibit on key examples of violent terrorism in Xinjiang."³⁰⁶

The Chinese news agency *Xinhua* reported on a separate trip to Xinjiang by journalists from Indonesia and Malaysia as part of the so-called "ASEAN (Association of Southeast Asian Nations) Elites China Tour" from 22-27 February 2019.³⁰⁷ The attendees included: Nugroho Fery Yudho, a senior editor from the Indonesian national newspaper *Kompas*; Zulfiani Lubis, the chief editor of *IDN Times*, which bills itself as a digital news and entertainment company for Millennials and Gen-Z in Indonesia; Rizki Akbar Hasan with *Liputan6.com*, an Indonesian news portal; and Yohana Margaretha from Indonesia's *Metro TV*, the only station to offer Mandarin-language news in the country. The tour included visits to what were described as vocational education and training centers in Kashgar, Shule County, and Hotan County. Based on her own experience covering domestic terrorism in Indonesia, Lubis, of *IDN Times*, stated that she "found through interviews that the way extremist thoughts infiltrated China was very similar to how it infiltrated Indonesia, which is all through the internet."

³⁰⁴ Emont, Jon. "How China Persuaded One Muslim Nation to Keep Silent on Xinjiang Camps; Beijing funded visits by Indonesian religious leaders to show how its re-education centers are a well-intended effort at providing Uighurs with job training." *Wall Street Journal*, 11 December 2019, <https://www.wsj.com/articles/how-china-persuaded-one-muslim-nation-to-keep-silent-on-xinjiang-camps-11576090976>.

³⁰⁵ Indonesia's current Vice President, Ma'ruf Amin, was Nahdlatul Ulama's Supreme Leader from 2015-2018.

³⁰⁶ "Delegation of Major Indonesian Islamic Organizations Visits Xinjiang [印尼主要伊斯兰组织代表团访问新疆]." *Embassy of the People's Republic of China in the Republic of Indonesia*, 04 March 2019, <http://id.china-embassy.org/chn/sgsd/t1642647.htm>.

³⁰⁷ China Focus: Indonesian, Malaysian journalists visit Xinjiang." *Xinhua*, 28 February 2019, http://www.xinhuanet.com/english/2019-02/28/c_137858202.htm; See also: "Indonesian, Malaysian Journalists Visit Xinjiang." *China Daily*, 2 March 2019, <https://www.chinadaily.com.cn/a/201903/02/WS5c79c54fa3106c65c34ec4a0.html>.

Similar comments which affirm the PRC's policies in Xinjiang through the lens of counterterrorism are cited throughout the English-language article.³⁰⁸

These visits to Xinjiang generated a fair amount of positive press. For example, leaders from the Islamic organizations Muhammadiyah and Nahdlatul Ulama provided positive quotes about these visits in their groups' own publications.³⁰⁹ Their support was then referenced in official PRC responses about Xinjiang. For example, the Chinese Ambassador to Indonesia, Xiao Qian, wrote an editorial in *The Jakarta Post* detailing the positive contributions he asserted the CCP had made to daily life in Xinjiang. He pushed back against "a few institutions and people from the West [who] pursue double standards" by paraphrasing the positive impressions of Nahdlatul Ulama's Chairman Said Aqil Siradj, Antara's press photographer Ismail, and a Detik.com journalist named Faya.³¹⁰ The ambassador concluded with an invitation to continue these publicity tours: "We warmly welcome our Indonesian friends to visit Xinjiang and take a look for yourselves. I believe by then you would agree as well that Xinjiang is indeed a wonderful place."³¹¹

In December 2019, the *Wall Street Journal* published an article titled "How China Persuaded One Muslim Nation to Keep Silent on Xinjiang Camps: Beijing funded visits by Indonesian religious leaders to show how its re-education centers are a well-intended effort at providing Uighurs with job training."³¹² This exposé prompted the Islamic groups now in the spotlight to issue statements critiquing both the *Wall Street Journal* and the PRC government. For example, the leaders of Muhammadiyah published an English-language statement to:

*Urge the Chinese government to be more open in providing information and access to the international community regarding policies in Xinjiang and the Uyghur Community. The Chinese government should stop all forms of human rights violations, especially to the Uyghur people on any pretext. The Chinese government should resolve the Uyghur issue peacefully through dialogue with Uyghur figures and give Muslims freedom to practice worship and maintain identity.*³¹³

These public clarifications did not prevent China's diplomatic staff from continuing to leverage the positive press manufactured earlier in the year. A spokesperson from the Chinese Embassy in Indonesia spoke to the press shortly after the *Wall Street Journal* article was released and continued to reference the Islamic groups' positive impressions to defend against accusations of human rights abuses.³¹⁴

The Jakarta Post

On 25 April 2019, *The Jakarta Post* joined PRC's Belt and Road News Network (BRNN). It was the only publication from Indonesia to become a member of the international association of media networks chaired by the People's

³⁰⁸ "China Focus: Indonesian, Malaysian journalists visit Xinjiang," "Indonesian, Malaysian Journalists Visit Xinjiang," *China Daily*.

³⁰⁹ Emont. "How China Persuaded One Muslim Nation to Keep Silent on Xinjiang Camps; Beijing funded visits by Indonesian religious leaders to show how its re-education centers are a well-intended effort at providing Uighurs with job training."

³¹⁰ The latter two individuals are only identified by one name. Given naming conventions in Indonesia it is possible that they do not have additional "first" or "last" names. Antara is Indonesia's state news agency. Detik is an Indonesian digital media company.

³¹¹ Xiao, Qian. "Xinjiang, What a Wonderful Place," *The Jakarta Post*, 25 September 2018, <https://www.thejakartapost.com/academia/2018/09/25/xinjiang-what-a-wonderful-place.html>.

³¹² Emont. "How China Persuaded One Muslim Nation to Keep Silent on Xinjiang Camps; Beijing funded visits by Indonesian religious leaders to show how its re-education centers are a well-intended effort at providing Uighurs with job training."

³¹³ "These are the Seven Official Messages of Muhammadiyah to Address Uighur Muslim Issues." *NusaDaily.com*, 18 December 2019, <https://nusadaily.com/news/these-are-the-seven-official-messages-of-muhammadiyah-to-address-uighur-muslim-issues.html>.

³¹⁴ "Spokesman of the Chinese Embassy in Indonesia answers reporters' questions on inaccurate media reports [中国驻印尼大使馆发言人就有关媒体不实报道答记者问]." *Consulate-General of the People's Republic of China in Medan*, 20 December 2019, <http://medan.chineseconsulate.org/chn/zlgxw/t1726558.htm>.

Daily, the official newspaper of the Central Committee of the CCP.³¹⁵ *The Jakarta Post*, a daily publication, is Indonesia's leading English-language newspaper.³¹⁶ It targets a readership of middle-class Indonesians as well as foreigners. While the newspaper had a peak circulation of 40,000 in the 1990s, it is struggling with the same economic issues facing newsrooms across the world.³¹⁷ There are no explicit mentions of the economic advantages a publication may get from joining the BRNN, but the financial precarity of *The Jakarta Post* is important background information to their cooperation with the newly formed BRNN.

A survey of opinion articles attributed to the editorial board of *The Jakarta Post* reveals that many of them echo PRC views of foreign policy. For example, a piece published in May 2019 compares the BRI to the Marshall Plan. The PRC is complimented as a "rising superpower... willing to listen to its critics and change its behavior," while the U.S. is criticized for "demanding concessions from everyone it accuse[s] of cheating."³¹⁸ In October 2017, an editorial titled "Lessons from the [19th CCP Party] congress" concluded with the takeaway: "While communism is outlawed here, there are a myriad of universal lessons Indonesia could draw from the just concluded [CCP] National Congress."³¹⁹

"While communism is outlawed here, there are a myriad of universal lessons Indonesia could draw from the just concluded [CCP] National Congress."

Many of these perspectives are relatively consistent with mainstream Indonesian politics. The editorial published on 16 March 2021, however, was a more glaring departure from the norm. Titled "Quad's vaccine 'bribery,'" the piece suggests that the Quad's (the Quadrilateral Security Dialogue between Australia, India, Japan, and the United States) decision to collaborate on vaccine distribution to countries in the Indo-Pacific was driven by the motto "Let's gang up on China,' a mindset more commonly associated with adolescents." The editorial board pulls back from a full defense of China by making the following qualification:

*It is not that Indonesia is leaning to China, but tension, let alone full-blown conflict, between the world's giants will only harm Indonesia and the region. Indonesia and ASEAN are not the cheerleaders of the Quad or any other powers.*³²⁰

Even with this conclusion, the piece is less successful in disguising a through-line that appears in many of these editorials: a defense of China's international policy that would be generally unpopular in Indonesia if it were stated outright.

³¹⁵ "First Council Meeting Joint Statement." *Belt and Road News Network*, 25 April 2019, <http://en.brnn.com/n3/2019/0425/c415308-9571930.html>.

³¹⁶ Natalegawa, Andreyka and Kyra Jasper. "Newsrooms in Crisis: Covid-19 and Journalism in Indonesia," *Center for Strategic and International Studies*, 14 December 2020, <https://www.csis.org/blogs/new-perspectives-asia/newsrooms-crisis-covid-19-and-journalism-indonesia>.

³¹⁷ In August 2020, the *Post* announced it would have to lay off two thirds of its workforce because of revenue lost due to the COVID-19 pandemic. See: Soeriaatmadja, Wahyudi. "Indonesian daily The Jakarta Post mulls over retrenchments to stay afloat." *The Straits Times*, 27 August 2020, <https://www.straitstimes.com/asia/se-asia/indonesian-daily-the-jakarta-post-mulls-over-retrenchments-to-stay-afloat>.

³¹⁸ Editorial Board. "China's Marshall Plan." *The Jakarta Post*, 2 May 2019, <https://www.thejakartapost.com/academia/2019/05/02/chinas-marshall-plan.html>.

³¹⁹ "EDITORIAL: Lessons from the CPC congress." *The Jakarta Post*, 26 October 2017, <https://www.thejakartapost.com/academia/2017/10/26/editorial-lessons-from-the-cpc-congress.html>.

³²⁰ Editorial Board. "Quad's vaccine 'bribery.'" *The Jakarta Post*, 16 March 2021, <https://www.thejakartapost.com/paper/2021/03/15/quads-vaccine-bribery.html>.

ByteDance

Indonesia is one of the fastest-growing markets for the Chinese company ByteDance, which owns the popular video-sharing app TikTok.³²¹ On 3 July 2018, Indonesia announced that it was banning TikTok for containing “pornography, inappropriate content, and blasphemy.” Indonesia’s Minister of Communications and Information, Rudiantara,³²² made it clear that the ban was a temporary measure until TikTok introduced policies to moderate objectionable content.³²³ Two days later, TikTok pledged to establish a team of 20 local censors who would surveil and sanitize content according to the Indonesian government’s requirements. TikTok committed to take additional steps to increase the app’s security, add restrictions for users between the ages of 14 and 18, and establish an office in Indonesia that would liaise with the government. Once these commitments were finalized, TikTok was able to operate in Indonesia once again – in practice, the ban was only in place for about a week.³²⁴

In August 2020, Reuters reported that ByteDance had censored critical news about the PRC for Indonesian consumers on the news aggregator app Baca Berita (BaBe).³²⁵ In 2016, ByteDance became the controlling stakeholder in BaBe³²⁶ and purchased the full operation in 2018. After acquiring full ownership, a team from ByteDance’s headquarters in the PRC came up with moderation guidelines to aggregate news from Indonesian outlets. Sources from the team told Reuters that stories that could be perceived as critical of the PRC government would either be removed from the app or not republished.

Topics of concern included references to 1989 and Tiananmen Square, Mao Zedong, and tensions in China-Indonesia relations concerning the South China Sea and even the TikTok ban. These guidelines were modeled after those used for a similar popular app in the PRC called Toutiao and were localized to apply to Indonesia by accounting for sensitive issues concerning elections, religion, and race. ByteDance has confirmed that these moderation policies took place. While anonymous sources say that the regulations changed in 2020, the company claims they ended a year earlier. While this is certainly a worrisome example of PRC influence, it is important to recognize that the Indonesian government’s desire to control the information environment left room, or even demanded, content moderation from international actors.

■ Political Influence

The Indonesian government appears bound by public opinion to limit its engagement with the CCP. Its need to deliver on its campaign promises of economic development drives these interactions behind closed doors, to less official, less accountable channels. Party-to-party diplomacy, directly between the CCP and Indonesia’s political parties and by-passing conventional means of state-to-state diplomacy, has become an important way for China to influence Indonesian policies, perceptions, and political actors’ behavior. Indonesian party officials appear to be interested in gaining access to China’s political elite through engagement with the International

³²¹ The app analytics firm SensorTower has calculated that TikTok has had over 147 million downloads in Indonesia. See: Potkin, Fanny. “Exclusive: ByteDance censored anti-China content in Indonesia until mid-2020, sources say.” *Reuters*, 13 August 2020, <https://www.reuters.com/article/us-usa-tiktok-indonesia-exclusive/exclusive-bytedance-censored-anti-china-content-in-indonesia-until-mid-2020-sources-say-idUSKCN2591ML>.

³²² Rudiantara uses one name and does not have an additional “first” or “last” name.

³²³ “Indonesia bans Chinese video app Tik Tok for ‘inappropriate content.’” *Reuters*, 04 July 2018, <https://www.reuters.com/article/us-indonesia-bytedance-ban/indonesia-bans-chinese-video-app-tik-tok-for-inappropriate-content-idUSKBN1JU0K8>.

³²⁴ “Indonesia overturns ban on Chinese video app Tik Tok.” *Reuters*, 10 July 2018, <https://www.reuters.com/article/us-indonesia-bytedance/indonesia-overturns-ban-on-chinese-video-app-tik-tok-idUSKBN1K10A0>.

³²⁵ Potkin. “Exclusive: ByteDance censored anti-China content in Indonesia until mid-2020, sources say.”

³²⁶ “ByteDance: The Chinese company behind global TikTok craze.” *Bangkok Post*, 27 November 2019, <https://www.bangkokpost.com/business/1803294/bytedance-the-chinese-company-behind-global-tiktok-craze>.

Liaison Department of the CCP (ILD), with effects that can spill over into other areas such as investment projects or other economic benefits.

In contrast to party-to-party diplomacy, China's diaspora-focused United Front Work Department (UFWD), must contend with unusually high levels of public scrutiny in Indonesia, given historically strong anti-Chinese and anti-communist sentiment, which has built rather than abated in recent years. Because this network appears to be cautious about advertising its connection to the PRC, it is difficult to come to a conclusion about the efficacy of United Front Work in Indonesia.

Party Influence

Since the 1950s, party-to-party ties have been central to China's diplomacy, initially to communist parties around the world. But since the early 2000s, especially under Chinese President Xi Jinping, the ILD has substantially intensified its global outreach and built a broad network of more than 400 parties in over 160 countries, irrespective of their ideological alignment.³²⁷ In 2017, Xi Jinping announced he wanted to bring 15,000 party members from around the world to China within five years.³²⁸ The ILD holds regular meetings with its foreign counterparts, provides training for foreign cadres, and sponsors party schools abroad. As a form of influence activity, the ILD seeks to promote China's political and economic

interests, project a positive image of China, share experiences of China's regime and economic modernization process, and collect intelligence.³²⁹ Party-to-party interaction of the kind promoted by the ILD provides high-level access to decision-makers in the target country outside formal—and largely choreographed, if not rigid—diplomatic channels, acting as power-brokers operating behind the scenes.³³⁰

Indonesia's political system today favors senior party officials and businessmen; many of them sit as cabinet ministers across various presidential administrations.³³¹ This is why the ILD is an important influence tool; party-to-party ties are more flexible in providing access to influential figures and future leaders.³³² Relative to its interactions with other democracies in the region, the ILD has managed to elicit a high degree of cooperation from representatives across the full spectrum of Indonesia's political groups.

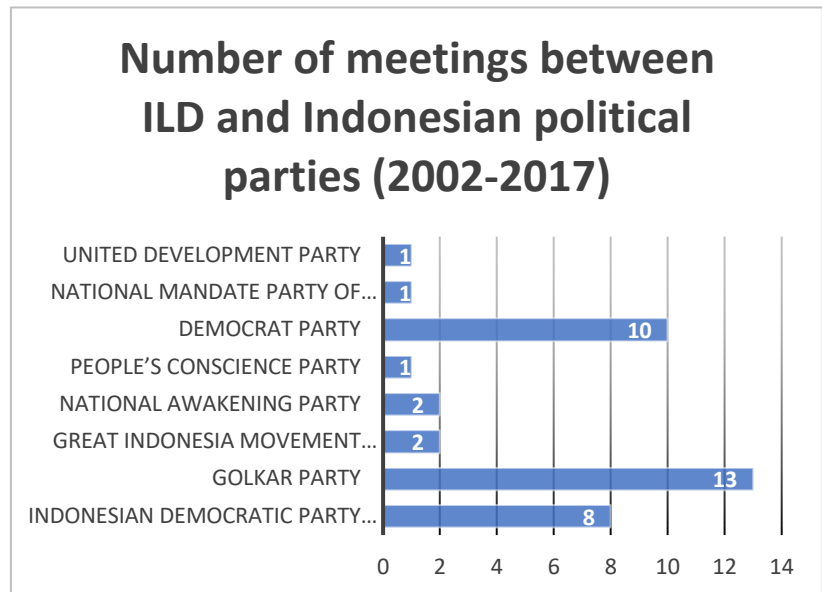


Figure 1: Data Source: Hackenesch and Bader (2020)

³²⁷ Hackenesch, Christine and Julia Bader. "The Struggle for Minds and Influence: The Chinese Communist Party's Global Outreach." *International Studies Quarterly* 64, no. 3, 2020, pp. 723-733, p. 724.

³²⁸ Yuting, Su. "The CPC hosts world's political parties in Beijing." *CGTN News*, 1 December 2017, https://news.cgtn.com/news/7859444e7a637a6333566d54/share_p.html.

³²⁹ Hackenesch and Bader. "The Struggle for Minds and Influence: The Chinese Communist Party's Global Outreach." p. 723.

³³⁰ Hackenesch and Bader. "The Struggle for Minds and Influence: The Chinese Communist Party's Global Outreach." p. 723.

³³¹ See the discussion in Yuki Fukuoka, "Politics, business and the state in post-Suharto Indonesia." *Contemporary Southeast Asia* 34, no. 1, 2012, pp. 80-100; Michele Ford and Thomas B. Pepinsky, eds. *Beyond oligarchy: wealth, power, and contemporary Indonesian politics*. Cornell University Press, 2018.

³³² Hackenesch and Bader. "The Struggle for Minds and Influence: The Chinese Communist Party's Global Outreach." p. 728.

Interactions between CCP and Southeast Asian political parties (2002-2017)

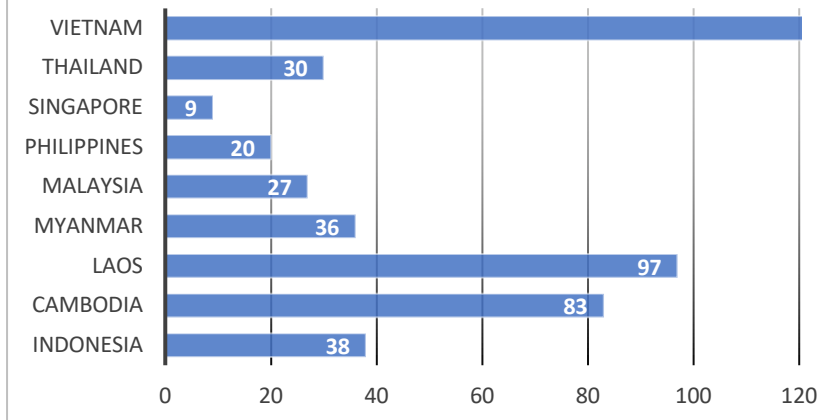


Figure 2: Data Source: Hackenesch and Bader (2020)

A few major Indonesian parties regularly sent at least a dozen cadres to various engagement and training programs provided by the ILD. In October 2013, for example, the Indonesian Democratic Party of Struggle (PDI-P) sent 15 of its top officials and cadres for party building study at the invitation of the CCP³³³. Similarly, the Golkar Party sent approximately 15 of its cadres to China every year, according to Airlangga Hartarto, the current party chair and Coordinating Minister for Economic Affairs in the Widodo administration. He justified the relationship on the grounds that the CCP has “strength in development studies,” from which Golkar cadres can “learn how to better build Indonesia.”³³⁴

Over the last decade, Golkar has had the most frequent interactions with the CCP; this relationship apparently reaches back to the late 1980s when, technically, Indonesia-China ties were frozen.³³⁵ Former Golkar officials acknowledged that they studied how the CCP manages the party and its assets but refused to study its communist teachings. As one former Golkar chair said, “I am still anti-communist, I am still Golkar.”³³⁶ Democrat Party officials also deny that their engagement with the CCP included seminars on communism.³³⁷ Ironies aside, there seems to be a sense of curiosity among Indonesian party officials as to how the CCP could run a tight ship, while Indonesian parties still grapple with political decentralization and building the party across the country’s vast archipelago.

The CCP has “strength in development studies,” from which Golkar cadres can “learn how to better build Indonesia.”

Party-to-party engagement is an opportunity for the CCP to engage in long-term structural influence activities aimed at Indonesia’s political elites. It has become an important way to build close ties, away from the rigid diplomatic protocols, while ensuring access to the highest levels of decision-making in both countries. Both sides use the fora to gain political access and economic benefits, as well as to shape each other’s perceptions through party training programs and policy lesson-sharing. Indonesia’s maritime crisis with China in early 2016 (see

³³³ Details of this visit are from: D. Dj. Kliwantoro, “Kader PDIP belajar di China.” *Antara News*, 14 October 2013, <https://www.antaraneews.com/berita/400290/kader-pdip-belajar-di-china>.

³³⁴ Putri, Zunita, “Golkar-Chinese Communist Party Agree to Continue Cadre Exchange [Golkar-Partai Komunis China Sepakat Lanjutkan Pertukaran Kader.]” *Detik News*, 21 September 2019, <https://news.detik.com/berita/d-4715818/golkar-partai-komunis-china-sepakat-lanjutkan-pertukaran-kader>.

³³⁵ This was revealed by Golkar’s former chair, Agung Laksono. See “Agung Laksono Denies Golkar and Chinese Communist Party Swapping Cadres [Agung Laksono Bantah Golkar dan Partai Komunis China Bertukar Kader.]” *Liputan6*, 23 September 2019, <https://www.liputan6.com/news/read/4069628/agung-laksono-bantah-golkar-dan-partai-komunis-china-bertukar-kader>.

³³⁶ “Agung Laksono Denies Golkar and Chinese Communist Party Swapping Cadres [Agung Laksono Bantah Golkar dan Partai Komunis China Bertukar Kader.]”

³³⁷ Tim. 2018. “Democrats Restricted to Exchanging Visits with the Chinese Communist Party [Demokrat Sebatas Tukar Kunjungan dengan Partai Komunis China.]” *CNN Indonesia*, 15 October 2018. <https://www.cnnindonesia.com/nasional/20181015205408-32-338699/demokrat-sebatas-tukar-kunjungan-dengan-partai-komunis-china>.

below) illustrates how China could activate and use these ties when it needs to. Party-to-party interactions may even be intensifying. For example, at least six political parties are currently engaging in regular interactions with the ILD, and COVID-19 has provided a platform for purportedly apolitical cooperation. These persistent efforts speak to the PRC's long-term commitments to developing influence in Indonesia.

The 2016 Indonesia-China Maritime Crisis: Party to the Rescue?

On 19 March 2016, an Indonesian fisheries ministry vessel caught a Chinese trawler fishing in its exclusive economic zone (EEZ). This led to a direct confrontation with the Chinese Coast Guard, which physically forced the vessel's release.³³⁸ While PRC diplomats tried to prevent the situation from becoming public, the Indonesian Defense Minister escalated tensions by announcing plans to deploy frigates, fighter jets, and an armed battalion to the area, while the fisheries minister, Susi Pudjiastuti, held a detailed press conference on the incident.

Most analysts have focused on the domestic politics behind the crisis and its resolution.³³⁹ But what is seldom explored was the role of the CCP *after* the incident. It should be noted that maritime security is under the purview of the ILD. Indeed, the ILD regularly uses the party-to-party channel to propagate its territorial claims in the South China Sea, particularly throughout 2016 when the United Nations Convention on the Law of the Sea (UNCLOS) tribunal invalidated China's nine-dash line map.³⁴⁰ The nine-dash line map represents China's historical claims to islands in the South China Sea. Several weeks after the incident, at the invitation of the PDI-P party (the party which supported Widodo's candidacy for president) a delegation headed by the Minister of the ILD, Song Tao, visited Jakarta on April 13, 2016, and met with President Widodo and his cabinet members.³⁴¹

After discussing various economic cooperation and investment projects, such as the Jakarta-Bandung HSR, the meeting also served to officially invite Widodo to the upcoming G-20 Summit in China. Interestingly, Cabinet Secretary Pramono Anung, a senior PDI-P official, spoke to the press after the meeting. One of the things he said was that Indonesia and China agreed to "peacefully resolve" their problems and to "respect one another" without involving an external party that could create "regional tension."³⁴² He added that as "China does not claim the Natuna Sea, we consider the matter resolved."³⁴³ In other words, after a high level Indonesian government meeting, facilitated by party-to-party ties, a serious crisis facing Indonesia and China was somehow resolved, albeit temporarily. The CCP's decision to deploy the ILD to help to resolve the crisis demonstrates how much the CCP values of the relationships cultivated through years of party-to-party diplomacy with Indonesia.

³³⁸ Connelly, Aaron L. 2016. "Indonesia in the South China Sea: going it alone." *Lowy Institute*, 5 December 2016. <https://www.lowyinstitute.org/publications/indonesia-south-china-sea-going-it-alone#:~:text=Indonesia%20in%20the%20South%20China%20Sea%3A%20Going%20it,role%20on%20the%20broader%20South%20China%20Sea%20issue>.

³³⁹ Laksmana, Evan A. "Jakarta left all at sea by island clash with China." *New Mandala*, 5 April 2016. <https://www.newmandala.org/jakarta-left-all-at-sea-by-island-clash-with-china/>.

³⁴⁰ Hackenesch and Bader. "The Struggle for Minds and Influence: The Chinese Communist Party's Global Outreach."

³⁴¹ Januarius Kuwado, Fabian. "This is What Jokowi Discussed with the Chinese Communist Party Delegation [Ini yang Dibicarakan Jokowi dengan Delegasi Partai Komunis China]." *Kompas*, 13 April 2016. <https://nasional.kompas.com/read/2016/04/13/17054281/Ini.yang.Dibicarakan.Jokowi.dengan.Delegasi.Partai.Komunis.China>.

³⁴² Diah Kusumawati, Utami. "Government Considers China Conflict in Natuna Over [Pemerintah Anggap Konflik RI-China di Natuna Selesai]." *CNN Indonesia*, 13 April 2016. <https://www.cnnindonesia.com/internasional/20160413190126-106-123769/pemerintah-anggap-konflik-ri-china-di-natuna-selesai>.

³⁴³ The PRC's territorial claims within the Nine Dash Line overlap with the North Natuna Sea, part of Indonesia's claimed Exclusive Economic Zone. Diah Kusumawati. "Government Considers China Conflict in Natuna Over [Pemerintah Anggap Konflik RI-China di Natuna Selesai]."

United Front Work

The CCP uses United Front work to mobilize and unify Chinese society in service of its political goals, and to isolate and weaken individuals or groups it identifies as enemies. This work extends beyond the PRC's borders through the CCP's attempts to instrumentalize diaspora groups, trying to "increas[e] the CCP's political influence, interfering in the Chinese diaspora, suppressing dissident movements, building a permissive international environment for a takeover of Taiwan, intelligence gathering, encouraging investment in China, and facilitating technology transfer."³⁴⁴

Compared to other countries with similarly sized Chinese diaspora populations, Indonesia is home to fewer United Front Work Department (UFWD) subordinate organizations or organizations which are immediately recognizable as PRC-affiliated. Many Chinese cultural organizations in Indonesia focus on improving social welfare in their communities. These organizations and the individuals who run them are then honored by Chinese state and party organs, but they do not consistently elevate PRC talking points.

The party organs responsible for United Front work include CCP bodies such as the UFWD, its subordinate office the China Council for the Promotion of Peaceful National Reunification (CCPPNR), as well as the Chinese People's Political Consultative Conference (CPPCC). The Overseas Chinese Affairs Office (OCAO) and the subordinate All-China Federation of Returned Overseas Chinese (ACFROC) were once organized underneath the PRC's State Council; in October 2018 they were absorbed by the UFWD during a massive reorganization.³⁴⁵ Other entities performing United Front work, such as the Chinese People's Association for Friendship with Foreign Countries (CPAFFC), are not transparent about their organizational ties to either state or party organs.³⁴⁶

One method of determining the scale of PRC and UFWD linked activities in a country is to consult lists of diaspora leaders invited to attend important conferences in the PRC. For example, 543 individuals from 109 countries were appointed as "Overseas Chinese" committee members for the Tenth ACFROC National Congress in 2018.³⁴⁷ Ten Indonesians were on the list. Other Asian countries with smaller populations and less significant proportions of ethnic Chinese sent larger delegations.³⁴⁸ Nine Indonesians appear on the list of overseas committee members from the previous ACFROC Congress in 2013. It may be the case that Indonesia has not been assigned the same level of priority as other Asian countries by the United Front bureaucracy, or that cultural and political factors have made United Front work more difficult there.

³⁴⁴ Joske, Alex. 2020. "The Party Speaks For You." *Australian Strategic Policy Institute*, 9 June 2020. <https://www.aspi.org.au/report/party-speaks-you>.

³⁴⁵ This report attempts to correctly label whether an organization was linked to the PRC state or the CCP during the time period described, but these organizational changes mean that these divisions have been blurred. More details about the reorganization of the United Front Work Department can be found in the following article: Joske, Alex. 2019. "Reorganizing the United Front Work Department: New Structures for a New Era of Diaspora and Religious Affairs Work." *China Brief*, Vol. 19:9, 9 May 2019. <https://jamestown.org/program/reorganizing-the-united-front-work-department-new-structures-for-a-new-era-of-diaspora-and-religious-affairs-work/>.

³⁴⁶ Dotson, John. 2019. "CPAFFC and the United Front Strategy of "Sub-National Engagement." *Jamestown Foundation*, 15 October 2019. https://jamestown.org/wp-content/uploads/2019/09/Dotson_Presentation.pdf?x46096.

³⁴⁷ "(Authorized release) The tenth National Congress of the Returned Overseas Chinese Families hired the list of overseas members of the tenth committee of the China Overseas Chinese Association [(受权发布) 第十次全国归侨侨眷代表大会聘请 中国侨联第十届委员会海外委员名单]." *All-China Federation of Returned Overseas Chinese* [中华全国归国华侨联合会], 01 September 2018. <http://www.chinaql.org/n1/2018/0901/c421026-30265666.html>.

³⁴⁸ "(Authorized release) The tenth National Congress of the Returned Overseas Chinese Families hired the list of overseas members of the tenth committee of the China Overseas Chinese Association (受权发布) 第十次全国归侨侨眷代表大会聘请 中国侨联第十届委员会海外委员名]".

Because Chinese influence is often viewed with suspicion in Indonesia, it is home to fewer groups modeled after UFWD's subordinate organizations or which are clearly PRC-affiliated. Instead, Chinese officials have engaged general purpose Chinese community organizations and their officials. Chinese officials attend banquets or provide these groups with honors, without obvious political messages accompanying their attendance. These groups are usually more circumspect about their views on Chinese foreign policy, and it is relatively less common to see photos with the Chinese flag in the background or see celebrations of China's National Day. Indonesian think tanks have also observed a drop in local Chinese organizations' public activities in the last decade, especially when it comes to events with PRC diplomatic staff. They have hypothesized that this reticence is due to another recent rise in anti-Chinese sentiment.

■ Indonesia's Response

It can be difficult to extract Indonesia's democratic resilience to China's influence from anti-Chinese ethnic hostility or performative anti-communist political posturing. These byproducts, left over from Suharto's 32-year dictatorship, mean the PRC's usual strategies for exerting influence via the Chinese diaspora have fallen on barren ground in Indonesia. Neither Chinese language media nor United Front groups have gained significant traction among ethnic Chinese communities, though PRC outreach and support to these channels continues.



Muslim women hold posters during a rally outside the Chinese Embassy in Jakarta, Indonesia, Friday, Dec. 27, 2019. Over a thousand Muslims staged the rally calling to an end to alleged oppression against Muslim Uighur ethnic minority in China's region of Xinjiang. (AP Photo/Dita Alangkara).

The Muslim community in Indonesia presents a strong potential for pushback against engagement with China. In December 2018, the leaders of Indonesia's second-largest Muslim organization, Muhammadiyah, issued an open

letter requesting that Beijing explain reports of violence against Uyghurs.³⁴⁹ On 20 December 2018, there were also widespread protests in support of Chinese Uyghurs. Hundreds of people gathered in front of the Chinese Embassy in Jakarta³⁵⁰ and Western media outlets published pictures of similar gatherings in other regions, including Bandung³⁵¹ and Banda Aceh,³⁵² adding to the Indonesian government. These protests were linked with the 212 Movement, which is comprised of orthodox Muslims who want to vote President Joko “Jokowi” Widodo out of office. The groups participating in the anti-Jokowi protests are diverse, but many of them are decidedly anti-Chinese. For example, in late 2016 and early 2017, Islamists mobilized against Basuki Tjahaja Purnama, then the Chinese Christian governor of Jakarta. It is unclear if Muslim groups’ activism in Indonesia against Chinese policies in Xinjiang are motivated by a democratic conviction regarding freedom of religion or driven by racial factors. Regardless of motivation, such activism has not produced enough political pressure to dampen Indonesia’s engagement with the PRC. In response to accusations by such groups that Widodo may be too interested in appeasing China, he has appeared reluctant to address the Uyghur issue directly. For example, in March 2019, he deflected questions about Xinjiang in an interview with the *Financial Times*, turning the conversation to the Burmese Rohingyas instead.³⁵³

Lacking its usual entry points into Indonesia’s information space, Beijing has had only limited success controlling discourse. In particular, a significant portion of Chinese-language media in Indonesia remains beyond the PRC’s coercive means of influence; in fact, some organizations are considered pro-Taiwan.³⁵⁴ However, these outlets do not have the reach and resources of Indonesia’s most influential news sources, such as *The Jakarta Times*, whose editorial board has adopted a much more agreeable approach to the PRC’s favored narratives.

■ Conclusion

Indonesia is an example of how Chinese foreign influence and interference efforts proceed under extreme conditions. Indonesia is home to a wealth of natural resources and there is a broad consensus from politicians and citizens alike that the country could benefit from the large infrastructure projects synonymous with the Belt and Road Initiative. Even more importantly, a Chinese-Indonesian population estimated to number around five million could provide the sort of grassroots support the PRC often tries to coopt. That being said, Indonesian history is littered with incidents of anti-Chinese and anti-communist violence that colors almost any interaction PRC diplomatic staff arrange at the national, or even sub-national, level. Even without that bias, Indonesia has prided itself on its independence and resisted siding with either the U.S. or the PRC in major conflicts.

Given these obstacles, it is not surprising that Chinese influence efforts are struggling to take hold, especially in non-economic areas. Limitations on the Chinese language have slowed the PRC’s penetration into the information space. The Indonesian government’s own inclination to moderate information perhaps presents the widest openings for Chinese influence over Indonesia’s domestic news environment, as opposed to any strategic investments PRC-linked individuals have made in media companies. Although there is certainly a network of

³⁴⁹ Emont. “How China Persuaded One Muslim Nation to Keep Silent on Xinjiang Camps; Beijing funded visits by Indonesian religious leaders to show how its re-education centers are a well-intended effort at providing Uighurs with job training.”

³⁵⁰ Walden, Max. 2019. “Indonesia’s Opposition Takes Up the Uighur Cause.” *Foreign Policy*, 5 February 2019. <https://foreignpolicy.com/2019/02/05/indonesias-opposition-takes-up-the-uighur-cause/>.

³⁵¹ “Indonesian Muslims protest against China’s treatment of Uighurs”. *Reuters*, 21 December 2018. <https://www.reuters.com/article/us-indonesia-protests-uighurs/indonesian-muslims-protest-against-chinas-treatmentof-uighurs-idUSKCN1OK195>.

³⁵² Walden. “Indonesia’s Opposition Takes Up the Uighur Cause”.

³⁵³ Anderlini, Jamil and Henny Sender. 2019. “Dilemma for Widodo as China Cases Shadow on Indonesia Polls.” *Financial Times*, 17 March 2019. <https://www.ft.com/content/9831c394-46ed-11e9-b168-96a37d002cd3>.

³⁵⁴ Hoon, Chang Yau. 2006. “A Hundred Flowers Bloom: The Re-emergence of the Chinese Press in Post-Suharto Indonesia.” In *Media and the Chinese Diaspora: Community, Communications and Commerce*, London, Routledge, 2006, pp. 91-118. https://ink.library.smu.edu.sg/soss_research/835/.

Indonesian groups and individuals participating in United Front Work, it is relatively small compared to that in other countries in the Asian Pacific region or in countries with significant Chinese diaspora. Still, the most notable aspect of Chinese influence efforts in Indonesia is the fact that they continue to advance, despite widespread disapproval.



EL SALVADOR

■ Introduction

Despite having formal diplomatic ties for fewer than three years, the People's Republic of China (PRC) and El Salvador have developed a strong relationship. Their relations took a sharp turn in 2018, when the ruling Salvadoran political party *Frente Farabundo Martí para la Liberación Nacional* (FMLN), who were formerly Marxist-led guerrillas, initiated secret talks to break ties with Taiwan and recognize Beijing. Despite decades of close relations with the United States, they only notified the United States ambassador of the impending diplomatic switch hours before the official announcement in August 2018.³⁵⁵ After the FMLN candidate lost to Nayib Bukele in the 2019 elections, reports surfaced that the new government was reconsidering the decision. However, Bukele did not reengage with Taiwan.³⁵⁶ The PRC has since established itself as the administration's partner of choice by uncritically supporting its authoritarian actions through traditional state-to-state interactions, supplemented by a robust presence of United Front operations.

The mutual embrace of the PRC and the Bukele administration has created a symbiotic relationship that has allayed the international community's increasing economic, social, and political pressure on the Salvadoran government to become more democratic and less corrupt.

The mutual embrace of the PRC and the Bukele administration has created a symbiotic relationship that has allayed the international community's increasing economic, social, and political pressure on the Salvadoran government to become more democratic and less corrupt. In exchange, China is building a strategic hub in a region long allied with the United States. The relationship between the PRC and El Salvador, as an increasingly authoritarian country, mutually reinforces each government's authoritarian practices in the international space.

It is worth noting El Salvador's relationship with the PRC is rapidly evolving after being brought to a near-complete standstill by the COVID-19 pandemic, which forestalled promised investment, and slowed diplomatic exchanges and other activities. As the pandemic crisis has declined, the level of PRC activity in El Salvador has increased sharply – a trend unlikely to abate soon.

■ The Developing Relationship

In February 2019, Nayib Bukele was elected president of El Salvador as a member of the Grand Alliance for National Unity political party. During this period, *Nuevas Ideas*, the party that Bukele founded and maintained

³⁵⁵ Ellis, Evan. "El Salvador Recognizes the PRC: Confrontation on the FMLN's Way out the Door." *Global Americans*, 10 July 2020, <https://theglobalamericans.org/2018/08/el-salvador-recognizes-the-prc-confrontation-on-the-fmlns-way-out-the-door/>; Horton, Chris. "El Salvador Recognizes China in Blow to Taiwan." *The New York Times*, 21 Aug. 2018, <https://www.nytimes.com/2018/08/21/world/asia/taiwan-el-salvador-diplomatic-ties.html>.

³⁵⁶ Strong, Matthew. "President-Elect El Salvador Reconsiders Switch from Taiwan to China: Taiwan News: 2019-02-08 19:10:12." *Taiwan News*, 8 Feb. 2019, <https://www.taiwannews.com.tw/en/news/3634139>.

membership with, was still in formation and competed as a party in the legislative elections in 2021.³⁵⁷ Bukele initially criticized China while at the Washington based Heritage Foundation in 2019, stating, “China does not play by the rules; they do not respect the rules.”³⁵⁸ However, his tone quickly changed, and a state visit to China in December of that same year accelerated warming ties between El Salvador and the PRC.³⁵⁹ PRC officials lavished Bukele with attention, awarded him an honorary doctorate for his stature as a “transformational leader in world politics,” and promised hundreds of millions of dollars in donations to build soccer stadiums, libraries, water, plants and other infrastructure in El Salvador. In response, Bukele offered to make El Salvador the PRC’s anchor in Latin America, noting it is “a small country [El Salvador] but we can become [China’s] hub because of our geographic position.”³⁶⁰



Fraying ties between El Salvador and the United States, as well as the European Union, also drove El Salvador’s burgeoning relationship with China. Simultaneously, a broad range of human rights groups and civil society

³⁵⁷ Call, Charles T. “The Significance of Nayib Bukele’s Surprising Election as President of El Salvador.” *The Brookings Institution*, 5 Feb. 2019, <https://www.brookings.edu/blog/order-from-chaos/2019/02/05/the-significance-of-nayib-bukeles-surprising-election-as-president-of-el-salvador/>.

³⁵⁸ Gao, Charlotte. “China-El Salvador Relationship Wobbles.” *The Diplomat*, 18 Mar. 2019, <https://thediplomat.com/2019/03/china-el-salvador-relationship-wobbles/>.

³⁵⁹ “Xi Jinping Holds Talks with President Nayib Armando Bukele Ortez of El Salvador.” *Consulate-General of the People’s Republic of China in Gothenburg*, 3 Dec. 2019, <https://www.mfa.gov.cn/ce/cggb//eng/xwdt/t1721808.htm>.

³⁶⁰ “The Curious Honeymoon Of China And El Salvador.” *Deutsche Welle*, 12 Apr. 2019, <https://www.dw.com/es/la-curiosa-luna-de-miel-de-china-y-el-salvador/a-51536358>.

organizations condemned Bukele's increasingly authoritarian behavior.³⁶¹ The PRC ambassador to El Salvador issued repeated tweets emphasizing the PRC's policy of non-interference in the affairs of other nations, while praising Bukele's leadership and lauding his friendship with PRC president Xi Jinping.³⁶² Bukele, in turn, increasingly turned away from the United States and towards the PRC for financial backing and public support. For example, the PRC promised substantial investments in El Salvador while offering unconditional support – termed as “non-interference” and “respect” – for a Bukele administration under increasing external pressure.³⁶³ The PRC's support strengthened the Bukele administration as it embraced an authoritarian model of governance. By September 2021, El Salvador's top court announced that a sitting president could run for re-election, ignoring the constitutional mandate.³⁶⁴

In addition to claiming the presidency – perhaps indefinitely – Bukele's increasingly authoritarian *Nuevas Ideas* party won internationally certified elections on February 28, 2021, when it gained a supermajority in the unicameral legislative assembly. *Nuevas Ideas* also won the mayorships of key cities and municipalities in which the PRC is most interested, which may provide space for the relationship between the PRC and El Salvador to flourish.³⁶⁵

The closeness of their relationship stood out in early 2021 when the PRC delivered five shipments of Sinovac vaccines to El Salvador. In May 2021, the government of El Salvador reported the arrival of the fifth shipment of 500,000 vaccines from China,³⁶⁶ and an additional 1.5 million vaccines arrived in July.³⁶⁷ Delivery of the vaccines came after El Salvador formally granted the PRC permission to install its national flag in the National Assembly alongside other diplomatically-recognized countries, something the Chinese ambassador and Bukele both hailed on Twitter as a major milestone.³⁶⁸

³⁶¹ “World Report 2021: Rights Trends in El Salvador.” *Human Rights Watch*, 13 Jan. 2021, <https://www.hrw.org/world-report/2021/country-chapters/el-salvador>; Kitroeff, Natalie. “Salvador's Leader, Combative but Popular, May Tighten Grip in Elections.” *The New York Times*, 28 Feb. 2021, <https://www.nytimes.com/2021/02/28/world/americas/el-salvador-election-bukele.html>.

³⁶² “China Congratulates New El Salvador Leader and Beijing Critic Nayib Bukele.” *South China Morning Post*, 1 June 2019, <https://www.scmp.com/news/china/diplomacy/article/3012724/bright-prospects-china-congratulates-new-el-salvador-leader>.

³⁶³ Ellis, Evan. “El Salvador Recognizes the PRC: Confrontation on the FMLN's Way out the Door.” *Global Americans*, 10 July 2020, <https://theglobalamericans.org/2018/08/el-salvador-recognizes-the-prc-confrontation-on-the-fmlns-way-out-the-door/>.

³⁶⁴ “Nayib Bukele Is Wrecking Democracy in El Salvador.” *The Economist*, 11 Sept. 2021, <https://www.economist.com/leaders/2021/09/11/nayib-bukele-is-wrecking-democracy-in-el-salvador>.

³⁶⁵ Brigida, Anna-Catherine, and Mary Beth Sheridan. “El Salvador's Leader Wins Control of Legislature in Midterm Vote; Critics Fear Rising Authoritarianism.” *The Washington Post*, 1 Mar. 2021, https://www.washingtonpost.com/world/the-americas/salvador-bukele-legislative-midterm-election-authoritarian/2021/02/28/5f2ac302-77c9-11eb-8115-9ad5e9c02117_story.html.

³⁶⁶ Berti, Lucas. “China Sends 500,000 Sinovac Vaccines to El Salvador.” *The Brazilian Report*, 19 May 2021, <https://brazilian.report/liveblog/2021/05/19/china-sends-sinovac-vaccines-el-salvador/>.

³⁶⁷ “China, U.S. to Send Covid-19 Vaccine Doses to El Salvador.” *Reuters*, 3 July 2021, <https://www.reuters.com/world/americas/us-sending-15-mln-doses-modernas-covid-19-vaccine-el-salvador-2021-07-02/>.

³⁶⁸ Tweet by the Ou Jianhong (@oujianhong) on 27 March 2021, accessed here: <https://twitter.com/oujianhong/status/1376000743967232003>; Tweet by Embajada de la República Popular China en SV (@EmbajadaChinaSV) on 27 March 2021, accessed here: <https://mobile.twitter.com/embajadachinasv/status/1375978422162358273>.



Ou Jianhong
@oujianhong





Muchas gracias, Sr. Presidente. Es un honor para mí poder trabajar en su lindo país, y hacer aportes por fortalecer los lazos de amistad y cooperación entre los dos países en beneficio de los dos pueblos.

[Translate Tweet](#)



Nayib Bukele  @nayibbukele · Mar 27, 2021

Gracias al Presidente Xi Jinping y a la embajadora @oujianhong por su ayuda para que nuestro país pudiera adquirir 2 millones de vacunas de la empresa SINOVAC, de las cuales recibiremos 1 millón mañana a primera hora  

10:38 PM · Mar 27, 2021 · Twitter for Android

Figure 1: Tweets by Chinese ambassador Ou Jianhong and President Bukele reaffirming friendship and Covid 19 relief.

Afterwards Bukele tweeted, thanking “President Xi Jinping and ambassador @oujianhong for your help so our country could acquire 2 million doses of vaccinations from SINOVAC.” Walter Araujo, a reporter in El Salvador, responded: “When someone chooses to not love you, there is a world that is open to you and willing to help you. Thank you, Republic of China and your President Xi Jinping.”³⁶⁹

■ Economic Influence

China’s strategic investment in El Salvador reflects the PRC’s evolving posture in the larger Latin American region, meant to influence El Salvador’s economy. PRC strategy focuses on increased engagement through access to and investment in infrastructure and technology in El Salvador. Many of these proposed projects are not economically viable and may undermine transparency and democratic governance, conclusions discussed in greater detail below. Nonetheless, the promise of economic development and infrastructure in a country where organized crime is rampant and 22.3 percent of the population lives in poverty remains alluring.³⁷⁰ The PRC holds key strategic interests in several major, ongoing trade and infrastructure projects:

³⁶⁹ Araujo was the leading candidate of Bukele’s *Nuevas Ideas* party to become president of the Legislative Assembly but was his candidacy was thrown out after he was found to have multiple cases filed against him for verbally abusing women on his Twitter account. He remains a leading figure in the party. See: Aguilar, Jimena, et al. “Walter Araujo’s Tweets That Ended His Own Candidacy [Los Tuits De Walter Araujo Que Acabaron Con Su Propia Candidatura].” *Alharaca*, 22 Sept. 2021, <https://www.alharaca.sv/actualidad/los-tuits-de-walter-araujo-que-acabaron-con-su-propia-candidatura/>.

³⁷⁰ “El Salvador: Overview.” *World Bank*, 6 Oct. 2021, <https://www.worldbank.org/en/country/elsalvador/overview>.

- 1) **Special Economic Zones.** In July 2018, former President Sánchez Ceren proposed to carve out “special economic zones” totaling 14 percent of the national territory, to generate economic growth along El Salvador’s southern coastline.³⁷¹
- 2) **Isla Perico.** On 15 November 2020, Chinese businessman Bo Yang purchased the 62 acre Isla Perico, an island home to a fishing village; the intention of this purchase is unclear.³⁷²
- 3) **La Unión and Corsain Ports.** The PRC-based company Asia Pacific Xuanhao (APX) - which appears to enjoy substantial links to the PRC military – has sought to rebuild the port of La Unión and other underdeveloped ports along El Salvador’s coast. Plans are currently on hold due to political pushback at the municipal level.³⁷³
- 4) **Surf City.** PRC-based companies announced a development project to build a large tourist center near La Libertad port consisting of luxury hotels, boardwalks and high-end shops along a 21-kilometer stretch of relatively undeveloped coastline.³⁷⁴

Special Economic Zones

The cornerstone of the PRC’s economic interest is the attempt to establish Special Economic Zones (SEZ) comprising about 14 percent of the country’s land mass, including half the coastline and the strategic shared land and ocean borders with Honduras and Nicaragua. In this context, it is significant to note that the FMLN government passed its law creating the SEZs in July 2018, only six weeks before El Salvador’s official recognition of the PRC.³⁷⁵

Field research conducted in the main SEZ territory indicates that no projects have begun. According to field interviews, under the FMLN government Vice President Oscar Ortiz visited the municipalities several times in late 2018 and early 2019 to demand the mayors commit to providing all municipal services (including electricity, water, sewage and garbage collection) to companies from the PRC free of charge. This prompted stiff resistance in the

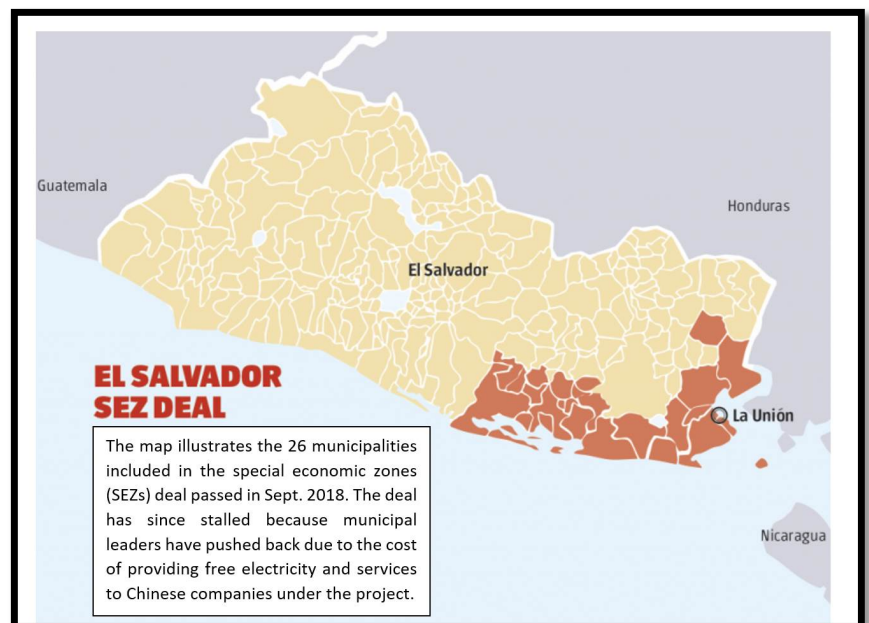


Figure 2: Map of El Salvador’s proposed SEZs deal with the PRC in 2018.

³⁷¹ Russell, Benjamin. “China-Latin America 2.0 What a Controversial Deal in El Salvador Says about China’s Bigger Plans.” *Americas Quarterly*, 15 Aug. 2019, <https://www.americasquarterly.org/article/what-a-controversial-deal-in-el-salvador-says-about-chinas-bigger-plans/>.

³⁷² Renderos interviews in San Miguel, La Union, Conchuga and Cutuco.

³⁷³ Barthelmes, Anna-Carina, et al. “Beijing’s Foothold in Central America-El Salvador’s Diplomatic Realignment.” *Institute for Security and Development Policy*, 18 June 2020, <https://isdpeu/publication/beijings-foothold-central-america-el-salvadors-diplomatic-realignment/>.

³⁷⁴ Renteria, Nelson. “China Signs on for ‘Gigantic’ Investment in El Salvador Infrastructure.” *Reuters*, 3 Dec. 2019, <https://www.reuters.com/article/us-el-salvador-china/china-signs-on-for-gigantic-investment-in-el-salvador-infrastructure-idUSKBN1Y7266>; Ellis. “El Salvador Recognizes the PRC: Confrontation on the FMLN’s Way out the Door.”

³⁷⁵ For a more complete look at the irregularities in the economic relationships between the PRC leadership and the FMLN presidency see: Farah, Douglas, and Caitlyn Yates. “El Salvador’s Recognition of the People’s Republic of China: A Regional Context.” *National Defense University*, Mar. 2019, <https://inss.ndu.edu/Portals/82/Documents/Strategic%20Perspectives/SP%2030%20FINAL%20190313.pdf?ver=2019-03-13-111658-973>.

municipalities, mostly at the time controlled by parties in opposition to the FMLN. This standoff, followed by the pandemic, halted any visible progress in this field. However, with the February 28, 2021 elections, Bukele's *Nuevas Ideas* swept the mayorships of most of the municipalities in question.³⁷⁶

While there have been multiple reports stating that the Bukele administration cancelled the SEZ project,³⁷⁷ sourced interviews for this report noted that Bukele made a strategic decision to stop talking about the project since it could not be advanced during the COVID-19 pandemic, in addition to significant pushback at a local (municipal) level.³⁷⁸ Now that the local pushback is likely to dissolve given the electoral victories of *Nuevas Ideas*, these projects will likely restart soon.

The Role of APX and the United Front Work Department



Figure 3: Map showing Isla Perico (A), Isla Periquito (B) and ports discussed.

The PRC-based private enterprise Asia Pacific Xuanhao (APX) has been particularly active in its attempts to work inside El Salvador. The company's links to the People's Liberation Army and People's Armed Police - identified through open sources - and its willingness to engage in investments without apparent economic bases are grounds for concern the company could serve PRC state interests.³⁷⁹

APX announced a proposal in July 2018 to lease 225 hectares (572 acres) within and around Puerto de la Unión.³⁸⁰ In addition, APX is attempting to lease additional land in Puerto Corsain, which is run by the Salvadoran government as a strategic state zone with restricted access.³⁸¹ APX development in Puerto Corsain will

reportedly include 48.1 hectares (122 acres) of space directly outside of the port (in what is considered extra-

³⁷⁶ Miranda, Danilo. "How Far Will Nayib Bukele Go to Impose His Authoritarian Agenda?" *Revista*, Mar. 2021, <https://www.envio.org.ni/articulo/5885>.

³⁷⁷ "China Regional Snapshot: Mexico and Central America." *Committee on Foreign Affairs*, 16 Mar. 2021, <https://gop-foreignaffairs.house.gov/mexico-and-central-america/>.

³⁷⁸ IBI Consultants conducted a 2-day field visit to eastern El Salvador, where most of the PRC investment is promised to be carried out, and where an agent of the CCP's United Front Work Department (UFWD) has purchased a small island; interviewed in-country sources who work with the government in issues related to the PRC, its policies and its investments; conducted broad-base, multi-language open source research; and conducted a review of available corporate and acquisition records relating to PRC investments in El Salvador.

³⁷⁹ A breakdown of the APX corporate structure and ties to United Front structures, provided by C4ADS as part of a research project in support of the office of the Deputy Assistant Secretary of Defense for Counternarcotics and Global Threats, used with permission.

³⁸⁰ "Puerto La Unión, El Salvador: Cepa Must Decide Whether to Lease Extra-Port Zone to a Chinese Company [Puerto La Unión, El Salvador: Cepa Deberá Decidir Si Arrienda Zona Extraportuaria a Empresa China]." *MundoMaritimo*, 31 Aug. 2018, <https://www.mundomaritimo.cl/noticias/puerto-la-union-el-salvador-cepa-debera-decidir-si-arrienda-zona-extraportuaria-a-empresa-china>.

³⁸¹ "ARENA Requests CEPA to Clarify Land Rental in the Union to Chinese Corporation [ARENA Solicita a CEPA Aclarar Renta De Terrenos En La Unión a Corporación China]." *Diario1.Com*, 29 Aug. 2018, <http://diario1.com/politica/2018/08/arena-solicita-a-cepa-aclarar-renta-de-terrenos-en-la-union-a-corporacion-china/>.

port territory).³⁸² According to a letter sent by APX and presented to El Salvador's Autonomous Port Executive Commission (CEPA), the La Unión lease would include an initial investment of \$50 million by the PRC into the port and surrounding areas despite conducting no studies on the feasibility or environmental impact.³⁸³ Several other companies previously walked away from investing because the port was deemed unprofitable.³⁸⁴ APX's promise of a minimum of \$50 million investment – with the potential to reach \$100 million – with no known feasibility or environmental studies as required by law, does not appear to comport with normal business practice.

According to field research, there is currently no PRC presence at either La Unión or Corsáin ports nor any visible construction activity. This is likely due to the COVID-19 pandemic and lack of any project activity. In addition, with the PRC's strict travel restrictions, it will be more difficult for PRC nationals to travel to El Salvador.

Attempts to purchase Isla Perico (A) and Isla Periquito (B), two small islands in the Gulf of Fonseca, are also central to the PRC's strategy. The PRC acquired most of Isla Perico by 2019 despite resistance from local populations. Bo Yang, a little-known Chinese-Salvadoran dual national with deep ties to the FMLN, is the key player in the acquisition of the Isla Perico and in broader PRC-El Salvador relations. Sources interviewed for this report said he was a key interlocutor in setting up Salvadoran officials' trips to Beijing to negotiate the secret efforts to establish diplomatic ties.

Yang made initial overtures to buy Isla Perico in June 2018, almost three months before the diplomatic switch.³⁸⁵ His financial offer of \$10,000 to each of the families to relocate to the mainland were rebuffed by the islanders, who were so upset by Bo Yang's aggressive manner and demands that a delegation of islanders went to San Miguel, the departmental capital, to formally protest.³⁸⁶ The ensuing media reports were the first indication of the PRC's intention to purchase the land.

Following publicity after the recognition of the PRC's involvement, Bo Yang emerged to publicly defend himself as an entrepreneur who wanted to develop tourism on the island — despite the fact it had no infrastructure, running water or electricity, and no accessibility aside from small boats. He also claimed to be the vice president of the Salvador-China Chamber of Commerce, which did not legally exist and was reportedly founded with other businessmen associated with the PRC.³⁸⁷ Public records show Bo Yang is the registered owner of Goldwill SA de CV in El Salvador, founded in 2010, which works with the FMLN and can be tied indirectly to the United Workers Front and APX through corporate records.³⁸⁸

³⁸² Molina, Karen. "Chinese Company Wants to Lease 102 Blocks in Uni [Empresa China Quiere Arrendar 102 Manzanas En La Uni]." *Elsalvador.com*, 27 Aug. 2018, <https://historico.elsalvador.com/historico/513362/empresa-china-quiere-arrendar-73-hectareas-en-la-union-a-1-el-metro-cuadrado.html#:~:text=Salvador%20%2D%20elsalvador.com-Empresa%20china%20quiere%20arrendar%20102%20manzanas%20en%20La%20Uni%C3%B3n%20a.pa%C3%ADs%20abriera%20relaciones%20con%20China>.

³⁸³ Molina. "Chinese Company Wants to Lease 102 Blocks in Uni."

³⁸⁴ In June 2014, the Japanese ECOH corporation conducted a feasibility study and found that La Unión Port presented significant engineering and economic issues and would never be a profitable enterprise. See: "ECOH Corporation, Final Report for Special Technical Assistance for Maintenance Dredging of the Port of La Unión in the Republic of El Salvador." *Japan International Cooperation Agency*, June 2014, https://openjicareport.jica.go.jp/pdf/12153912_01.pdf.

³⁸⁵ Lazo, Roxana. "The Mayor Of Arena Who Wants To Sell Perico Island To A Chinese Businessman [El Alcalde De Arena Que Quiere Vender La Isla Perico a UN Empresario Chino]." *El Faro*, 25 Sept. 2018, https://elfaro.net/es/201809/el_salvador/22472/El-alcalde-de-Arena-que-quiere-vender-la-isla-Perico-a-un-empresario-chino.htm.

³⁸⁶ Lazo. "The Mayor Of Arena Who Wants To Sell Perico Island To A Chinese Businessman."

³⁸⁷ Lazo. "The Mayor Of Arena Who Wants To Sell Perico Island To A Chinese Businessman."

³⁸⁸ Farah and Yates. "El Salvador's Recognition of the People's Republic of China: A Regional Context."

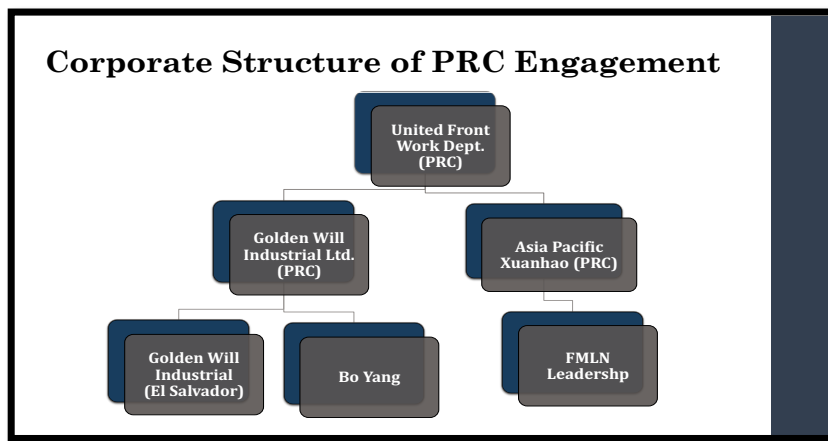


Figure 4: Corporate structures of APX and Bo Yang's Good Will Industrial tied to the UFDW, produced by C4ADS for IBI Consultants.

Interviews in the region during field research found that Bo Yang, who disappeared from public view after his first attempts to buy the island came out publicly, continued to visit the island, threatening government retaliation against the islanders if they did not sell. The threats continued in the provincial capital of San Miguel as well as to mayors of small ports on the mainland after the change of administration from the FMLN to Bukele and *Nuevas Ideas*. When it became clear to the islanders they could lose everything if they continued to resist,

they agreed to sell for more than twice the price offered by Bo Yang and halt their public protests. The sales were finalized in November 2019, with Bo Yang officially registered as the purchaser.³⁸⁹

It is not clear what the strategic interest of the PRC is in either La Unión or Corsain ports, or Isla Perico. What is clear is that APX, the company handling the efforts to acquire 100-year leases for access to the ports, went to considerable lengths to try to hide its connections to the Chinese military while beginning its operations in El Salvador.

When diplomatic ties were initiated in August 2018, the APX website described the company as an “integrated military company of high technology,” and noted it began as a company specializing in developing “advanced technologies” in photo-electronics. When local investigative journalists found the company’s Spanish-language website and asked why a military company was leasing La Unión port, the company site went dark.

When it came back online a couple of days later, the company changed its website from describing itself as an “integrated high technology military company,” with listings for weapons and laser optic scopes, to an “integrated high technology company.” All references related to the sale of weapons were missing. The Salvadoran media, in a rare move, investigated and published the “before” and “after” screenshots of the APX website.³⁹⁰ The Bukele administration has aggressively tried to criminalize reporting by independent media outlets - such as El Faro - through tax audits, unsubstantiated claims of money laundering and ongoing Twitter attacks.³⁹¹ He has also removed a tax benefit for newspapers, driving traditional (and often unfriendly) print media outlets to bankruptcy.³⁹²

Another factor undermining the legitimacy of APX’s negotiations to invest in the La Unión Port is the timing. A PRC-based firm could not legally negotiate a tender until the diplomatic switch was made. However, days before the switch the APX website posted a picture of two of the primary FMLN negotiators – Sigfrido Reyes and Nelson

³⁸⁹ Renderos interviews in San Miguel, La Union, Conchuga and Cutuco.

³⁹⁰ Molina, Karen, and Magdalena Reyes. “Chinese Company Defines Itself as ‘Military’ [Empresa China SE Define Como ‘Militar’, Pero Econom].” *Noticias De El Salvador*, 29 Aug. 2018, <https://www.elsalvador.com/noticias/negocios/513954/empresa-china-interesada-en-la-union-se-define-como-militar/>.

³⁹¹ “Salvadorean President’s Alarming Hostility towards Independent Media: Reporters without Borders.” *Reporters Without Borders*, 7 Oct. 2020, <https://rsf.org/en/news/salvadorean-presidents-alarming-hostility-towards-independent-media>.

³⁹² Ridden, Emma. “El Salvador’s New Legislative Assembly Removes Tax Break for Newspapers.” *Buenos Aires Times*, 6 May 2021, <https://www.batimes.com.ar/news/latin-america/el-salvador-congress-removes-tax-break-for-newspapers.phtml>.

Vanegas (who continues as head of ports in the Bukele administration) – with a group of PRC investors standing together on one of the port’s docks.



Figure 5: Screenshots provided by El Diario de Hoy newspaper, August 19, 2018.

Again, when discovered by Salvadoran media, APX took the picture down. The tender was then announced two days after El Salvador officially established diplomatic ties with the PRC.

Surf City

The Bukele administration has focused significant time and attention on another project sponsored by Chinese companies: a large tourist center near La Libertad port, consisting of luxury hotels, boardwalks, a theme park, and high-end shops along a 21-kilometer stretch of relatively undeveloped coastline. The project — known as Surf City — is not yet under construction but has become part of a significant propaganda effort by the Bukele administration to paint the PRC as benevolent actor. It was one of the dozens of agreements Bukele signed during his state visit to the PRC in December 2019.³⁹³

In March 2021, El Salvador’s Minister of Tourism tweeted about President Bukele working to start construction for the theme park.³⁹⁴ The tweets added that China recently donated five mechanical games and rides to support the project at Puerto de La Libertad and will service mechanical maintenance once the park is up and running.³⁹⁵ Overall the PRC has promised to invest \$200 million in the project, which could cost close to \$1 billion in total.³⁹⁶ However, aside from propaganda videos posted to Facebook and Twitter showing an idealized vision of what the final product should look like, there is no indication of ongoing construction at this time of publication.

Other Areas of Influence

In addition to its economic ties and investments in infrastructure projects, PRC engagement in the Salvadoran academic space has increased since 2018. The trend reflects improved political and diplomatic relations between

³⁹³ Nelson, Renteria. “China signs on for ‘gigantic’ investment in El Salvador infrastructure.” *The Guardian*, 3 Dec. 2019, <https://www.theguardian.pe.ca/news/world/china-signs-on-for-gigantic-investment-in-el-salvador-infrastructure-383636/>.

³⁹⁴ @MITUREISalvador. “La Ministra @MorenaValdezSV afirmó que el parque de diversiones que se construirá en el Puerto de La Libertad será el primero en la región que estará frente a la costa y que tendrá infraestructura turística de primer nivel.” *Twitter*, 7 March 2021, <https://twitter.com/MITUREISalvador/status/1368586140752764935?s=20>. *This tweet has since been deleted.*

³⁹⁵ Tweet by the Ministerio de Turismo (@MITUREISalvador) on 7 March 2021, accessed here: <https://twitter.com/miturelsalvador/status/1368623143426940930?s=12>. *This tweet has since been deleted.*

³⁹⁶ Ellis. “El Salvador Recognizes the PRC: Confrontation on the FMLN’s Way out the Door.”

the PRC and El Salvador – most notably, Beijing’s first El Salvador-based Confucius Institute established in 2019. Commentary on the PRC in Salvadoran media is also largely positive, despite a lack of official PRC media establishments in El Salvador.

Confucius Institutes

In November 2019 El Salvador allowed the first Confucius Institute to open at the *Universidad de El Salvador* (UES), the largest public university in the country, with the stated objectives of “meeting the need to learn the Mandarin language and help all Salvadorans to get to know Chinese culture.”³⁹⁷ As the COVID-19 pandemic shut down in-person teaching, UES moved to online classes for basic and intermediate Mandarin at no cost and open to the public. The initial class reportedly had 800 students.³⁹⁸ While Chinese media reported that 35 Salvadoran students received scholarships through the Confucius Institute,³⁹⁹ due to ongoing travel restrictions there are no recorded travel of students to the PRC as part of this institute. However, in January 2021 the PRC embassy announced a scholarship program for undergraduate, masters and doctoral students to study in China for one year.⁴⁰⁰

Official PRC Media

PRC state media have not yet established an official presence in El Salvador, and there are no PRC media investments in the country. While Xinhua has a photographer, there is no official bureau – and little need for one, given El Salvador’s official media releases a constant stream of positive stories about the PRC. The friendly tweets from the president and his cabinet, along with official retweeting of the Chinese ambassador, would make an official Xinhua bureau’s pro-China content redundant. One Salvadoran TV station aligned with Bukele, TV TVX, participated in the December 2020 Belt and Road Media Summit hosted by the China Media Group in Beijing.⁴⁰¹

As Bukele’s recently initiated state-run media begins its operations, it consistently provides glowing reports of PRC activities and the warming relationship. Bukele increasingly marginalizes independent journalists through intimidation and harassment, to the extent that El Salvador dropped eight places on the Reporters Without Borders ranking of freedom of the press in 2021.⁴⁰² At the same time, Bukele has taken advantage of social media outlets as a tool for his state-run media. In May 2021, after the *Nuevas Ideas* party swept the parliamentary elections, the Legislative Assembly’s social media accounts adopted imagery modeled from the design and color of Bukele’s own insignia.⁴⁰³ Traditional media has reported Chinese issues uncritically, only occasionally quoting

³⁹⁷ Tweet from the official PRC embassy in El Salvador, @embajadaChinaSV, November 20, 2019.

³⁹⁸ Campos, Ana María. “Confucius Institute Of The Ues, A Training Alternative In Times Of Pandemic [Instituto Confucio De La Ues, Una Alternativa De Formación En Tiempos De Pandemia].” *El Universitario*, 5 June 2020, <https://eluniversitario.ues.edu.sv/instituto-confucio-de-la-ues-una-alternativa-de-formacion-en-tiempos-de-pandemia/>.

³⁹⁹ Deng, Pan. “Young China-El Salvador Relations Can Stand the Test of Time.” *China Global Television Network*, 21 Aug. 2019, <https://news.cgtn.com/news/2019-08-21/Young-China-El-Salvador-relations-can-stand-the-test-of-time-JkYgUuToE8/index.html>.

⁴⁰⁰ @EmbajadaChinaSV. “Visite la página web <http://cooperacion.rree.gob.sv/web/becas/ofertas-de-becas> para más información. Los Códigos de la Beca son: 2101170 para pregrados, 2101001 para maestrías y doctorados.” *Twitter*, 5 Jan. 2021, <https://twitter.com/EmbajadaChinaSV/status/1346518960225869834>; “Departamento De Becas.” *El Salvador Department of Education*, Jan. 2021, http://cooperacion.rree.gob.sv/web/becas/ofertas-de-becas?p_p_id=1_WAR_BECAS_INSTANCE_Qi6etzEosmGV&p_p_lifecycle=0&p_p_state=maximized&p_p_mode=view&p_p_col_id=column-1&p_p_col_pos=1&p_p_col_count=2.

⁴⁰¹ Martínez, Claudia. “El Salvador Participates In The China Belt And Road Media Summit [El Salvador Participa En La Cumbre De Medios De La ‘Franja y La Ruta De China].” *INFORMA TVX*, 15 Dec. 2020, <https://informatvx.com/actualidad-china/el-salvador-participa-en-la-cumbre-de-medios-de-la-franja-y-la-ruta-de-china/>.

⁴⁰² “Nayib Bukele’s Recipe for Limiting the Exercise of Human Rights.” *Amnesty International*, 11 Oct. 2021, <https://www.amnesty.org/en/latest/news/2021/07/receta-nayib-bukele-para-limitar-ejercicio-derechos-humanos/>.

⁴⁰³ Ormerod, Alex González, et al. “El Salvador’s President Is Remaking the Government’s Social Media in His Image.” *Rest of World*, 11 May 2021, <https://restofworld.org/2021/el-salvador-digital-coup/>.

opposition figures. For example, the Bukele majority in the Assembly passed a vaguely-worded “Framework Agreement on Bilateral Cooperation” – with no fixed duration period and granting the PRC the right to choose projects – on May 18, 2021.⁴⁰⁴ Bukele announced the agreement would mean \$500 million in Chinese unconditional investments.⁴⁰⁵ According to U.S. officials monitoring the agreements signed, the total agreed upon amount was only 500 million yuan, or \$78 million, of which China only committed a mere \$32 million. Yet the Salvadoran media never questioned the USD \$500 million figure, instead reproducing an official PRC embassy statement saying the aid was given “without conditions” and “without geopolitical considerations.”⁴⁰⁶

■ El Salvador’s Response

After Bukele and his inner circle embraced the PRC as an alternative to El Salvador’s long-standing relationship as partner and ally of the United States, U.S. criticism of Bukele’s actions has grown more vocal, backed by a chorus of concern from leading NGOs like Human Rights Watch. In September 2021, a U.S. diplomat warned of a “decline in democracy” in the country, and the U.S. State Department placed five Salvadoran Supreme Court justices on a list of “undemocratic and corrupt actors.”⁴⁰⁷ There have also been increasing domestic protests in El Salvador against authoritarianism, triggered by Bukele’s decision to make bitcoin legal tender in the country.⁴⁰⁸

However, there has so far been little impactful civil society engagement directly relating to the growing relationship with the PRC. This is likely due in large part to a lack of information and understanding, coupled with the COVID-19 pandemic and economic crisis resulting from two hurricanes in 2020.⁴⁰⁹

■ Conclusion

The PRC saw remarkable success building a relationship with Bukele by publicly and privately praising Bukele as both a person and a statesman and remaining silent or tacitly supportive of his increasing authoritarian actions. The key actor is the PRC ambassador, who maintains a robust social media presence and meets regularly with Bukele’s family and inner circle of advisers. The PRC also promised hundreds of millions of U.S. dollars in donations and investments that would be a significant cushion if the U.S. reduces foreign aid due to unmet conditions.

The COVID-19 pandemic forced both sides to postpone the agreed-to investments and concessions, which include development in the SEZs and port infrastructure which the PRC held exclusive development rights through UFWD-related companies and individuals. However, they successfully purchased the coveted island of Isla Perico while other investments such as the promised soccer stadium, national library, water treatment facilities and other projects remain on hold.

⁴⁰⁴ Velásquez, Eugenia. “What does the Bilateral Cooperation Framework Agreement signed between China and El Salvador contain?: Noticias De El Salvador [¿Qué Contiene El Convenio Marco De Cooperación Bilateral Firmado Entre China y El Salvador?: Noticias De El Salvador].” *Noticias De El Salvador*, 19 May 2021, <https://www.elsalvador.com/noticias/nacional/que-contiene-convenio-firmado-entre-china-y-el-salvador/839713/2021/>.

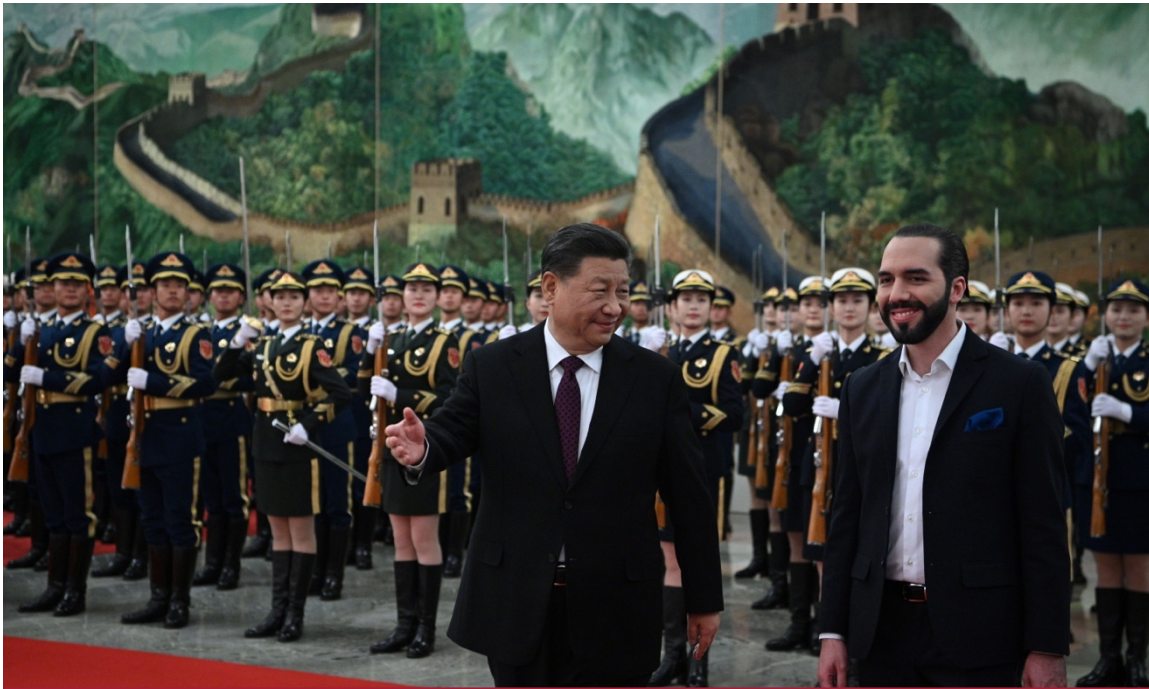
⁴⁰⁵ Hesson, Ted, and Sofia Menchu. “Under U.S. Pressure on Graft, El Salvador Ratifies Cooperation Deal with China.” *Reuters*, 18 May 2021, <https://www.reuters.com/world/americas/us-names-honduran-guatemalan-lawmakers-corrupt-list-2021-05-18/>.

⁴⁰⁶ Hesson and Menchu. “Under U.S. Pressure on Graft, El Salvador Ratifies Cooperation Deal with China.”

⁴⁰⁷ Hesson and Menchu. “Under U.S. Pressure on Graft, El Salvador Ratifies Cooperation Deal with China.”

⁴⁰⁸ “El Salvador: Thousands March Against President Nayib Bukele.” *DW*, 18 Oct. 2021, <https://www.dw.com/en/el-salvador-thousands-march-against-president-nayib-bukele/a-59533397>.

⁴⁰⁹ Durroux-Malpartida, Veronique. “As El Salvador face the double impact of hurricane and COVID-19, NGOs step in.” *UNOCHA*, 30 Dec. 2020, <https://www.unocha.org/story/el-salvador-faces-double-impact-hurricanes-and-covid-19-ngos-step>.



PRC President Xi Jinping and El Salvador's President Nayib Bukele are welcomed by an honor guard at the Great Hall of the People in Beijing. December 3, 2019. (Photo by NOEL CELIS/AFP via Getty Images).

Given El Salvador's lack of strategic resources, small population, and modest market size, the primary value of the relationship for the PRC – aside from isolating Taiwan – is El Salvador's geographic location. While the full strategic benefits of controlling ports and a small island in the Gulf of Fonseca remain unclear, the PRC's investment in those areas and the direct involvement of UFWD companies and individuals indicates the importance China places on the undertaking. Meanwhile, the COVID-19 pandemic opened new avenues for Chinese engagement in public health, even as the pandemic interrupted settled infrastructure projects. Nonetheless, the PRC won significant goodwill by supplying El Salvador with over 5 million COVID-19 vaccine doses by December 2021.⁴¹⁰

The Bukele administration is on a collision course with the United States, El Salvador's primary ally for more than two centuries, exemplified by U.S. President Biden's administration's sanctions over the increasingly anti-democratic and non-transparent behavior of the president and ruling party.⁴¹¹ The PRC positioned itself ideally to take full advantage of the fraying ties by supporting Bukele's authoritarian tendencies and offering alternatives to U.S. and, to a lesser degree, EU aid and support. Within the PRC's embrace, El Salvador's autocracy will likely tighten its grip in coming years.

The PRC positioned itself ideally to take full advantage of the fraying ties by supporting Bukele's authoritarian tendencies and offering alternatives to U.S. and, to a lesser degree, EU aid and support.

⁴¹⁰ "Tracking China's COVID-19 Vaccine Distribution." *Bridge Consulting*, 24 Jan. 2022, https://bridgebeijing.com/our-publications/our-publications-1/china-covid-19-vaccines-tracker/#China8217s_Vaccines_in_Latin_America.

⁴¹¹ Sabatini, Christopher. "America's List of 'Undemocratic and Corrupt Actors' Just Keeps Growing." *The New York Times*, 5 Oct. 2021, <https://www.nytimes.com/2021/10/05/opinion/us-sanctions-venezuela.html>.



■ Introduction

The People's Republic of China (PRC)'s influence operations in Kyrgyzstan are its most aggressive in Central Asia. Kyrgyzstan is a Central Asian nation that shares a 1,000 km-long mountainous border with China's Xinjiang Uyghur Autonomous Region (XUAR), historically known as East Turkestan. Kyrgyzstan and China have had bilateral diplomatic relations since Kyrgyz independence from the Soviet Union in 1991 and have managed their relationship within multilateral organizations such as the Shanghai Cooperation Organization (SCO).

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The PRC, led by the Chinese Communist Party (CCP), is focused on gaining and sustaining Kyrgyz support for its policies in Xinjiang and achieving long-term policy goals that create dependency on China. The CCP's influence operations in Kyrgyzstan are sustained by using economic, educational, institutional, and United Front-aligned groups and propping up a robust rent-seeking culture among Kyrgyz elites.

About two percent of Kyrgyzstan's population is Dungan (Hui Chinese) and Uyghur. Dungans began arriving in Kyrgyzstan in the 1870s, fleeing ethnic persecution from Xinjiang (East Turkestan) and Inner China, such as Qinghai and Gansu. Uyghurs were brought to Central Asia by Soviet campaigns during the 1934 invasion of Xinjiang (East Turkestan). Since the 1990s, the PRC Embassy in the capital, Bishkek, has maintained close ties with these ethnic groups by gathering information about them, visiting them before Muslim holidays, and jointly publishing Dungan and Russian-language newspapers at China News Service's Xinjiang branch.⁴¹² Those efforts are complemented by recent waves of Dungan immigrants from China occurring between 1950s and 1990s due to the Cultural Revolution and subsequent famine. These immigrants often have families in Xinjiang, hold PRC citizenship, and have an interest in China's Xinjiang policies.⁴¹³ However, despite being a majority Muslim nation with close historical and cultural ties to Xinjiang (East Turkestan), official Kyrgyzstan policy is typically ambivalent on China's actions in Xinjiang.

Overall, China employs a variety of tools to influence both Kyrgyz elites and the general public in Kyrgyzstan. They have successfully fostered Kyrgyz support for a small group of pro-China elites in Xinjiang, rather than the Uyghur separatists. These tools have sustained the narrative on Xinjiang as one about terrorism and religious extremism, instead of one about Han Chinese colonialization of East Turkestan and local resistance. Local Kyrgyz resilience against Chinese is grounded in a sense of nationalism amongst the rural and older populations, but these sentiments have failed to trickle down to the majority of the young population, thus exposing them to China's

⁴¹² "The Kyrgyzstan Hui People Daily will build a bridge for cultural exchanges between Kyrgyzstan and China. [吉尔吉斯《回民报》将架起吉中文化交流的桥梁]," *China News Network*, 3 March 2014, <http://www.chinanews.com/gj/2014/03-03/5900174.shtml>. Accessed 6 April 2021.

⁴¹³ Roberts, Sean R. "The Uighurs of the Kazakhstan borderlands: Migration and the nation." *Nationalities Papers*, vol. 26, no. 3, 1998, pp. 511-530. *Cambridge*, doi: 10.1080/00905999808408580.

influence tactics. The young population of Kyrgyzstan seemingly shows little interest in issues related to China. If this trend remains, Kyrgyzstan's resilience against China will likely decline at a rapid rate.

■ Economic Influence

Due to Kyrgyzstan's involvement in the Belt and Road Initiative (BRI), and as the host of various infrastructure projects funded by China's Export-Import Bank,⁴¹⁴ Kyrgyz businesses and political elites are becoming increasingly dependent on the PRC for finance and imports. Since joining the World Trade Organization in 1998, Kyrgyzstan's economic growth has relied heavily on a service-oriented export-import sector. China plays an outsized role in its economy; it holds 42 percent of Kyrgyz foreign debt and is Kyrgyzstan's top trade partner.⁴¹⁵

Despite formidable connections at the elite level, there is little evidence to suggest the PRC controls relations between Kyrgyz elites and the local population. In January 2020, thousands of Kyrgyz villagers protested a proposed logistics hub in Naryn funded by the Kyrgyz-Chinese enterprise At-Bashi SEZ which is headed by a Chinese investor, Liu Ying and a local businessman, Emilbek Abdykadyrov. The logistics center was meant to become a major stage-post in China's BRI but faced backlash from local Kyrgyz who complained that imported Chinese labor took their jobs.⁴¹⁶ The governor withdrew support for this project,⁴¹⁷ showing that despite its efforts to influence decision-making, China's ability to shape grassroots Kyrgyz politics is fragile and often limited to the elite level, often failing to escape the problems associated with China's own corruption practices.

Industrial Sectors

Growing trade and industrial links may facilitate further PRC influence among Kyrgyz elites. Between 2015 and 2019, bilateral trade volume between China and Kyrgyzstan increased from \$4.34 billion to \$6.37 billion. PRC imports contributed to the increase of goods and services; China is Kyrgyzstan's largest trading partner for imports (as well the fastest growing import market over the past 10 years), and was Kyrgyzstan's sixth largest trading partner for exports in 2019.⁴¹⁸ Kyrgyz elites facilitated the trend. For instance, Bishkek's Dordoy Bazaar is the largest transit hub for PRC products entering former Soviet Union countries. Its founder, Askar Salymbekov, benefits personally from Chinese imports into Kyrgyzstan as they support his business, and he has publicly supported further PRC investment in Kyrgyzstan. Salymbekov was also the first Kyrgyz businessman to donate masks to China at the start of the COVID-19 pandemic, has supported projects at the Chinese-Kyrgyz border, and co-authored a book on friendly relations between Kyrgyzstan and China that was published by the Kyrgyz Ministry of Foreign Affairs.⁴¹⁹

⁴¹⁴ "Guide for foreign investment and cooperation countries (regions) Kyrgyzstan (2020 edition) [对外投资合作国别（地区）指南 吉尔吉斯斯坦（2020年版）]." *Ministry of Commerce of the People's Republic of China*, <http://www.mofcom.gov.cn/dl/gbdqzn/upload/jierjisi.pdf>. Accessed 21 May 2021.

⁴¹⁵ "Structure of State Debt of the Kyrgyz Republic [СТРУКТУРА ГОСУДАРСТВЕННОГО ДОЛГА КЫРГЫЗСКОЙ РЕСПУБЛИКИ]," *Ministry of Finance of the Kyrgyz Republic*, http://www.minfin.kg/userfiles/ufiles/undefined/otchet_o_gosdolge_za_yanvar_2021.pdf. Accessed 21 May 2021.

⁴¹⁶ "Kyrgyzstan Cancels China Logistics Super-Hub Investment After At-Bashy Protests." *Silk Road Briefing*, 28 Feb. 2020, <https://www.silkroadbriefing.com/news/2020/02/28/kyrgyzstan-cancels-china-logistics-super-hub-investment-at-bashy-protests/>.

⁴¹⁷ Yau, Niva. "How corruption in Kyrgyzstan put Chinese investments at risk." *South China Morning Post*, 17 Oct. 2020, <https://www.scmp.com/comment/opinion/article/3105669/how-corruption-kyrgyzstan-put-chinese-investments-risk>.

⁴¹⁸ "China and Kyrgyzstan: Bilateral Trade and Future Outlook." *China Briefing*, 27 Aug. 2021, <https://www.china-briefing.com/news/china-and-kyrgyzstan-bilateral-trade-and-future-outlook/>.

⁴¹⁹ "Presentation of the book "China through the eyes of Kyrgyz People" was held in Bishkek [В Бишкеке прошла презентация книги "Китай глазами кыргызстанцев]." *Mir TV*, 24 Dec. 2011, <http://kg.mirtv.ru/news/9989>.

In 2017, Kyrgyz business elites joined China's Central Asia regional industrial standardization architecture to support exports across the renewable energy, energy transmission, livestock management, and agriculture sectors.⁴²⁰ By adopting PRC standards, Kyrgyzstan may have to acquire foundational technology and training from China to operate requisite technology correctly. This partnership could reinforce long-term dependency on PRC technologies and facilitate digital authoritarianism, such as surveillance technologies.⁴²¹

PRC companies are also influential within the Kyrgyz energy, mining, and construction industries, and provide training opportunities through several scholarship-trainee programs. For example, the PRC-based Xi'an Petroleum University has partnered with a China-Kyrgyzstan natural gas company to offer traineeships to graduates who will build the China-Central Asia gas pipeline. The 3,666km long Central Asia-China gas pipeline stretches from Gedaim, on the Turkmenistan/Uzbekistan border, to Horgos in the Xinjiang region of China.⁴²² This long-term investment in cultivating Kyrgyz employees who speak Chinese or studied in China could help build inroads for the PRC long-term in Kyrgyzstan, by generating a cohort of Kyrgyz elites whose social and economic networks are more strongly tied to China than to other potential external partners, such as Russia or the United States.

Agriculture and the Environment

As an integral part of Kyrgyzstan's economy, China has targeted influencing the agricultural sector as a priority since the early 2010s. The agriculture sector comprises 18 percent of Kyrgyzstan's GDP and employs 48 percent of the total labor force.⁴²³ The PRC has sought to facilitate Kyrgyz agricultural exports to China despite their low quality and small market share, even opening a plant laboratory in Bishkek for genetic testing, information sharing, and training.⁴²⁴ As its largest trading partner, Kyrgyzstan relies significantly on agricultural exports to China, creating the potential for influence via those in control of the country's agricultural sector. The CCP also paid for trips to China for Kyrgyz farmers,⁴²⁵ gave away farm equipment, and educated Kyrgyz farmers in an attempt to secure Kyrgyzstan as a source of agricultural imports. The PRC therefore continues to gain influence over the sector, though any political aims in doing so are not explicit. But the more Kyrgyzstan relies on PRC demand and support, the more the country's ability to resist malign PRC influence diminishes.

⁴²⁰ "It may seem like a small step, but it is a big step in realizing the standardization of cooperation between China and the five Central Asian countries. [看似一小步, 却是实现中国与中亚五国合作标准化一大步]." *Silk Road New Observers*, 18 Nov. 2020, <https://mp.weixin.qq.com/s/hAGbqXs-WhIt0DS33amog>.

⁴²¹ Feldstein, Steven. "When It Comes to Digital Authoritarianism, China Is a Challenge - but Not the Only Challenge." *War on the Rocks*, 12 Feb. 2020, <https://warontherocks.com/2020/02/when-it-comes-to-digital-authoritarianism-china-is-a-challenge-but-not-the-only-challenge/>.

⁴²² "Central Asia-China Gas Pipeline, Turkmenistan to China." *Hydrocarbons Technology*. <https://www.hydrocarbons-technology.com/projects/centralasiachinagasp/>; "The "Northwest Path" of the Education of International Students in China [来华留学生教育的"西北路径]," *China Education News*, 15 Aug. 2019, http://m.jyb.cn/rmtzcg/xwy/wzxw/201908/t20190815_253298_wap.html.

⁴²³ "Kyrgyzstan." *Central Intelligence Agency*, <https://www.cia.gov/the-world-factbook/countries/kyrgyzstan/#economy>.

⁴²⁴ "China-Kyrgyzstan joint construction laboratory signed and opened [中吉共建实验室签约并揭牌]." *China News*, 16 Sep. 2016, <http://www.chinanews.com/gn/2016/09-16/8005496.shtml>.

⁴²⁵ "Naryn farmers will go to China for experience and investment [Нарынские фермеры поедут в Китай за опытом и инвестициями]." *Azattyk*, 25 Feb. 2013, <https://rus.azattyk.org/a/24911566.html> ;

"China to allocate 30 million yuan worth of agricultural machinery to Kyrgyzstan [Нарынские фермеры поедут в Китай за опытом и инвестициями]." *Azattyk*, 6 January 2011, <https://www.azattyk.org/amp/2268340.html>. Accessed 6 April 2021.

However, despite economic gains for some in the Kyrgyz elite, PRC companies' business practices drive a wedge between the Kyrgyz government and the general public.

and freedom of speech scandals. Local Kyrgyz alleged that Kara Balta officials collaborated to silence, and in some instances, detain Kyrgyz citizens who claim the refinery negatively impacts the environment. The PRC company failed at assessing the impact of placing the oil factory so close to residential areas, which has strained relations between the PRC-owned factory and the local population.⁴²⁶

■ Influence in the Information Space

Academia

PRC influence in Kyrgyz academia has grown gradually over several years, beginning in 1995 with a meeting held by the PRC Ministry of Foreign Affairs with Central Asian sinologists in China. Many Kyrgyz sinologists publicly support the PRC and Chinese President Xi Jinping's rhetoric, identifying the relationship between Bishkek and Beijing as a "win-win."⁴²⁷ This includes Kyrgyzstan's first ambassador to China, a former foreign minister, and Secretary-General of the Shanghai Cooperation Organization (SCO), Muratbek Imanliev. As a fluent Chinese speaker, Imanliev is a strong voice for China, regularly expressing pro-PRC sentiment across Kyrgyz media and think tanks, including during the COVID-19 pandemic.⁴²⁸

Outside of elite circles, China and Kyrgyzstan have long been isolated from each other by culture and linguistics.⁴²⁹ To overcome these barriers on a wider scale and establish more secure relations with Kyrgyzstan, China established four Confucius Institutes in the country. These institutes promote Chinese culture and language among Kyrgyz youth and in the academic space.⁴³⁰ The institutes also established a program to send Chinese language teachers to primary schools in the country's two biggest cities, Bishkek and Osh, and the remote Batken region.⁴³¹ In 2017, the CCP funded a school in Bishkek where Chinese language study is mandatory from age eight, and has reportedly discussed plans with members of Kyrgyzstan's elite to put a Chinese language teacher in every primary school across the country.⁴³²

The PRC embassy in Bishkek often arranges visits to local schools, universities, and orphanages. On these visits, children are invited to apply for scholarship programs in the PRC. They also watch screenings of pro-China propaganda films.⁴³³ After growing up in an often sinophobic environment, for many Kyrgyz children, "China's

⁴²⁶ Shailoobek kyzy, Aizat. "What a Kyrgyzstan Oil Refinery Reveals about China's Belt and Road Initiative." *Global Voices*, 21 Jun. 2021, <https://globalvoices.org/2021/06/09/what-a-kyrgyzstan-oil-refinery-tells-us-or-doesnt-tell-us-about-chinas-bri/>.

⁴²⁷ "Kyrgyzstan-Chinese Think Tank Expert Dialogue" Forum Held in Kyrgyzstan, Talking about Development and Sharing the Future [吉尔吉斯斯坦-中国智库专家对话]论坛在吉国召开 共话发展 共享未来." *KABAR*, 10 May 2018, <http://cn.kabar.kg/news/aa-11/>.

⁴²⁸ "The Former Foreign Minister of Kyrgyzstan, the Former Secretary General of SCO Mr. Muratbek Imanaliev Expresses Support on China's Battle against COVID-19 in the Letter to President Wang Chao." *CPIFA News--English*, 3 Mar. 2020, <http://cpifa.org/en/article/1774>.

⁴²⁹ Shailoobek kyzy, Aizat. "What a Kyrgyzstan Oil Refinery Reveals about China's Belt and Road Initiative." *Global Voices*, 21 June 2021, <https://globalvoices.org/2021/06/09/what-a-kyrgyzstan-oil-refinery-tells-us-or-doesnt-tell-us-about-chinas-bri/>.

⁴³⁰ Shailoobek kyzy, Aizat. "Chinese soft power in Kyrgyzstan grows through culture and language." *Global Voices*, 14 Sept. 2021, <https://globalvoices.org/2021/09/14/chinese-soft-power-in-kyrgyzstan-grows-through-culture-and-language/>.

⁴³¹ Interview with an educator in the Batken region.

⁴³² Interview with a Chinese businessman familiar with the Chinese Embassy.

⁴³³ Interview with a Chinese businessman familiar with the Chinese Embassy.

Journey,” a pro-China film, was their first window to positive information about China.⁴³⁴ Chinese-speaking Kyrgyz youths have also adopted China’s official standpoints on some political matters. When it comes to the systemic oppression in Xinjiang or protests in Hong Kong, they often perceive that PRC actions were taken to combat terrorism and malign foreign influence.⁴³⁵

Many Kyrgyz universities also provide funded study abroad opportunities in China. Kyrgyzstan has a robust higher education system, with about 223,200 people enrolled during the 2018-2019 academic year.⁴³⁶ In 2019, nearly 5,000 Kyrgyz students went to China with paid-for accommodation and a \$200 monthly stipend. These educational initiatives and the state-run media in Kyrgyzstan support China’s efforts to rally Chinese-speaking Kyrgyz youth on sensitive domestic concerns. For instance, many Kyrgyz youth have adopted China’s official position and talking points on Xinjiang and Hong Kong, viewing Chinese actions as combatting terrorism or foreign influence.⁴³⁷

Media

China’s complex and multilingual⁴³⁸ influence across the Kyrgyz media landscape is grounded in local journalism. In 2015, the PRC embassy in Bishkek began presenting the Kyrgyzstan-China Friendship Journalist Award⁴³⁹ for positive stories that strengthen Kyrgyzstan-China relations. This award was built on existing Chinese training programs for Kyrgyz journalists.⁴⁴⁰ As a result of these programs, many Kyrgyz journalists working for the state media have been trained to present pro-PRC narratives on issues such as Xinjiang. The Kyrgyz state-run news agency KABAR posts articles from the PRC state-run news agency Xinhua translated directly into Russian and Kyrgyz.⁴⁴¹ Local journalists have repeated PRC narratives on Xinjiang’s labor camps, writing that they are meant to “teach skills to ethnic minorities so they can find jobs,” and describing the instructors as being “like family” to the inmates.⁴⁴²

To shift Kyrgyz public opinion in favor of its brutal policies in Xinjiang, China reportedly paid a Kyrgyz state-backed station \$220,000 for daily broadcasts of the propaganda film “*China Journey*,”⁴⁴³ printed in Dungan and

⁴³⁴ Interview with a dozen of Chinese-speaking Kyrgyz youth.

⁴³⁵ Yau, Niva. “China polishes its image in Central Asia through the soft power of language.” *Open Democracy*, 23 Mar. 2021, <https://www.opendemocracy.net/en/odr/china-central-asia-soft-power-language/>.

⁴³⁶ Kantoro, Aigul. “Does the Large Number of Universities in Kyrgyzstan Reflect the Quality of Higher Education?” *Central Asian Bureau for Analytical Reporting*, 10 July 2019, <https://cabar.asia/en/is-the-large-number-of-universities-in-kyrgyzstan-reflect-the-quality-of-higher-education>.

⁴³⁷ Yau. “China polishes its image in Central Asia through the soft power of language.”

⁴³⁸ “China Central Television begins broadcasting in Russian in Bishkek [В Бишкеке начинается вещание Центральное телевидение Китая на русском языке].” *Akipress*, 25 Sept. 2009, <https://kg.akipress.org/news:124211>.

⁴³⁹ “The Chinese Embassy in Kyrgyzstan held an award ceremony for the first ‘China-Kyrgyzstan Friendship Journalism Award’ [驻吉尔吉斯斯坦使馆举办首届“中吉友好新闻奖”颁奖仪式].” *Embassy of the People’s Republic of China in the Kyrgyz Republic*, 5 Feb. 2015, <http://kg.china-embassy.org/chn/dssghd/t1234622.htm>.

⁴⁴⁰ “Reporters from the Shanghai Cooperation Organization come to China for training [上海合作组织国家记者来华培训].” *People’s Daily*, 4 Apr. 2018, <http://world.people.com.cn/n1/2018/0404/c1002-29906180.html>.

⁴⁴¹ “Speech by Qi Dayu, Ambassador to Kyrgyzstan at the launching ceremony of the ‘Window of China’ column on the website of Kyrgyz National Kabar News Agency [驻吉尔吉斯斯坦大使齐大愚在吉国家卡巴尔通讯社网站“中国之窗”专栏启动仪式上的致辞].” *Ministry of Foreign Affairs of the People’s Republic of China*, 21 May 2015, https://www.fmprc.gov.cn/web/dszlsjt_673036/ds_673038/t1265711.shtml.

⁴⁴² “Journalists from Kyrgyzstan walk into Xinjiang: Education and training centers provide guarantee for Xinjiang’s peace and prosperity [吉尔吉斯斯坦记者走进新疆：教培中心为新疆和平繁荣提供保障].” *Reference News*, 30 Aug. 2019, https://www.sohu.com/a/337480373_114911.

⁴⁴³ “The program ‘China’s Journey’ strengthens relations between the two countries [ЖАҢЫЛЫКТАР КЫРГЫЗСТАН ЖАҢЫЛЫКТАРЫ].” 2 May 2019, <http://www.ktrk.kg/index.php/kg/post/27100/kg>; “EITR intends to provide air for TV programs from XUAR, China [ЭлТР

Russian-language newspapers for the Dungan minority group in Xinjiang,⁴⁴⁴ and pushed smaller medias run by private PRC citizens such as Silk Road Observers⁴⁴⁵ and Dolon TV⁴⁴⁶ to produce media favorable to the PRC.⁴⁴⁷

■ Influence with the Ruling Party

The CCP encourages corruption in Kyrgyzstan and pursues links with the Kyrgyz security apparatus. Its influence in the ruling party facilitates increasingly pro-PRC presidents and elite circles in Kyrgyzstan. When PRC Premier Li Peng visited Bishkek in 1994, he brought with him loan agreements and PRC entrepreneurs eager to invest in Kyrgyzstan. These entrepreneurs met Kyrgyz politicians who wanted to appoint family members to management positions in proposed projects and direct funds for their own financial gain. As a result, many PRC infrastructure projects fueled elite-level corruption.

Former Prime Minister Sapar Isakov was sentenced to fifteen years on corruption charges for giving a Bishkek power contract to the PRC company TBEA on a large \$386 million loan from the Export-Import Bank of China.⁴⁴⁸ Former Prime Minister Temir Sariiev resigned in 2016 after persistent questions from Parliament about his role in awarding a \$100 million road project to China.⁴⁴⁹

The former director of the state-owned Kyrgyz telecommunications company was accused of abusing power when he helped grant Huawei a \$1.4 million fiber optic cable contract near the PRC border.⁴⁵⁰ Former Osh mayor Melis Myrzakmatov was sentenced to seven years in prison for a \$7 million bridge contract with an unlicensed⁴⁵¹ PRC company using government funds.⁴⁵² Finally, former Bishkek mayor Nariman Tyuleev was sentenced to eleven

намерена предоставить эфир для телепередач из СУАР КНР].” 22 Sept. 2008, <https://for.kg/news-72349-ru.html>; “Maksuda Aitieva: There was a corruption scheme in EITR [Максуда Айтиева: В ЭлТР действовала коррупционная схема].” *Azattyk*, 14 Apr. 2015, <https://rus.azattyk.org/a/26954653.html>.

⁴⁴⁴ “The Kyrgyzstan Hui People Daily will build a bridge for cultural exchanges between Kyrgyzstan and China. [吉尔吉斯《回民报》将架起吉中文化交流的桥梁].” *China News*, 3 Mar. 2014, <http://www.chinanews.com/gj/2014/03-03/5900174.shtml>.

⁴⁴⁵ “Kyrgyzstan's ‘Silk Road New Observer’ was published and distributed [吉尔吉斯斯坦《丝路新观察报》出版发行].” *China Qiao Wang*, 12 Nov. 2015, <http://www.chinaqw.com/hwmt/2015/11-12/70132.shtml>. Accessed 6 Apr. 2021.

⁴⁴⁶ “Chinese TV conquers Kyrgyz audience [中国电视征服吉尔吉斯斯坦观众].” *Xinhua*, 4 July 2014, http://www.xinhuanet.com/world/2014-07/04/c_1111457920.htm.

⁴⁴⁷ “Kyrgyzstan Doton TV: Tell China's Story Well in Kyrgyzstan [吉尔吉斯斯坦德隆电视台：在吉尔吉斯斯坦讲好中国故事].” *World Chinese Media*, 14 Nov. 2016, <http://www.worldchinesemedia.com/old/ss/?action-viewnews-itemid-888>.

⁴⁴⁸ “The case of energy workers. Sapar Isakov denies negotiations with TBEA in 2010 [Дело энергетиков. Сапар Исаков опровергает переговоры с ТБЕА в 2010 году].” 24 *kg*, 30 Oct. 2019, https://24.kg/obschestvo/133617_delo_energetikov_sapar_isakov_oprovergaet_peregovoryi_stvea_v2010_godu/.

⁴⁴⁹ Putz, Catherine. “Kyrgyz Prime Minister Resigns Amid Road Construction Scandal.” *The Diplomat*, 11 Apr. 2016, <https://thediplomat.com/2016/04/kyrgyz-prime-minister-resigns-amid-road-construction-scandal/>.

⁴⁵⁰ “Kyrgyz telecom and Chinese Huawei convicted of fraud [«Kyrgyz Telekom» i kitayskaya «Huawei» ulicheny v moshennichestve].” *Azattyk*, 30 June 2015, <https://rus.azattyk.org/a/27101458.html>.

⁴⁵¹ “Chynybek Toychiev: The tender for the construction of the bridge in Osh was held according to the law [Chynybek Toychiyev: Tender na stroitel'stvo mosta v Oshe proveli po zakonu].” *Vecherniy*, 15 Aug. 2014, https://www.vb.kg/doc/283674_chynybek_toychiev_tender_na_stroitelstvo_mosta_v_oshe_proveli_po_zakonu.html; “Ex-mayor of Osh city wanted [Eks-mer goroda Osha ob"yavlen v rozysk].” 24 *kg*, 28 Nov. 2014, https://24.kg/obschestvo/2512_eks-mer_goroda_osha_obyyavlen_v_rozysk/; “Pressure on Myrzakmatov or opposition self-promotion? [Davleniye na Myrzakmatova ili samopiar oppozitsii?].” *Azattyk*, 18 March 2014, <https://rus.azattyk.org/a/25300576.html>.

⁴⁵² “Former Mayor of Osh city Melis Myrzakmatov returns to Kyrgyzstan [Byvshiy mer goroda Osha Melis Myrzakmatov vernulsya v Kyrgyzstan].” *Azattyk*, 7 Oct. 2020, <https://rus.azattyk.org/a/30879563.html>.

years in prison for embezzlement after inflating the cost of a Bishkek power plant by \$350 million,⁴⁵³ as well as inflating the price of public buses and snowplow equipment purchased from China with state funds.⁴⁵⁴

The PRC has also attempted to grow ties between the two countries by drawing Kyrgyzstan into deeper relationships with its own national security apparatus. Between 2013 and 2018, over 750 Kyrgyz government officials – including senior representatives from the Kyrgyz State Committee for National Security (GKNB), the Ministry of Internal Affairs, and military prosecutors dealing with anti-terrorism, drug control, border security cases, and others – trained in China to learn PRC approaches to national security issues.⁴⁵⁵ Alongside these trips, China has also provided police cars, drones, and other technical support to Kyrgyzstan.⁴⁵⁶ Aligning Kyrgyz and Chinese security policies is in the PRC's national security interest, not only because of Kyrgyzstan's proximity to the potentially rebellious Xinjiang region, but also to secure Kyrgyzstan as a testing ground for PRC Private Security Companies, which help secure some of the PRC's BRI projects, including those in Kyrgyzstan.⁴⁵⁷

Kyrgyz presidents have also become more pro-China in the last decade, encouraged by PRC engagement efforts. Roza Otunbayev, interim leader in 2010 and 2011, stated in 2018 that the rise of China is positive for Kyrgyzstan.⁴⁵⁸ Almazbek Atambayev, president of Kyrgyzstan from 2011 to 2017, said “no country has given Kyrgyzstan anything except China.”⁴⁵⁹ Sooronbay Jeenbekov, president from 2017 to 2020, supported China's oppressive treatment of Uyghurs in Xinjiang.⁴⁶⁰ Current President Sadyr Japarov allegedly received \$12,000 in support of his election campaign from a PRC company and suggested selling one of the world's largest iron ore sites to China as a repayment of debt.⁴⁶¹

The CCP has also gained access to members of the Kyrgyz political elite through diplomatic activities such as the Kyrgyzstan-China Parliamentary Friendship Group. This group is a voluntary initiative within the Kyrgyz

⁴⁵³ “The case of power engineers. Sapar Isakov denies negotiations with TBEA in 2010 [Delo energetikov. Sapar Isakov oprovergayet peregovory s TVEA v 2010 godu].” 24 kg, 30 Oct. 2019, https://24.kg/obschestvo/133617_delo_energetikov_sapar_isakov_oprovergaet_peregovoryi_stvea_v2010_godu/.

⁴⁵⁴ “Tyuleev called his arrest a political order [Tyuleev nazval svoe rrest politicheskim zakazom].” *Azattyk*, 26 June 2012, https://rus.azattyk.org/a/kyrgyzstan_tuleev/24626006.html; “Former mayor of Bishkek sentenced to 11 years [Byvshiy mer Bishkeka osuzhden na 11 let].” *Azattyk*, 30 July 2013, <https://rus.azattyk.org/a/25060549.html>.

⁴⁵⁵ “119 Kyrgyz civil servants completed training in China this year [V etom godu 119 gossluzhashchikh Kyrgyzstana proshli obuchenie v Kitaye].” *KABAR*, 5 June 2018, <http://kabar.kg/news/gossluzhashchie-kyrgyzstana-proshli-obuchenie-v-kitae/>.

⁴⁵⁶ Interview with a Kyrgyz delegation who underwent training in China.

⁴⁵⁷ Yau, Niva. “Chinese Private Security Moves Into Central Asia.” *The Diplomat*, 03 Jul. 2019, <https://thediplomat.com/2019/07/chinese-private-security-moves-into-central-asia/>.

⁴⁵⁸ Mammina, Maria. “Kyrgyzstan's former president, Roza Otunbayeva, discusses China, her successors, and regrets.” *EurasiaNet*, 5 Dec. 2018, <https://eurasianet.org/kyrgyzstans-former-president-roza-otunbayeva-discusses-china-her-successors-and-regrets>.

⁴⁵⁹ “The first two years of Atambayev [Pervyye dva goda Atambayeva].” *Azattyk*, 5 Dec. 2013, <https://rus.azattyk.org/a/kyrgyzstan-atambaev-president-2-years/25190260.html>; “Otunbayeva: You can learn a lot from China [Otunbayeva: U Kitaya mozhno mnogomu nauchit'sya]” *Azattyk*, 10 July 2012, <https://rus.azattyk.org/a/24640911.html>.

⁴⁶⁰ “China, Kyrgyzstan vow to strengthen practical cooperation under BRI.” *Xinhua*, 22 Apr. 2019, http://www.xinhuanet.com/english/2019-05/22/c_138080143.htm.

⁴⁶¹ “Government: Payment of debt to China by Zhetim - Too - personal opinion of Japarov.” 24 kg, 8 Jan. 2021, https://24.kg/english/179188_Government_Payment_of_debt_to_China_by_Zhetim-Too_-_personal_opinion_of_Japarov/; “Law violation. Foreigners gave Sadyr Japarov a million somovs for elections [Narusheniye zakona. Inostrantsy dali Sadyru Zhaparovu na vybory million somov].” 24 kg, 22 Dec. 2020, https://24.kg/vlast/177600_narushenie_zakona_inostrantsyi_dali_sadyru_japarovu_navyiboryi_million_somov/.

parliament structure⁴⁶² that had 38 members in 2016.⁴⁶³ Zhunus Uulu Adil, the only Chinese-Kyrgyz dual citizen to have entered Kyrgyz parliament, was the deputy chair of the group and an outspoken supporter of China. He lobbied to sell state-owned Air Kyrgyzstan to the PRC⁴⁶⁴ and owns mining companies which export to China. Adil is also an owner of four mining companies in Kyrgyzstan which export to China.⁴⁶⁵

There are other instances of the PRC garnering influence in Kyrgyzstan through diplomatic activities. For instance, the Chinese embassy funds a competition at the Kyrgyz National Legislature Academy promoting Kyrgyzstan's constitution.⁴⁶⁶ In 2013, the PRC government established a Confucius Institute within the Kyrgyz Diplomatic Academy to provide Chinese-language curriculum to diplomatic officers and politicians.⁴⁶⁷ The PRC ambassador speaks at this program several times a year and emphasizes positive elements of the China-Kyrgyzstan relationship, including supporting China's regional security interests.⁴⁶⁸ China's strong influence in Kyrgyzstan even led to a former deputy speaker of parliament to resign following a personal trip to Taiwan, though he did not face public calls for his resignation, but due to fear of "spoiling friendly relations with China."⁴⁶⁹

⁴⁶² "Deputy Friendship Groups of the Jogorku Kenesh of the Kyrgyz Republic on Cooperation with Parliaments of Foreign Countries (updated 03/01/2021) [Депутатские группы дружбы Жогорку Кенеша Кыргызской Республики по сотрудничеству с парламентами зарубежных стран]." *Parliament of Kyrgyzstan*, <http://kenesh.kg/ru/committee/article/2/188/show/deputatskie-gruppi-druzhibi-zhogorku-kenesha-kirgizskoy-respubliki-po-sotrudnichestvu-s-parlamentami-zarubezhnih-stran>.

⁴⁶³ "Ambassador Du Dewen discusses with some members of the Kyrgyzstan-China Friendship Group [杜德文大使与吉国家议会吉中友好小组部分成员座]." *Embassy of the People's Republic of China in the Kyrgyz Republic*, 9 Mar. 2020, <http://kg.chineseembassy.org/chn/dssghd/t1753470.htm>.

⁴⁶⁴ "V parlamente predlozhili prodav' Air Kyrgyzstan kitayskim investoram [Parliament offers to sell Air Kyrgyzstan to Chinese investors]." *Azattyk*, 2 Oct. 2018, <https://rus.azattyk.org/a/kyrgyzstan-aviation-airkyrgyzstan/29520684.html>.

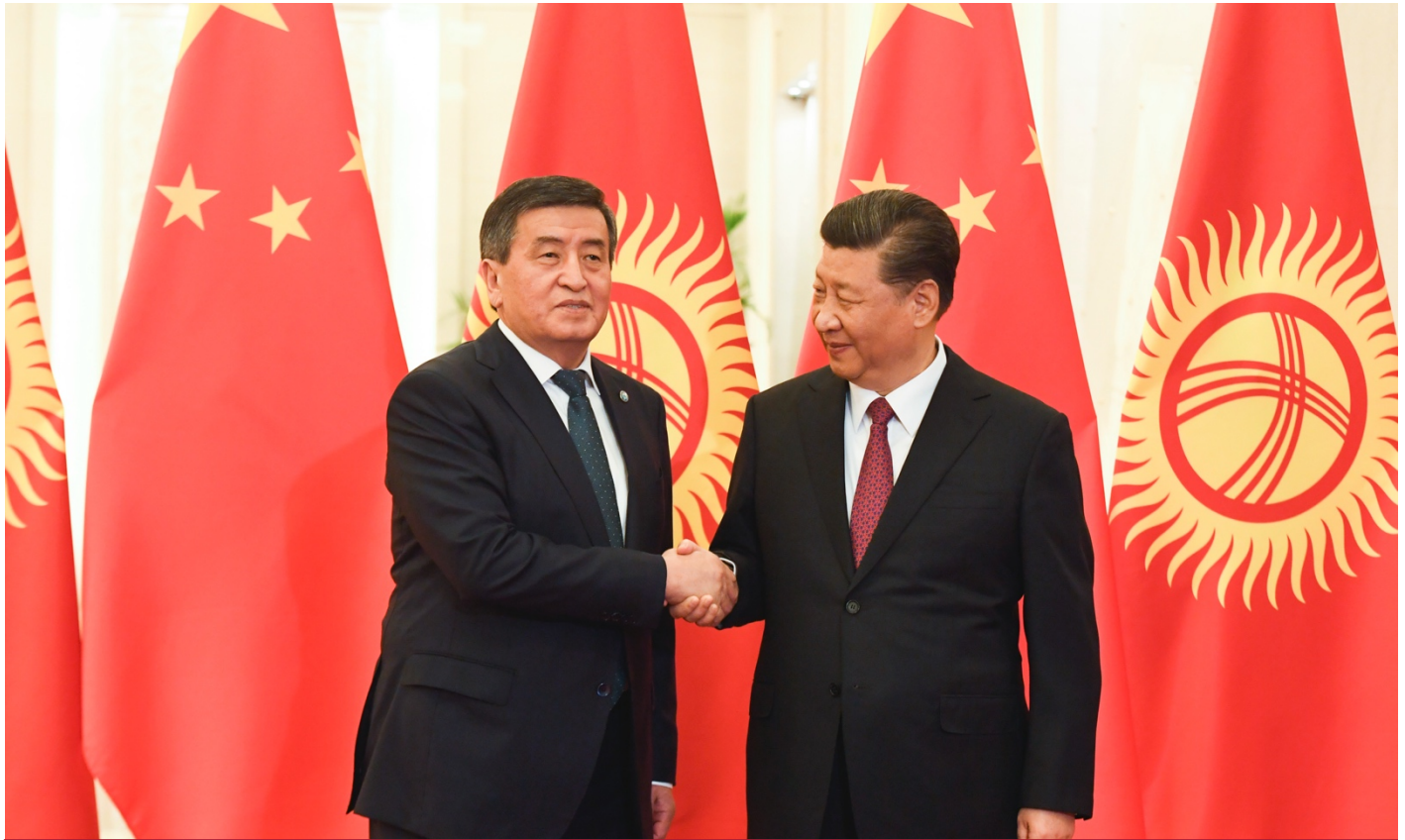
⁴⁶⁵ Umarov, Temur. "Opasnyye svyazi. Kak Kitay priruchayet elity Tsentral'noy Azii [Dangerous ties. How China Tames the Elites of Central Asia]." *Carnegie Moscow*, 22 Jan. 2021, <https://carnegie.ru/commentary/83701>.

⁴⁶⁶ "The Chinese Embassy in Kyrgyzstan and University of Kyrgyzstan jointly organized a competition on the Chinese Constitution [驻吉尔吉斯斯坦使馆与吉大学共同举办中国宪法知识竞赛]." *Embassy of the People's Republic of China in the Kyrgyz Republic*, 21 Apr. 2018, <http://osh.china-consulate.org/chn/dssghd/t1553125.htm>.

⁴⁶⁷ "Ambassador Qi Dayu attends the opening ceremony of the Confucius Institute at the Diplomatic Academy directly under the Ministry of Foreign Affairs of Kyrgyzstan [驻吉尔吉斯斯坦大使齐大愚出席吉外交部直属外交学院孔子课堂揭牌仪式]." *Embassy of the People's Republic of China in the Kyrgyz Republic*, 6 Apr. 2013, <http://kg.china-embassy.org/chn/xw/t1028696.htm>.

⁴⁶⁸ "The full text of the speech by Qi Dayu, Ambassador to Kyrgyzstan at Kyrgyz Foreign Affairs University [驻吉尔吉斯斯坦大使齐大愚在吉外交学院演讲全文]." *Embassy of the People's Republic of China in the Kyrgyz Republic*, 16 Sept. 2014, <http://kg.chineseembassy.org/chn/xw/t1191591.htm>. Accessed 6 April 2021.

⁴⁶⁹ "Vice Speaker Alimbekov resigns after visiting Taiwan [Vitse-spiker Alimbekov podal v otstavku posle poyezdki na Tayvan]." *Sputnik*, 28 Dec. 2016, <https://ru.sputnik.kg/politics/20161228/1031027078/vice-spiker-podal-v-otstavku-posle-poezdki-na-tajvan.html>. Accessed 21 May 2021.



China's President Xi Jinping, right, shakes hands with Kyrgyzstan's President Sooronbay Jeenbekov before a meeting at the Great Hall of the People on April 28, 2019 in Beijing, China. (Photo by Madoka Ikegami-Pool/Getty Images).

Impact of Political Influence

The CCP's political influence operations have led the Kyrgyz government to adopt elements of the PRC's authoritarian governance domestically, including the installation of PRC surveillance cameras as a part of the security architecture in Bishkek, Osh, and some parts of Issyk-Kul as part of a "smart city" system. The camera system is under direct management of the state traffic safety inspectorate within the Ministry of Internal Affairs. In 2008 Kyrgyz officials took a tour to see how China incorporated the use of technology in security management during Beijing Olympics.⁴⁷⁰ Following the Beijing Olympics, Kyrgyz President Sooronbay Jeenbekov opened a new police command center in Bishkek which uses Chinese-made CCTV cameras with facial-recognition technology.⁴⁷¹ The PRC trained Kyrgyz officials on their use of technology during the Olympics and gave Kyrgyz officials facial recognition technology for free.⁴⁷² The implementation of this new system in Kyrgyzstan was possible through training programs held in China, donations of equipment, and the installation of Shenzhen Sunwin-made traffic camera systems as a part of the smart city system.⁴⁷³

⁴⁷⁰ Yau, Niva. "Chinese Governance Export in Central Asia." *Security and Human Rights*, 02 Feb. 2022. <https://brill.com/view/journals/shrs/aop/article-10.1163-18750230-bja10009/article-10.1163-18750230-bja10009.xml>.

⁴⁷¹ Bowdler, Neil. "Kyrgyz Police Embrace Chinese Face-Recognition Technology." *Radio Free Europe*, 1 Nov. 2019, <https://www.rferl.org/a/kyrgyzstan-police-embrace-chinese-face-recognition-tech/30248431.html#:~:text=Kyrgyz%20President%20Sooronbai%20Jeenbekov%20has,provided%20the%20equipment%20for%20free>.

⁴⁷² Bowdler, Neil. "Kyrgyz Police Embrace Chinese Face-Recognition Technology." *Radio Free Europe*, 1 Nov. 2019, <https://www.rferl.org/a/kyrgyzstan-police-embrace-chinese-face-recognition-tech/30248431.html>.

⁴⁷³ "The Winner of the Safe City Tender (II Stage) is Shenzhen Sunwin [Pobeditelem tendera po «Bezopasnomu gorodu» (II etap) stala kompaniya Shenzhen Sunwin]." KABAR, 16 Sept. 2019, <http://kabar.kg/news/pobeditelem-tendera-po-bezopasnomu-gorodu-ii-etap-stala-kompaniia-shenzhen-sunwin/>.

At the border, Uyghurs who illegally enter Kyrgyzstan are often handed over to the State Committee for National Security, the GKNB, without the opportunity to request asylum with Ministry of Migration officials, which is a violation of Kyrgyz law.⁴⁷⁴ GKNB guards sometimes explain their actions by citing secret agreements between Kyrgyzstan and China, especially under the multilateral commitments signed with the SCO.⁴⁷⁵ Meanwhile, Kyrgyz diplomats have faced allegations of expediting visas for PRC businessmen⁴⁷⁶ and in 2016 alone, 996 PRC citizens received illegal residence permits.⁴⁷⁷

While some Kyrgyz politicians have obvious ties to the PRC, evidence that the PRC government or state-owned companies were consciously seeking to make Kyrgyzstan more authoritarian is not readily available. However, PRC led business and diplomatic efforts reinforce pre-existing corruption and authoritarian tendencies in Kyrgyz politics. Corruption in Kyrgyzstan is driven by the attitude that political office is often seen as an investment,⁴⁷⁸ and PRC companies in Kyrgyzstan have repeatedly shown that they consider corrupt partnership with Kyrgyz political officials the cost of doing business in order to bypass environmental regulations, receive visa approvals and permits, and manage local protests.⁴⁷⁹ For their part, Kyrgyz leaders have proved amenable to ties with the PRC because China offers a political-economic alternative to Russia - a pathway to achieving political goals, and a way to fund strategic infrastructure projects that decrease the country's energy dependence on other Central Asian partners.

■ United Front Work

United Front networks are strongly present in Kyrgyzstan, although more research is needed to determine the extent of their impact on the country's policies toward China. There remains a significant degree of domestic resilience in Kyrgyzstan in the face of United Front influence. Ren Daowei heads the Kyrgyzstan China Council for the Promotion of Peaceful National Reunification, a United Front apparatus,⁴⁸⁰ whose members include senior members of PRC companies working in Kyrgyzstan,⁴⁸¹ a Jiangxi delegate to the Chinese People's Political Consultative Conference, and Jiao Hong, an ethnic Han Chinese with Kyrgyz-Chinese dual citizenship, who has close ties to Bishkek's ethnic Dugan community.⁴⁸²

In 2012, Hu Yumei, an ethnic Hui and former Xinjiang government staffer in Ürümqi, started a newspaper for the Central Asian Chinese diaspora which is managed by XUAR's Department of Propaganda⁴⁸³ and operated by

⁴⁷⁴ "Has the Kyrgyz Republic violated the boundaries of international law? [KR narushila granitsy mezhdunarodnogo prava?]" Azattyk, 13 Jan. 2015, <https://rus.azattyk.org/a/26790800.html>.

⁴⁷⁵ Yau. "Chinese Governance Export in Central Asia."

⁴⁷⁶ "How diplomats spoil the image of Kyrgyzstan [Kak diplomaty portyat imidzh Kyrgyzstana]." Azattyk, 12 Apr. 2018, <https://rus.azattyk.org/a/29160633.html>.

⁴⁷⁷ "The Prosecutor General's Office is interested in the legality of residence permits for Chinese citizens [Genprokuraturu zainteresovala zakonnost' vida na zhitel'stvo grazhdan KNR]." Azattyk, 10 Apr. 2017, <https://rus.azattyk.org/a/28420232.html>.

⁴⁷⁸ Interview with a corruption expert in Kyrgyzstan.

⁴⁷⁹ Interviews with employees working for six large Chinese companies in Kyrgyzstan.

⁴⁸⁰ "I am grateful for this land and help more people within my power"-behind the scenes of "Chunmiao Charity" in Kyrgyzstan ["对这片土地心怀感激, 力所能及帮助更多人"—走进吉国“春苗慈善”幕后]." *Silk Road New Observations*, 23 Jan. 2020, <http://www.siluxgc.com/jeisst/kgBusinessman/20200123/18243.html>.

⁴⁸¹ "Chéngyuán [Members]." *Kyrgyzstan China Council for the Promotion of Peaceful National Reunification*, 2021, http://www.kgtch.com/kyrgyzstanhth/vip/doc/17626222_0_0_1.html.

⁴⁸² "More than 100 years away from home, Kyrgyzstan's "Dungan people" accent remains the same, "pick up", "yamen", "entangled" [离乡100多年 吉尔吉斯斯坦“东干人”乡音依旧, “拾掇”“衙门”“盘缠”.....]." *Kyrgyzstan Around the World*, 26 Feb. 2016, <https://freewechat.com/a/MzA5MzUwODg5MA==/403840545/1/>.

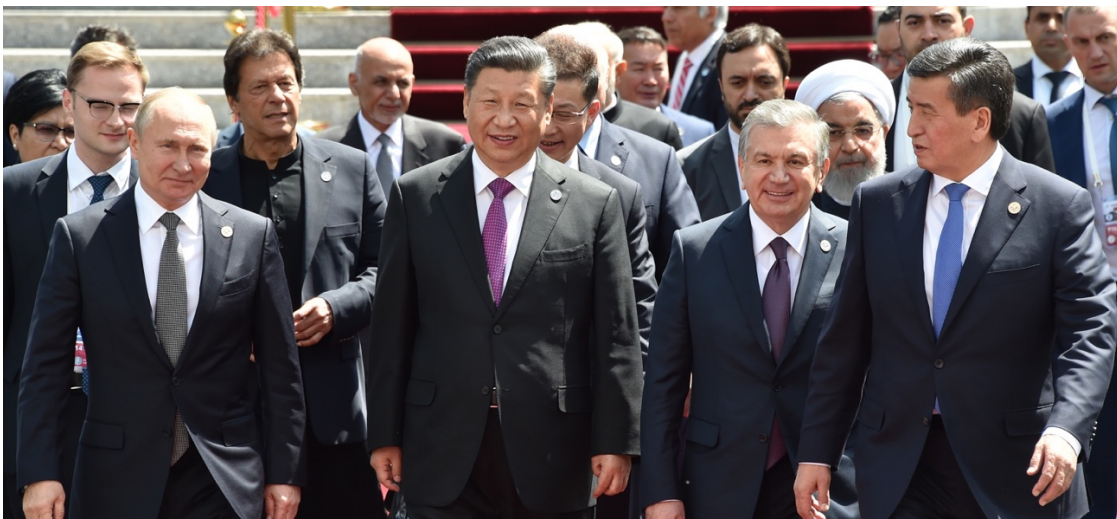
⁴⁸³ "Xinjiang Economics News [新疆经济报]." *China Newspaper Industry*, 30 May 2018, <https://www.cnpiw.cn/a/lishidanwei/2018/0530/15901.html>.

Xinjing's economics newspaper.⁴⁸⁴ Hu operates Chinese language centers in Kyrgyzstan and established the Central Asian Overseas Chinese Friendship Association.

These two organizations have been the main informal groups with clear ties to the CCP. They promote the CCP's messages among the Chinese diaspora in Kyrgyzstan and often meet at Ren's Chinese restaurant. Representatives from both state-owned and private PRC companies meet with Kyrgyz elites at these events and give speeches on China's position in political affairs. Xinjiang, Taiwan, and Hong Kong top the usual agenda, which emphasizes terrorism, separatism, and religious extremism.⁴⁸⁵

As of 2021, most leading PRC companies and investors in Kyrgyzstan have strong ties to United Front convening structures, including several private PRC chambers of commerce that were absorbed by the Overseas Chinese Service Center in Bishkek. The Center is run by an informal group of PRC business leaders in the import-export sector in Kyrgyzstan, and was formerly under the guidance of the Overseas Chinese Affairs Office (OCAO), a PRC government agency charged with co-opting the diaspora. In 2018 it came under the direct leadership of the United Front Work Department, following that department's absorption of OCAO. Despite these pressures, a few small groups and individuals, including the Kyrgyzstan China National United Chamber of Commerce and the Kyrgyzstan Chinese and Overseas Chinese Association do not have obvious ties to the PRC government. Though PRC influence in Kyrgyzstan is strong and growing, there are still signs of domestic resilience, especially at the local level and in the older population.

■ Kyrgyzstan's Response



Russian President Vladimir Putin, Pakistani Prime Minister Imran Khan, Chinese President Xi Jinping, Uzbek President Shavkat Mirziyoyev, Iran's President Hassan Rouhani, Kyrgyz President Sooronbai Jeenbekov walk as they attend a meeting of the Shanghai Cooperation Organisation (SCO) Council of Heads of State in Bishkek on June 14, 2019. (Photo by VYACHESLAV OSELEDKO/AFP via Getty Images).

⁴⁸⁴ "Vice Chairman of XPCC Overseas Chinese Office Meets with Kyrgyz Overseas Chinese Leaders [新疆兵团侨联副主席会见吉尔吉斯斯坦侨领]." *Silk Road New Observers*, 12 May 2017, <http://www.siluxgc.com/jejsst/kgChinesePeople/20170512/2528.html>.

"Towards Central Asia, Xinjiang Economic News Agency's investigation group goes to Central Asia [走向中亚 新疆经济报社赴中亚考察团纪行]." *Heart of Asia News*, 13 July 2021, <http://news.ifeng.com/c/7fceuWs894>.

⁴⁸⁵ "Overseas Chinese from all walks of life in Kyrgyzstan voice their support for Hong Kong national security law [吉国各界华侨华人发声支持涉港国安立法]." *Xinjiang Economical Information Exchanging Association for Central and West Asia*, 28 May 2020, <http://xjeieacwa.com/content?catid=2&id=8563>.

Despite longstanding ties and concerted efforts to secure its influence in the country, Kyrgyzstan shows signs of resilience to PRC influence. The CCP's media, academia, and youth engagement activities have failed to penetrate all key populations, some of which remain highly skeptical of China. Conservative members of the population, often based in rural areas, are quick to label academics and politicians as pro-China. The PRC's influence on Kyrgyz state media has failed to reverse anti-Chinese sentiment among this important audience. For example, independent media, in Kyrgyzstan, often combats pro-PRC narratives and reports on corruption cases involving PRC companies and Kyrgyz politicians,⁴⁸⁶ Although independent media is typically popular with urban populations, the rural Kyrgyz often perceive these sources as pro-West due to their sources of funding.

Resilience against PRC influence amongst the rural and older populations is bolstered by nationalism and practical frustration with PRC projects. In the last five years, lingering attitudes about the Sino-Soviet split, and growing activism from rural Kyrgyz groups such as Kyrk Choro,⁴⁸⁷ are resulting in anti-Chinese attitudes lingering. Many local elders and parties see the CCP as corrupt, aggressive, and unreliable, despite different approaches from the PRC to woo both urban and rural leaders.

On the other hand, youth perceptions of China are more complex and transcend the urban-rural divide. While there is a large population of urban liberal youth who benefit from international education, they are often politically indifferent towards the PRC despite their consumption of independent media. Lack of economic opportunities cause many Kyrgyz youth to work overseas, and opportunities offered by PRC scholarship programs present more opportunities than in the West or Russia. Positive depictions of China on television and social media may also shape urban youth's views. As a result, Kyrgyzstan's resilience against China may rapidly decline due to young people's ambivalence to PRC policies, and exposure to PRC influence operations.

■ Conclusion

China's influence in Kyrgyzstan is growing, primarily due to increased economic integration, soft power tactics, and elite capture. The PRC holds 42 percent of Kyrgyz foreign debt and is Kyrgyzstan's top trade partner.⁴⁸⁸ In addition to using Confucius Institutes to attempt to create a positive image of China in Kyrgyzstan, the PRC maintains a variety of tools to influence both the elites and the general public. Its strategy is most successful when utilizing elite capture to foster pro-China support among urban elites, which secures economic ties between the two countries. Elite-level partnerships also helps maintain Kyrgyz ambivalence toward Uyghurs in Xinjiang. Though there are efforts to reform corrupt systems in Kyrgyzstan, petty corruption appears widespread and exposes Kyrgyz officials to elite capture by the PRC. By deepening its economic engagement and cultural exchanges with the PRC, Kyrgyzstan is increasingly exposed to China's influence and will struggle to resist its influence operations.

⁴⁸⁶ Pannier, Bruce, and Muhammad Tahir. "Majlis Podcast: The Temirov Case and the State of Kyrgyz Media." *Radio Free Europe*, 6 Feb. 2022, <https://www.rferl.org/a/majlis-kyrgyzstan-temirov-media/31689943.html>.

⁴⁸⁷ Umarov, Temur. "Dangerous Ties. How China Tames the Elites of Central Asia [Opasnyye svyazi. Kak Kitay priruchayet elity Tsentral'noy Azii Opasnye svyazi. Kak Kitay priruchayet elity Tsentral'noy Azii]." *Carnegie Moscow*, 22 Jan. 2021, <https://carnegie.ru/commentary/83701>.

⁴⁸⁸ "Structure of State Debt of the Kyrgyz Republic [СТРУКТУРА ГОСУДАРСТВЕННОГО ДОЛГА КЫРГЫЗСКОЙ РЕСПУБЛИКИ]." *Ministry of Finance of the Kyrgyz Republic*, 31 Jan. 2021, http://www.minfin.kg/userfiles/ufiles/undefined/otchet_o_gosdolge_za_yanvar_2021.pdf.



■ Introduction

In the aftermath of its 2010 elections, Turkey's Justice and Development Party (AKP), led by President Recep Tayyip Erdogan, centralized power under his presidency. This political shift complicated Turkey's relations with its traditional Western partners, which subsequently led to frequent spikes in anti-Western sentiment in the country. This paved the way for deeper cooperation between Turkey and China, including stronger ties to the Chinese Communist Party (CCP). At the same time, shrinking foreign direct investment (FDI) from Western financial institutions led some in Turkey to look to financing from the People's Republic of China (PRC), including the PRC-led Belt and Road Initiative (BRI), as a means of closing the resulting financing gap.

Through the BRI, China invested in Turkey's mega-projects, including the Ankara-İstanbul High-Speed Railway Project, the Yavuz Sultan Selim Bridge, and the Northern Marmara Highway Project connecting Asia and Europe, while a consortium of PRC state-owned companies acquired a 65 percent stake in Kumport, Turkey's third-largest container terminal.⁴⁸⁹ The PRC's growing presence in the Turkish economy has encouraged Turkish compliance with China's policies — including those impacting Uyghur Muslims in Xinjiang — as well as deference to CCP positions in international platforms. It also encouraged the Turkish government to restrain negative media coverage of China and minimize internal political dissent related to the PRC.

The PRC's growing presence in the Turkish economy has encouraged Turkish compliance with China's policies — including those impacting Uyghur Muslims in Xinjiang — as well as deference to CCP positions in international platforms.

Turkey's deepening political-economic engagement with China is being driven by two realities: the crisis of the AKP's developmentalist legitimacy and the converging political mindset between AKP and CCP. While China did not instigate Turkey's movement towards authoritarianism, it is playing a vital role in supporting such political tendencies. However, growing discomfort in Turkish society, opposition parties' objections to China, and discontent with the AKP's silence on China's suppressive policies toward Uyghurs could impact the nature of Turkey-China relations.

■ Economic Influence

The PRC plays an increasingly hands-on role in Turkey's economy through foreign direct investment, infrastructure investment, joint ventures between PRC-based firms and Turkish firms, and bilateral currency swaps. Each of these entry points have built a stronger economic relationship between the two countries and have secured greater PRC influence in Turkey.

⁴⁸⁹ 何旂旒. "Chinese Consortium Buys 65% Stake of Turkish Port Terminal." *Chinadaily.com.cn*, 17 Sept. 2015, http://www.chinadaily.com.cn/business/2015-09/17/content_21907312.htm.

Foreign Direct Investment

Turkey receives most of its \$6 billion in Chinese FDI from BRI projects in the country. PRC FDI picked up in 2014 when the Industrial and Commerce Bank of China (ICBC) acquired 75.5 percent of Turkish Tekstilbank, which is now known as ICBC Turkey Bank A.Ş.⁴⁹⁰ ICBC's began to focus on boosting trade and investment along BRI, as well as Turkey's Middle Corridor, after Turkey and China signed a "Memorandum of Understanding on Aligning the Belt and Road Initiative and the Middle Corridor Initiative."⁴⁹¹ The Middle Corridor initiative is a Turkish vision to revitalize the ancient Silk Road through Turkey, which is also an important part of BRI.⁴⁹² Turkey's Ministry of Foreign Affairs reported that, in signing the MOU, Turkey supports the BRI on the basis of a "win-win" principle. Signing the MOU also forced dependence on one of Turkey's most important trade routes to the PRC's global BRI initiative.

ICBC Turkey also plays an important role in financing the China Merchants Group and China Investment Corporation. COSCO Pacific also acquired a 65 percent stake in Kumport, the third-largest container terminal in Turkey, as mentioned above.⁴⁹³ ICBC's agreements with pro-government companies have also created new credit opportunities for Turkish construction companies, including a \$155 million loan to Limak Group's Anka Cement Project, and an engineering procurement and construction contract signed between CCP state-owned Sinomac International Engineering and Limak to build a cement plant.⁴⁹⁴

China's \$1.7 billion investment in the coal-fired Emba Hunutlu Thermal Power Plant is the largest CCP FDI project in Turkey.⁴⁹⁵ The China Development Bank (CDB) and Bank of China (BOC)-financed project raised concerns in Turkey about pollution and public health, leading 20 non-governmental organizations (NGOs) to call for China to stop financing the plant.⁴⁹⁶

Corporate Debt Crisis

The Turkish corporate debt crisis that has arisen as a result of the Turkish lira's plummet against the U.S. dollar has put the country's large construction firms under financial strain.⁴⁹⁷ The Turkish corporate debt crisis that has arisen as a result of the Turkish lira's plummet against the U.S. dollar has put the country's large construction

⁴⁹⁰ "International Investment Position." *Central Bank of the Republic of Turkey*, https://evds2.tcmb.gov.tr/index.php?evds/serieMarket/collapse_18/5003/DataGroup/english/bie_uypucay/; "ICBC Becomes the First Chinese Bank in Turkey." *Daily Sabah*, 25 May 2015, <https://www.dailysabah.com/finance/2015/05/25/icbc-becomes-the-first-chinese-bank-in-turkey>.

⁴⁹¹ "5th Year Anniversary Book." *ICBC Turkey*, 2020, <https://www.icbc.com.tr/en/images/pdf/EN5THYEARANNIVERSARY.pdf>.

⁴⁹² "Turkey's Multilateral Transportation Policy." *Republic of Turkey Ministry of Foreign Affairs*, <https://www.mfa.gov.tr/turkey-s-multilateral-transportation-policy.en.mfa>.

⁴⁹³ Ping, Li. "ICBC Seeks to Boost Sino-Turkish Financial Cooperation." *China Daily*, 9 Oct. 2018, <https://www.chinadaily.com.cn/a/201810/09/WS5bbc14e0a310eff3032813e3.html>.

⁴⁹⁴ "5th Year Anniversary Book."; Milliyet. "Cement of Ankara from Limak." *45 Limak*, 30 May 2015, <http://www.limak.com.tr/basin/basinda-limak/2015/ankaranin-cimentosu-limaktan>; See, "5 out of 10 companies awarded the most public tenders in the world are in Turkey." *Evrensel*, 24 Dec. 2020, <https://www.evrensel.net/haber/422022/dunyada-en-cok-kamu-ihalesi-alan-10-sirketten-5i-turkiyede>; Although the close relationship between the Limak Group and Turkey's ruling party AKP is clear, it has also been highlighted by the World Bank Private Participation in Infrastructure (PPI) report. According to the report, the Limak group is one of the top ten companies at winning tender from the state in the world between 1990 and 2020; "Turkey Limak Anka 5000TPD Cement Clinker Production Line Project Has Successfully Been Fired up and Put into Production." *Sinomaee*, 16 May 2018, <https://www.sinomaee.com/english/zixun/news/2018/0516/101074.html>.

⁴⁹⁵ "About Us." *Emba Power*, <https://embapower.com/#aboutus>.

⁴⁹⁶ "China's Banks Asked to Stop Funding Turkey's Coal Industry." *Bloomberg*, 10 Jun. 2020, <https://www.bloomberg.com/news/articles/2020-06-10/turkish-coal-plant-foes-call-on-chinese-banks-to-halt-financing>.

⁴⁹⁷ Sönmez, Mustafa. "Debt Ordeal Hovers over Turkey's 'Megaproject' Builders." *Al-Monitor*, 21 Feb. 2020, <https://www.al-monitor.com/originals/2020/02/turkey-debt-ordeal-hovers-over-mega-project-builders.html>.

firms under financial strain.⁴⁹⁸ The Turkish corporate debt crisis that has arisen as a result of the Turkish lira's plummet against the U.S. dollar has put the country's large construction firms under financial strain.⁴⁹⁹ The Turkish government's use of treasury funds to guarantee contractors against potential losses has helped turn what would be solely a corporate debt crisis into a government crisis. As a result, the government has reportedly been considering entering into debt refinancing agreements with foreign financial partners as a solution to the corporate debt spiral.

Accordingly, ICBC was authorized as the leading regulator to refinance \$2.7 billion in debt from two Turkish government projects, the Yavuz Sultan Selim Bridge and the Northern Marmara Highway Project, which connects Asia and Europe.⁵⁰⁰ After the pro-Turkish government firm IC İtaş and an Italian firm, Astaldi, sold their shares because of financial difficulties, a PRC consortium including China Merchants Expressway, CMU, Zhejiang Expressway, Jiangsu Expressway, Sichuan Expressway, and the Anhui Expressway bought a 51 percent stake of the contractors' share of the projects for \$688.5 million.⁵⁰¹ Opposition parties questioned how half of the \$2.7 billion Yavuz Sultan Selim Bridge and its connected roads sold for \$688 million dollars to a PRC consortium, but there is not reliable evidence pointing to corruption.⁵⁰²

Joint Ventures



Recep Tayyip Erdogan, President of Turkey, and Xi Jinping, President of the PRC, during the former's two-day trip to Beijing in 2015. July 30, 2015. (Photo by Ng Han Guan-Pool/Getty Images).

⁴⁹⁸ Sönmez, Mustafa. "Debt Ordeal Hovers over Turkey's 'Megaproject' Builders." *Al-Monitor*, 21 Feb. 2020, <https://www.al-monitor.com/originals/2020/02/turkey-debt-ordeal-hovers-over-mega-project-builders.html>.

⁴⁹⁹ Sönmez, Mustafa. "Debt Ordeal Hovers over Turkey's 'Megaproject' Builders." *Al-Monitor*, 21 Feb. 2020, <https://www.al-monitor.com/originals/2020/02/turkey-debt-ordeal-hovers-over-mega-project-builders.html>.

⁵⁰⁰ "China's ICBC Gets Green Light to Refinance US\$2.7 billion for Turkey Projects." *Asia Times*, 31 Jul. 2018, <https://asiatimes.com/2018/07/chinas-icbc-gets-green-light-to-refinance-us2-7-billion-for-turkey-projects/>.

⁵⁰¹ "Chinese Consortium Plans to Buy Stake in Turkey's Bridge, Highway." *Daily Sabah*, 24 Dec. 2019, <https://www.dailysabah.com/business/2019/12/24/chinese-consortium-plans-to-buy-stake-in-turkeys-bridge-highway>.

⁵⁰² "How was 51% of the \$ 3 billion project sold for \$ 688 million? [3 milyar dolarlık projenin %51'i nasıl 688 milyon dolara satıldı?]." *Sözcü*, 24 Dec. 2019, <https://www.sozcu.com.tr/2019/ekonomi/3-milyar-dolarlik-projenin-yarisi-nasil-688-milyon-dolara-satildi-5527622/>.

Joint ventures between PRC firms and Turkish firms are another key component of state-to-state economic cooperation between Ankara and Beijing. The joint venture between the Eti Maden mining company of the Turkey Wealth Fund (TWF) and the China Machinery Engineering Group (CMEG) on the construction of a boron-carbide facility in Turkey is a notable example of cooperation between the PRC and Turkey in a critical economic sector.⁵⁰³ Eti Maden controls the production and operating rights of boron, Turkey's most precious metal and a key component of the Turkish national defense industry.⁵⁰⁴ Sinosure, China's state-owned and policy-oriented insurance company, signed an insurance-support MoU to protect \$5 billion of PRC investments in TWF, signaling the growing importance of investments in this critical sector.⁵⁰⁵

Other Economic Influence

Bilateral currency swap agreements to strengthen the Turkish Central Bank's reserves, such as a \$3.6 billion swap agreement in 2021, and a prior 2012 swap extended in 2015 and 2019, raised doubts from foreign financial authorities and investors about the viability of the Turkish economy.⁵⁰⁶ The transfer of \$1 billion in funds to Turkey by China's central bank, which came immediately before local elections in June 2019, under a yuan-lira agreement, highlighted this doubt.⁵⁰⁷ For financial experts, the swaps are an indicator of Turkey's economic fragility, with the CCP propping up an economy that might otherwise fail.⁵⁰⁸ In providing swaps as a backstop for the Turkish economy – and retaining the ability to withhold economic support if it so chooses – the CCP gained leverage in its relationship with Turkey.

■ Influence in the Information Space

The CCP cultivates ties with Turkish political parties to legitimize China's Xinjiang policy and promote China's image across the media landscape. For example, the Patriotic Party is the primary pro-China party in Turkish politics. It promotes CCP narratives through

its *Aydınlık* newspaper, which had close ties with China during the Cold War and is run by known Maoist Doğu Perinçek.⁵⁰⁹ The Ulusal Kanal television station, which is known for its proximity to Perinçek, a prominent Turkish politician, also broadcasts pro-China news. By associating the East Turkestan Islamic Movement with the Kurdistan Worker's Party (PKK), which is designated as a terrorist organization by Turkey, Perinçek seeks to

The CCP cultivates ties with Turkish political parties to legitimize China's Xinjiang policy and promote China's image across the media landscape.

⁵⁰³ "New boron carbide plant to strengthen Turkey's defense industry: minister." *Xinhua*, 25 Oct 2019, http://www.xinhuanet.com/english/2019-10/25/c_138503382.htm.

⁵⁰⁴ "New boron carbide plant to strengthen Turkey's defense industry: minister."

⁵⁰⁵ "Turkey Wealth Fund inks \$5B MoU with China's Sinosure." *Daily Sabah*, 26 Mar. 2020, <https://www.dailysabah.com/business/economy/turkey-wealth-fund-inks-5b-mou-with-chinas-sinosure>.

⁵⁰⁶ Hacaoğlu, Selcan. "Erdogan Says Turkey Signed New \$3.6 Billion Swap Deal with China." *Bloomberg*, 13 Jun. 2021, <https://www.bloomberg.com/news/articles/2021-06-13/erdogan-says-turkey-signed-new-3-6-billion-swap-deal-with-china#:~:text=Turkey%20signed%20a%20new%20%243.6.Recep%20Tayyip%20Erdogan%20said%20Sunday>; Yang, Kunyi, "Turkey uses Chinese Yuan for Import Payment 1st time Under Swap Agreement." *Global Times*, 21 Jun. 2020, <https://www.globaltimes.cn/content/1192282.shtml>.

⁵⁰⁷ Karaya Kerim, and Kandemir, Asli. "Turkey Got a \$1 Billion Foreign Cash Boost from China in June." *Bloomberg*, 9 Aug. 2019, <https://www.bloomberg.com/news/articles/2019-08-09/turkey-got-1-billion-from-china-swap-in-june-boost-to-reserves>.

⁵⁰⁸ Sonmez, Mustafa. "Turkey's Central Bank Continues Window Dressing with Currency Swaps." *Al-Monitor*, 3 Feb. 2020, <https://www.al-monitor.com/originals/2022/01/turkeys-central-bank-continues-window-dressing-currency-swaps#:~:text=The%20first%20swap%20deal%20was.%246%20billion%20at%20the%20time>.

⁵⁰⁹ Üngör, Çağdaş. "Heading Towards the East? Sino-Turkish Relations After the July 15 Coup Attempt." *Turkey's Pivot to Eurasia, Geopolitics and Foreign Policy in a Changing World Order*, edited by Emre Erşen and Seçkin Köstem, 2019, Routledge, pp. 64-78, <https://www.routledge.com/Turkeys-Pivot-to-Eurasia-Geopolitics-and-Foreign-Policy-in-a-Changing/Erşen-Kostem/p/book/9781032092317>.

legitimize China's Xinjiang policies in Turkey. If Turkish citizens associate Uyghurs and the East Turkestan Islamic Movement with a well-known domestic designated terrorist group, they could be less empathetic towards international critics of China's Uyghur policy. As such, Perinçek is supporting the CCP narrative that its repressive policies in Xinjiang are legitimate.

Perinçek also claims Uyghurs are supported by the United States and that Uyghurs who joined ISIS were fighting against Turkish forces in Syria.⁵¹⁰ The Patriotic Party and its news outlets are the main transmitters of CCP narratives about Xinjiang in Turkey. Although the Patriotic Party lacks a significant base in Turkish politics, the AKP's collaboration with the Patriotic Party after the July 15, 2016, coup attempt was an important point in the AKP's adoption of anti-Western tendencies. The AKP can use the Patriotic Party's close relationship with the CCP as leverage to engage with China.⁵¹¹

China has also pursued radio as another medium to influence Turkey's information space. The CCP state-owned radio station China Radio International (CRI) and the Turkish radio station Yön Radio signed an agreement in 2010. Since then, Yön Radio has broadcast a program from China called "Hello," which runs seven days a week for five different programming segments and covers topics including BRI-related issues and Turkey-China relations.⁵¹² GB Times' 2013 acquisition of Turkey's first private radio station, Radio Mega, represents another attempt of China to influence Turkish audiences and shape thought about China. Programs on Radio Mega inform audiences about Chinese language, culture, economy, and history and often discuss PRC military operations, foreign aid, and statements from CCP officials as a part of its news bulletins.⁵¹³ However, radio is not a primary platform for political communication in Turkey, and thereby the reach of the PRC's efforts has had limited impact in this space – though it is illustrative of China's holistic approach to the media.

China also began publishing pro-China articles and placing pro-China advertisements in mainstream Turkish newspapers. China's Ambassador to Turkey, Liu Shaobin, published a full-page advertisement in the pro-government Turkish newspaper *Daily Sabah* celebrating the 100th anniversary of the CCP with the headline, "100 years of glorious history of the CCP and its success codes."⁵¹⁴

The independent *Cumhuriyet* newspaper also published a column to mark the CCP's anniversary, comparing the CCP to the Turkish Republican People's Party (CHP), a social-democratic political party in Turkey which currently stands as the main opposition party in the country. The author highlights the leading role played by the CCP and CHP in the Chinese and Turkish revolutions, respectively. He attributed the CCP's success with its dedication to revolution, while claiming CHP's failure was a result of abandoning Kemalist revolutionary programs.⁵¹⁵ In drawing this comparison and idealizing the outcome of the CCP's revolution, he encourages Turkey to model itself off of the PRC's history to become a more powerful country.

⁵¹⁰ "Heavy Insult to Uyghur Turks from Doğu Perinçek." [Doğu Perinçek'ten Uygur Türklerine ağır hakaret]." *Karar*, 16 Dec. 2020, <https://www.karar.com/dogu-perincekten-uygur-turklerine-agir-hakaret-pkk-neyse-bunlar-o-1597505>.

⁵¹¹ Colakoğlu, Selçuk. "Turkey-China Relations: From strategic cooperation to strategic partnership?" *Middle East Institute*, 20 Mar. 2018, <https://www.mei.edu/publications/turkey-china-relations-strategic-cooperation-strategic-partnership>.

⁵¹² Radyo, Yön. "Now is Time for China and Asia." *Hello from Asia*, <https://yonradyo.com.tr/2021/09/13/kusak-ve-yol-buyuyor-artik-cin-ve-asya-zamani-dr-mehmet-ali-kocakoglu/>.

⁵¹³ Boztepe, Veli. "Chinese media in Turkey as a means of soft power. [Bir Yumuşak Güç Kaynağı Olarak Türkiye'deki Çin Medyası]." *Anadolu Üniversitesi Sosyal Bilimler Dergisi*, 2016, 16(4), pp. 93-110, https://www.researchgate.net/publication/324539782_Bir_Yumusak_Guc_Kaynagi_Olarak_Turkiye'deki_Cin_Medyasi.

⁵¹⁴ "The "glorious history" of the Chinese Communist Party in Sabah." *Serbestiyet*, 1 July 2021, <https://serbestiyet.com/featured/cin-komunist-partisinin-sanli-tarihi-sabahta-64378/>.

⁵¹⁵ Güller, Mehmet Ali. "Two parties of 100 years: the CCP and the CHP." *Cumhuriyet*, 1 June 2021, <https://www.cumhuriyet.com.tr/yazarlar/mehmet-ali-guller/100-yillik-iki-parti-ckp-ve-chp-1848739>.

The Turkish government's control over traditional media sidelined criticism of the CCP's Uyghur policies. However, its inability to as effectively control social media spurred additional PRC investment to control the narrative online and influence Turkish perceptions of the CCP's policies in Xinjiang. The CCP seeks to control Turkish opposition parties' posts that are critical of China, going so far as to threaten the parties directly. For example, Mansur Yavaş, Ankara's mayor, tweeted that "Even after 31 years, we still feel the pain of the massacre in East Turkestan as on the first day" on the anniversary of the Baren Massacre, in which CCP military forces killed Uyghurs in 1990.⁵¹⁶ China's ambassador to Turkey, Liu Shaobin, posted that "China reserves the right to proportionately respond" in response. Although Turkey criticized the Chinese ambassador over his tweet, China's foreign ministry supported the ambassador and no action was taken against him.⁵¹⁷ China's continued interference in Turkish domestic politics is, therefore, tacitly supported by the AKP, and is an important factor in China's willingness to pursue deeper ties with Turkey.

■ Political Influence

United Front Work

Since it recast its governance in Xinjiang in 2016, the CCP has faced widespread international criticism of its genocidal policies against the Uyghur population in the region. The CCP's policies, and its response to international backlash, have impacted the Uyghur diaspora in addition to those living in Xinjiang – including Uyghurs living in Turkey. The CCP's primary tool of response is its United Front strategy, which is a government policy to "co-opt and neutralize sources of potential opposition to the policies and authority of its ruling CCP."⁵¹⁸ United Front work in Turkey primarily targets the Uyghur diaspora – the largest in the world – since Turkey does not have a large diaspora population of any other PRC ethnic group. Uyghur communities are well and long established in Turkey; for example, in the 1950s Turkish members of parliament promised and delivered refuge in Turkey to Uyghur refugees living in India.⁵¹⁹ The CCP works to use the Uyghur diaspora in Turkey to draw attention away from its policies in Xinjiang and gain political influence in Turkey.

Most notably, the United Front seeks to validate its policies in Xinjiang and attempts to increase BRI visibility and credibility through Uyghur-founded economic associations, such as the Turkish Uyghur Industrialists and Entrepreneurs' Association, with the support of China. The association promotes investment opportunities in Xinjiang, while ignoring human rights violations there. The organization's Xinjiang-born chairman, Sabir Boğda, plays an active role both in promoting China's BRI and attracting Turkish investment in Xinjiang.⁵²⁰ In doing so, the PRC seeks to discredit international accusations against its policies in Xinjiang, while also garnering greater influence in Turkey through its significant Uyghur diaspora.

⁵¹⁶ "Turkish Opposition Politicians' Uyghur Massacre Comments Anger China." *Duvar English*, 6 April 2021, <https://www.duvarenglish.com/turkish-opposition-politicians-uyghur-massacre-comments-anger-china-news-56967>.

⁵¹⁷ "Turkey Summons Chinese Ambassador in Rare Spat about Treatment of Uyghurs." *Financial Times*, 7 April 2021, <https://www.ft.com/content/bc2ec59e-73ca-4dd1-bede-91aaa03872c3>.

⁵¹⁸ "China's Overseas United Front Work: Background and Implications for the United States." *U.S.- China Economic and Security Review Commission*, 24 Aug. 2018, <https://www.uscc.gov/research/chinas-overseas-united-front-work-background-and-implications-united-states>.

⁵¹⁹ Shichor, Yitzhak. "Ethno-Diplomacy: The Uyghur Hitch in Sino-Turkish Relations." *East-West Center*, 1 Jan. 2009, <http://www.jstor.org/stable/resrep06509>.

⁵²⁰ "We are Like a Bridge between China and Turkey." *Embassy of the People's Republic of China in Turkey*, 9 Mar. 2015, <http://tr.china-embassy.org/tur/xwtd/t1243842.htm>.

Vaccine Diplomacy

At the beginning of the COVID-19 pandemic, China attempted to improve its image in Turkey through a soft-power campaign by introducing the Sinovac COVID-19 vaccine, which had mixed results.

At the beginning of the COVID-19 pandemic, China attempted to improve its image in Turkey through a soft-power campaign by introducing the Sinovac COVID-19 vaccine, which had mixed results.⁵²¹ Despite public debate about the Sinovac vaccine's efficacy, the Turkish government initially prided itself on its early vaccination campaigns using Sinovac. However, subsequent challenges with delays in vaccine distribution overshadowed the vaccine initiative and ultimately damaged China's soft-power campaign at the same time.⁵²²

Turkish opposition parties suggested Sinovac distribution delays were linked to Chinese pressure on Ankara to ratify an extradition treaty targeting Uyghurs. Turkey initially signed the treaty with China in 2017, but it has been awaiting ratification by the PRC and Turkey's parliament since 2019. Yildirim Kay, a member of opposition the Republican People's Party, asked if the allegations of China "postponing vaccine shipments to pressure Turkey into ratifying the extradition treaty [were] true?" The truth of the allegations was not determined – and whether or not the PRC expected a quid pro quo in exchange for delivery of vaccines is unclear. However, the public debate sowed doubt as to the intentions of China's vaccine donations and may have adjusted Turkey's political calculations. The PRC ratified the treaty just a few days before the first vaccines arrived in Turkey, exacerbating concerns among the Uyghur diaspora in Turkey, though Turkey has yet to ratify the treaty itself.⁵²³

■ Influence with the Ruling Party

The legacy of Sino-Turkish relations dates to pre-republic China. However, according to Yitzhak Shichor, a professor at the Hebrew University of Jerusalem, it was in the 1950s that Turkey truly became a base for the Uyghur nationalist leaders who escaped on the eve of the Chinese Communist "peaceful liberation" of Xinjiang.⁵²⁴ As such, Turkey has long been attentive toward Chinese politics due to its ethnic and cultural ties to the Uyghurs. Likewise, China has followed Turkish policies towards Xinjiang. At the same time, fissures between Turkey and its Western partners have served as a catalyst for deeper Turkey-China relation in the late 1950s and have strengthened authoritarian tendencies in Turkey. For example, anti-Western discourse proliferated in Turkey in the absence of a full membership offer to join the European Union. The 2018 lira crisis, exacerbated by U.S. policy, further alienated Turkey from the West.⁵²⁵ Turkey's foreign policy problems are compounded with and

⁵²¹Fahim, Kareem, and DeYoung, Karen, "China Has Made Big Vaccine Promises. When They Come Up Short, Nations Struggle." *The Washington Post*, 7 Apr. 2021, https://www.washingtonpost.com/world/middle-east/china-sinovac-turkey-coronavirus-vaccine/2021/04/06/f87bc1bc-93cd-11eb-aadc-af78701a30ca_story.html.

⁵²²Zimmer, Carl and Ernesto Lodoño. "Turkey and Brazil Say Chinese Vaccine Effective, With Sparse Supporting Data." *The New York Times*, 25 Dec. 2020, <https://www.nytimes.com/2020/12/25/health/turkey-brazil-sinovac-coronavirus-vaccine.html>.

⁵²³Tavsan, Sinan. "Turkey Accused of Trading Uighurs for Chinese Vaccine." *Asia Nikkie*, 14 Jan. 2021, <https://asia.nikkei.com/Politics/International-relations/Turkey-accused-of-trading-Uighurs-for-Chinese-vaccine>.

⁵²⁴Shichor, Yitzhak. "Ethno-Diplomacy: The Uyghur Hitch in Sino-Turkish Relations." *East-West Center*, 1 Jan. 2009, <http://www.jstor.org/stable/resrep06509>.

⁵²⁵Oğuzlu, Tarık, "Turkey and the West: geopolitical shifts in the AK Party era." In *Turkey's Pivot to Eurasia: Geopolitics and Foreign Policy in a Changing World Order*, edited by Emre Erşen and Seçkin Köstem, 2019, Routledge, pp. 15-30, https://www.academia.edu/45182236/Turkey_and_the_West_Geopolitical_shifts_in_the_AK_Party_era; Chen, Yang. "Developments in China-Turkey relations: A view from China." *Critical Sociology*, 2020, 46(4-5), 782, <https://journals.sagepub.com/doi/abs/10.1177/0896920519885001>; Yilmaz, Gozde and Nilgün Eliküçük. "Authoritarian diffusion or cooperation? Turkey's emerging engagement with China." *Democratization*, 2020, 27(7), 1202-1220,

exacerbated by pre-existing domestic economic and political difficulties, including losses in the 2016 and 2019 local elections in which the AKP dismissed over 150 democratically elected mayors.⁵²⁶ These challenges, and Erdogan's determination to retain power, encourage the ruling AKP party to favor a CCP-style survival mindset in two realms: engagement with single-party-dominated states and efforts to legitimize the AKP after it incurred losses in local elections.⁵²⁷ The centralization of President Erdogan's power under this backdrop has also led to enhanced party-to-party contact with the CCP in bilateral and non-transparent BRI strategies.⁵²⁸ This is evidenced by the establishment of a communication mechanism between the CCP and the AKP in June 2021.⁵²⁹

The sharp decline in FDI since 2008 is also driving Turkey's estrangement from the West, due in part to the AKP's development-based politics. These policies aim to serve the population through large scale-projects enabling rent distribution, or the allocation of grants and resources from the government among pro-government companies, primarily to improve electoral results for the AKP.⁵³⁰ BRI projects and easy access to Chinese finance attracted the AKP's attention as Western investment in Turkey shrunk. They also allow the Turkish government to more easily allocate lucrative projects to its supporters. This mindset within the AKP begets cooperation between the AKP and the CCP. It could also support the AKP's authoritarian consolidation, although it did not instigate Turkey's authoritarianism.

China's Political Conditionality in Turkey: The Uyghur issue

From the Turkish perspective, Turkey's geostrategic position as a transit hub for the BRI, its discursive power over the Uyghur issue, and its role as a regional power are some of the main reasons for Beijing's close engagement with Ankara.⁵³¹ However, China prioritizes its cooperation with Turkey in order to influence Turkey's Xinjiang policy, not promotion of the BRI. Turkey's soft power in Islamic and Turkic countries prompted China to focus on limiting Turkey's inclination and ability to comment on China's human rights abuses. In the 1950s, Turkey was a safe haven for Uyghur immigrants fleeing CCP persecution. In 2009, then Prime Minister Erdogan said that genocide was being committed in China's northwest province of Xinjiang.⁵³² More recently, however, the changing

<https://www.tandfonline.com/doi/abs/10.1080/13510347.2020.1777984>; Gall, Carlotta, and Jack Ewing. "Tensions between Turkey and U.S. Soar as Trump Orders New Sanctions." *The New York Times*, 10 Aug. 2018, <https://www.nytimes.com/2018/08/10/business/turkey-erdogan-economy-lira.html>.

⁵²⁶ Tepe, S., and A. Alemardoğlu. "How Authoritarians Win When They Lose." *Journal of Democracy*, Oct. 2021, 32(4), pp. 87-101, <https://www.journalofdemocracy.org/articles/how-authoritarians-win-when-they-lose/>.

⁵²⁷ Bader, Julia. "Propping up dictators? Economic cooperation from China and its impact on authoritarian persistence in party and non-party regimes." *European Journal of Political Research*, 2015, 54(4), p. 659, <https://ejpr.onlinelibrary.wiley.com/doi/abs/10.1111/1475-6765.12082>; Somer, Murat. "Understanding Turkey's Democratic Breakdown: Old vs. New and Indigenous vs. Global Authoritarianism." *Southeast European and Black Sea Studies*, 2016, 16(4), p. 487, <https://www.tandfonline.com/doi/abs/10.1080/14683857.2016.1246548>.

⁵²⁸ Esen, Berk and Şebnem Gumuscu. "The Perils of "Turkish Presidentialism." *Review of Middle East Studies*, 2018, 52(1), pp. 43-53, <https://www.cambridge.org/core/journals/review-of-middle-east-studies/article/abs/perils-of-turkish-presidentialism/5E6656AA847CF14017764FC9AC8A9ACF>; Özsoy Boyunsuz, Şule. "The AKP'S Proposal for a 'Turkish Type of Presidentialism' in Comparative Context." *Turkish Studies*, 2016, 17(1), pp. 68-90; <https://www.tandfonline.com/doi/abs/10.1080/14683849.2015.1135064>.

⁵²⁹ "China and Turkey Establish Ruling Party Governance Exchange Mechanism." *International Department Central Committee of CPC*. 1 June 2021, https://www.idcpc.org.cn/english/news/202106/t20210603_146098.html.

⁵³⁰ Paker, Hande. "The 'Politics of Serving' and Neoliberal Developmentalism: The Mega Projects of the AKP as tools of Hegemony Building." *Neoliberal Turkey and Its Discontent: Economics Policy and the Environment under Erdogan*, edited by Fikret Adaman, Bengi Akbulut and Murat Arsel, 2017, I.B. Taurus, pp.103-119, https://www.academia.edu/35378481/Antinomies_of_Globalization.

⁵³¹ Eliküçük Yıldırım, Nilgün "Rigid boundaries between Turkey and China: is political mobility possible?" *Turkish Studies*, 2021, 22(1), pp. 28-48, <https://www.tandfonline.com/doi/abs/10.1080/14683849.2020.1716191>; Chaziza, Mordechai. "China's New Silk Road Strategy and the Turkish Middle Corridor Vision." *Asian Journal of Middle Eastern and Islamic Studies*, 2021, 15(1), pp. 34-50, <https://www.tandfonline.com/doi/abs/10.1080/25765949.2021.1881326>; Chen, Yang. "Developments in China-Turkey Relations: A View from China." *Critical Sociology*, 2020, 46(4-5), pp. 777-787, <https://journals.sagepub.com/doi/abs/10.1177/0896920519885001>.

⁵³² "Turkish Leader Calls Xinjiang Killings 'Genocide.'" *Reuters*, 10 July 2009, <https://www.reuters.com/article/us-turkey-china-sb/turkish-leader-calls-xinjiang-killings-genocide-idUSTRE56957D20090710>.

domestic political situation in Turkey has led to silence about Chinese human rights abuses. Turkey's silence in the international community regarding Uyghur concentration camps and new restrictions on Uyghur political activity in Turkey is linked to China's willingness to invest in Turkey.

Turkey remains largely neutral on international issues regarding China.⁵³³ Though Ankara has not condemned China's human rights abuses or signed letters to close detention camps in Xinjiang, it has also not openly supported China's "deradicalization campaign" aimed at Uyghurs, as other China-friendly countries have done.⁵³⁴ Turkey's Uyghur policy is ultimately a combination of political and security compromises. Even though Turkey is losing its traditional place as a safe harbor for Uyghur refugees, it still has the largest Uyghur diaspora in the world. China approved an extradition agreement for counterterrorism that largely targets Uyghurs in 2020, but the agreement still sits in the Turkish parliament as the government continues to restrict Uyghur demonstrations in Ankara.⁵³⁵ Turkey's compliance with China's oppressive Uyghur policy is a type of self-censorship, developed in order to attract CCP investment.⁵³⁶

Accordingly, news about China's Uyghur detention camps and protests by Turkey's Uyghur community in front of the Chinese embassy in Ankara received no coverage in pro-government media.⁵³⁷ The AKP is determined to avoid provoking its Islamist-nationalist electorate and applies a strict information control policy. The AKP's efforts are not in vain; according to a 2021 April Metropoll survey, the AKP appears to have convinced one third of its voters that the government has reacted appropriately to the CCP's Uyghur policy.⁵³⁸

Consequently, the CCP views the AKP's absolute control over all spheres of politics and its single-party domination of the presidential system in Turkey as an opportunity and controls Turkey's behavior through the economic leverage of the BRI.

⁵³³ "QA-6, 9 February 2019, Statement of the Spokesperson of the Ministry of Foreign Affairs, Mr. Hami Aksoy, in response to a question regarding serious human rights violations perpetrated against Uighur Turks and the passing away of folk poet Abdurrahim Heyit." *Republic of Turkey Ministry of Foreign Affairs*, 9 Feb. 2019, <https://www.mfa.gov.tr/sc-06-uygur-turklerine-yonelik-agir-insan-haklari-ihalleri-ve-abdurrahim-heyit-in-vefati-hk.en.mfa>.

⁵³⁴ Putz, Catherine. "Which Countries Are For or Against China's Xinjiang Policies?" *The Diplomat*, 15 Jul. 2019, <https://thediplomat.com/2019/07/which-countries-are-for-or-against-chinas-xinjiang-policies/>.

⁵³⁵ Ayasun, Abdullah. "Uyghurs Wary of Turkey's Pending Extradition Deal with China." *The Diplomat*, 7 Jan. 2021, <https://thediplomat.com/2021/01/uyghurs-wary-of-turkeys-pending-extradition-deal-with-china/>; Davidson, Helen and , Bethan McKernan. "Pressure on Turkey to Protect Uighurs as China Ratifies Extradition Treaty." *The Guardian*, 29 Dec. 2020, <https://www.theguardian.com/world/2020/dec/29/pressure-on-turkey-to-protect-uighurs-as-china-ratifies-extradition-treaty>;

Gergerlioğlu, Salih. "Blockade in front of the hotel for Uyghurs protesting China in Ankara: 24 Uyghurs were not allowed to enter the city, [Ankara'da Çin'i protesto eden Uygurlara otel önünde abluka: 24 Uygur'un da şehre girişine izin verilmedi]." *Gazete Duvar*, 10 Feb. 2021, <https://www.gazeteduvar.com.tr/ankarada-cini-protesto-eden-uygurlara-otel-onunde-abluka-24-uygurun-da-sehre-girisine-izin-verilmedi-haber-1512977>.

⁵³⁶ Jones, Dorian. "Turkish Opposition Challenge Erdogan Over Uighur Silence." *Voice of America*, 28 Jan. 2022, <https://www.voanews.com/europe/turkish-opposition-challenge-erdogan-over-uighur-silence>; Pinar, Tremblay. "Improved Turkish-Chinese ties come at a cost to Uighurs." *Al-Monitor*, 17 July 2019, <https://www.al-monitor.com/originals/2019/07/turkey-china-why-erdogan-is-silent-about-uighurs.html>.

⁵³⁷ Gergerlioğlu, Salih. "Blockade in front of the hotel for Uyghurs protesting China in Ankara: 24 Uyghurs were not allowed to enter the city, [Ankara'da Çin'i protesto eden Uygurlara otel önünde abluka: 24 Uygur'un da şehre girişine izin verilmedi]." *Gazete Duvar*, 10 Feb. 2021, <https://www.gazeteduvar.com.tr/ankarada-cini-protesto-eden-uygurlara-otel-onunde-abluka-24-uygurun-da-sehre-girisine-izin-verilmedi-haber-1512977>.

⁵³⁸ "One out of every three AK Party voters thinks the government does not respond adequately to China for Uyghur Turks, [Her üç AK Partiliden biri hükümetin Uygur Türkleri için gerekli tepki göstermediğini düşünüyor]." *Euronews*, 5 May 2021, <https://tr.euronews.com/2021/05/05/her-uc-ak-partiliden-biri-hukümetin-uygur-turkleri-icin-gerekli-tepki-gostermedigini-dusun>.

■ Turkey's Response

Women in Istanbul, Turkey demonstrate against the PRC genocide of Uyghurs, carrying a sign that reads in Turkish “Say no to torture of the women of East Turkestan.” March 8, 2022. (Photo by Kyodo via AP Images).



Opposition parties are critical of the ruling AKP's cooperation — and the political consequences it entails — with China. Minority parties criticize the AKP for restrictive policies aimed at the Turkish Uyghur community. Other established and new political parties, including the Good Party, the Republican Party, and the Democracy and Progress Party, have raised questions about the damage the AKP's Uyghur policies inflict on Turkish democracy.

Despite its status as an Islamist–nationalist party, the AKP finds common ground with ultra–secular leftist groups such as the Doğu Perinçek's Aydınlık group in its effort to cooperate with China, at the expense of their Uyghur co–religionists. When Turkey's Good Party proposed a parliamentary inquiry into Uyghur internment camps in China, the Republican People's Party (CHP), and the pro–Kurdish People's Democratic Party (HDP) voted to adopt the motion. The AKP rejected it, and the Nationalist Movement Party (MHP) abstained.⁵³⁹ When the motion failed due to the absence of AKP and MHP votes, an HDP lawmaker accused the AKP and the MHP of selling the Uyghurs out for \$50 billion — the first time China's economic assistance to Turkey was explicitly mentioned in the Turkish parliament.⁵⁴⁰

While opposition parties agree on criticism of China's treatment of the Uyghurs and the AKP's professed ignorance of it, their behavior differs noticeably regarding economic cooperation. For example, Istanbul Mayor Ekrem

⁵³⁹“The 'East Turkestan' proposal submitted by the İYİ Party to the Parliament was rejected, [İyi Parti'nin Meclis'e sunduğu 'Doğu Türkistan' önergesi reddedildi].” *Cumhuriyet*, 10 Mar. 2021, <https://www.cumhuriyet.com.tr/haber/iyi-partinin-meclise-sundugu-dogu-turkistan-onergesi-reddedildi-1819662>.

⁵⁴⁰ Erdemir , Aykan, and Philip Kowalski. “China Buys Turkey's Silence on Uyghur Oppression.” *The Diplomat*, 21 Aug. 2020, <https://thediplomat.com/2020/08/china-buys-turkeys-silence-on-uyghur-oppression/>.

İmamoğlu of the CHP defeated the AKP's candidate in 2019 local elections. He became a supporter of Uyghur Turks who protested in front of the Chinese consulate in Istanbul for 17 days and helped the Uyghurs deliver documents about their missing relatives to CCP authorities.⁵⁴¹ While İmamoğlu was praised for this behavior, he was also criticized for celebrating the 71st anniversary of the establishment of the PRC in a video with Chinese subtitles. The video highlighted sister-city agreements between Turkish and Chinese cities.⁵⁴² To this point, the CHP has been the only opposition party to communicate directly with China through meetings with the International Department of the CCP's Central Committee.⁵⁴³ Its access to the Central Committee is striking and speaks to the extent of cooperation between the CCP and Turkish politicians, and their criticism of China's treatment of the Uyghurs is worth little in that context.

■ Conclusion

Turkey and China have a complex and longstanding relationship dominated by economic ties and influence. Their relationship shapes Ankara's policies, including its response to Beijing's actions toward Uyghurs in Xinjiang. Though Turkey retains the ability to negotiate with China from a position of relative strength, economic ties between the two countries have deepened since 2015 to the point that CCP influence is felt throughout the Turkish economy. The CCP's political presence in Turkey includes influencing political parties, using the United Front to coopt the Turkish Uyghur diaspora, and shaping media companies' opinions and perceptions to accept its policies in Xinjiang. The ruling AKP, in particular, benefits from its ability to secure funding for large infrastructure projects as long as it maintains the status quo — or, at minimum, ambivalence - toward the CCP's Xinjiang policies. Interparty competition, transparent public procurement processes for infrastructure projects, and the development of an independent Uyghur policy in Ankara will be critical in countering the next wave of CCP influence in Turkey.

⁵⁴¹ "İmamoğlu Became an Intermediary for the Uyghur Turks; Petitions Reached Chinese Consulate After 17 Days. [İmamoğlu, Uygur Türkleri İçin Aracı Oldu; 17 Gün Sonra Dilekçeler Çin Konsolosluguna Ulaştı]." *T24*, 26 Jan. 2021, <https://t24.com.tr/haber/imamoglu-uygur-turkleri-icin-araci-oldu-17-gun-sonra-dilekceler-cin-konsolosluguna-ulasti.929150>.

⁵⁴² "Turkish Istanbul's mayor congratulates China on national day." *Xinhua net*, Oct. 2020, http://www.xinhuanet.com/english/europe/2020-10/01/c_139412606.htm; For criticisms see "Imamoglu's celebration of China's founding anniversary caused quite a stir on social media. Big rebellion!" *Habererk*, Oct. 2020, <https://www.habererk.com/gundem/imamoglu-cinin-kurulus-yil-donumunu-kutladi-sosyal-medya-h134787.html>.

⁵⁴³ "Zhu Rui Holds Video Conference with XX, Chief Advisor on Foreign Affairs to the President of the Republican People's Party of Turkey." *International Department Central Committee of CPC*, 17 Jun. 2021, https://www.idcpc.org.cn/english/news/202106/t20210621_146272.html.



■ Introduction

Mexico first established diplomatic relations with the People's Republic of China (PRC) in 1972. Despite growing economic ties between the two nations in recent years, the United States remains Mexico's closest economic partner. PRC-based companies and Chinese Communist Party (CCP) representatives have sought to establish partnerships with government, education, business, and media institutions, which coincides with Mexico's national and state governments' desire to diversify investment opportunities. Due to bilateral outreach, Mexico's auto, manufacturing, oil, and mining industries have received new investments from the PRC in recent years.

Although China's economic ties with Mexico have deepened, its influence is rather muted as Mexican political officials and businesses continue to rely on longstanding ties to the United States for economic opportunity. China has established strong ties to some political figures and thought leaders in Mexico and has advanced its messaging campaigns amid the COVID-19 pandemic, but its relatively small share of total foreign direct investment (FDI) in Mexico and asymmetric trade relationship has limited its influence in the country. Mexican ties with the U.S., even if strained, play a much larger role in Mexican policymaking than ties with China.

This report examines recent developments in China-Mexico political and economic relations, the mechanisms through which China engages Mexican audiences, and the effects of China's outreach on its relations with Mexico.

■ Economic Influence

Since China's accession to the World Trade Organization (WTO), bilateral trade with Mexico increased from \$2.8 billion in 2000 to \$82.7 billion in 2019,⁵⁴⁴ and China's share of Mexico's global trade increased from less than one percent to nearly 10 percent.⁵⁴⁵ China has become Mexico's second-most important trade partner as its exports to Mexico have surpassed U.S.



Mexico Import Pavilion at Greenland Global Commodity Trading Port, Shanghai, China. November 4, 2020. (Photo by Costfoto/Future Publishing via Getty Images).

⁵⁴⁴ Dussel Peters, Enrique, et al. "China and the New Triangular Relationships in the Americas: China and the Future of US-Mexico Relations." Center for Latin American Studies, University of Miami; Center for Latin American Studies, University of California, Berkeley; Centro de Estudios China-México, Facultad de Economía, Universidad Nacional Autónoma de México, 2013, <https://www.dusselpeters.com/62.pdf>.

⁵⁴⁵ Dussel Peters, Enrique. "China's Financing in Latin America and the Caribbean." *Universidad Nacional Autónoma de México*, Mexico City, 2019, <https://www.dusselpeters.com/146.pdf>.

exports⁵⁴⁶ and Mexico's overall trade with the U.S. has shrunk in relative terms from 80 percent to 62 percent of total trade volume.

Beyond trade, China's economic engagement with Mexico is likely to continue growing in the coming years, particularly in FDI. Former President Enrique Peña Nieto (2012-2018) and Xi Jinping initially sought to increase PRC investment in Mexico as part of a broader effort to advance economic relations, based in part on strong historical ties between Mexico's Institutional Revolutionary Party (PRI) and the CCP. For China, efforts to increase FDI offer a strategic means to limit Mexican reliance on U.S. investment and capitalize on the perception of strained bilateral relations with the U.S.⁵⁴⁷ Other stakeholders in Mexico, however, have not been receptive. Many Mexican businesses, labor groups, and analysts view increased economic engagement with China with concern because of trade imbalances in China's favor and perceptions about Mexico-China competition in the U.S. market. President Andrés Manuel López Obrador, who came to power in July 2018, has sought to balance the desire to diversify economic relations while addressing the economic realities of the relationship with China.

Presidential rhetoric, however, has not always matched reality. Shortly after President Lopez Obrador's victory, Mexico's foreign relations and economic ministers led a delegation to Shanghai to address imbalanced trade relations between the two countries.⁵⁴⁸ Following that visit, in 2019, President López Obrador suggested he would limit FDI from the PRC in key Mexican infrastructure projects.⁵⁴⁹ In practice, however, his government has sought identify new investment opportunities, and PRC-based companies have closed new deals in Mexico at a record pace.⁵⁵⁰ Twenty-four such companies signed agreements in 2019, and 12 made deals in 2020. Before 2019, the average was four Chinese deals per year. Notably, these deals have been on some of President López Obrador's most emblematic projects under his "Fourth Transformation" anti-poverty and anti-corruption agenda.⁵⁵¹ This includes the \$626 million Tren Maya, which was operated by a consortium led by Mota Engil México in association with the state-owned China Communications Construction Company (CCCC) and other Mexican partners.⁵⁵²

Chinese telecommunications company Huawei has also made inroads in Mexico's communications infrastructure by winning a contract to build a fiber optic cable connecting Sinaloa to Baja California Sur, and signing agreements with Altán-run Red Compartida broadband wireless network.⁵⁵³ Its influence has been limited due to U.S.

⁵⁴⁶ Dussel Peters, Enrique. "Mexico and China: Trade Conditions and Challenges in the Short, Medium, and Long Term." *Comercio Exterior*, 2021, <http://www.revistacomercioexterior.com/articulo.php?id=1048&t=mexico-and-china-trade-conditions-and-challenges-in-the-short-medium-and-long-term>.

⁵⁴⁷ Interview with author on condition of anonymity, 30 April 2021.

⁵⁴⁸ "AMLO government will work with China on trade and investment, says Ebrard. [Gobierno de AMLO trabajará con China en comercio e inversión, dice Ebrard]." *Contraparte*, 2 Aug. 2018, <https://contraparte.mx/nacionales/21769-gobierno-de-amlo-trabajar%C3%A1-con-china-en-comercio-e-inversi%C3%B3n-%2C-dice-ebrard.html>.

⁵⁴⁹ Maldonado, Mario. "AMLO closes the door to Chinese investment [AMLO le cierra la puerta a la inversión china]." *El Universal*, 3 May 2019, <https://www.eluniversal.com.mx/columna/mario-maldonado/cartera/amlo-le-cierra-la-puerta-la-inversion-china>.

⁵⁵⁰ Duarte, Enrique. "Predicting a 'wave' of Chinese investments in northern Mexico [Prevén "ola" de inversiones chinas en el norte de México]." *T21MX*, 4 Mar. 2021, <http://t21.com.mx/logistica/2021/03/04/preven-ola-inversiones-chinas-norte-mexico#:~:text=En%20los%20pr%C3%B3ximos%2036%20meses,con%20CBRE%2C%20firma%20de%20consultor%C3%ADa>.

⁵⁵¹ Ortiz, Roman. "Mexico, China & the US: A Changing Dynamic." *Americas Quarterly*, 25 Jan. 2021, <https://www.americasquarterly.org/article/mexico-china-the-us-a-changing-dynamic/>.

⁵⁵² "China's CCCC among firms awarded \$626 mln Mexican tourist train contract." *Reuters*, 23 Apr. 2020. <https://web.archive.org/web/20201223173356/https://www.nasdaq.com/articles/chinas-cccc-among-firms-awarded-%24626-mln-mexican-tourist-train-contract-2020-04-23>.

⁵⁵³ Corona, Liliana. "Megacable invests 25 million dollars in a data center and launches a virtual mobile operator [Megacable invierte 25 mdd en un centro de datos y estrena operador móvil virtual]." *Expansion*, 13 Nov. 2019, <https://expansion.mx/empresas/2019/11/13/megacable-invierte-25-mdd-en-un-centro-de-datos-y-estrena-operador-movil-virtual>.

concerns about Huawei's operations near the U.S.-Mexico border⁵⁵⁴ after the U.S. Federal Communications Commission (FCC)'s decision to shut down XEWW-AM radio in Rosarito, Baja California for broadcasting PRC state-sponsored content from Phoenix Radio, a company wholly owned by Phoenix TV, a partially state-owned network.⁵⁵⁵

Other PRC-based companies have also been active in promoting deals and strengthening ties with Mexico, including at the state and municipal levels. The Coahuila government, for example, made a deal with U.S. blacklisted firm Dahua Technology to receive thermal cameras in 2020⁵⁵⁶ after negotiating a \$30 million contract with the company. This comes after a deal in 2019 for purchasing 1,281 security cameras equipped with AI software for vehicle and facial recognition.⁵⁵⁷ In another example, after the Mexican state of Jalisco's Minister of Economic Development Ernesto Sánchez Proal travelled to China in 2019,⁵⁵⁸ the Jalisco local government announced a \$10 million investment from Zhongli Group⁵⁵⁹ for solar panel exports; and in January 2020, the state of Jalisco opened an office in Shanghai to facilitate trade and investment with China.⁵⁶⁰

These deals aside, China has been unable to establish the same economic leverage over Mexico as it has in other parts of Latin America due to its limited FDI in the Mexican economy, negligible presence of PRC financial institutions, and Mexico's own robust construction industry.⁵⁶¹ Unlike many other countries in the region, Mexico has never received a PRC sovereign loan. There is no evidence that current commercial relationships give China significant influence over local-level decision-making. One interviewee for this study with ties to Nuevo León, noted, "interpretation of the China issue, even at the local level in many cases, has to be filtered through a U.S. lens."⁵⁶² Still, some Mexican state and local municipalities could become increasingly reliant on China for trade and investment money in the future. For example, Mexico City, Jalisco, and Nuevo León accounted for 57 percent of China's FDI stock in Mexico in 2020 (see Map 1), which could foster local-level Mexican support for PRC political and economic interests in the future.

⁵⁵⁴ Love, Julie. "U.S. campaign against Huawei hits a snag south of the border." *Reuters*, 9 May 2019, <https://www.reuters.com/places/mexico/article/us-mexico-huawei-tech-insight/u-s-campaign-against-huawei-hits-a-s snag-south-of-the-border-idUSKCN1SF15Z>.

⁵⁵⁵ "FCC orders radio station in Mexico to halt broadcast of Chinese programs to U.S." *Reuters*, 22 June 2020, <https://www.reuters.com/article/us-usa-china-radio/fcc-orders-radio-station-in-mexico-to-halt-broadcast-of-chinese-programs-to-u-s-idUSKBN23T366>.

⁵⁵⁶ "Dahua Technology donates to the Coahuila government a thermal camera that helps preliminary detection of high body temperature and collaborates in the prevention and control of Covid-19." *Bnamericas*, 17 Apr. 2020, <https://www.bnamericas.com/en/news/dahua-technology-donates-to-the-coahuila-government-a-thermal-camera-that-helps-preliminary-detection-of-high-body-temperature-and-collaborates-in-the-prevention-and-control-of-covid-19>.

⁵⁵⁷ Mayhew, Stephen. "Mexican state of Coahuila to deploy 1,110 cameras with facial recognition." *Biometric Update*, 25 Jan. 2019, <https://www.biometricupdate.com/201901/mexican-state-of-coahuila-to-deploy-1100-cameras-with-facial-recognition>.

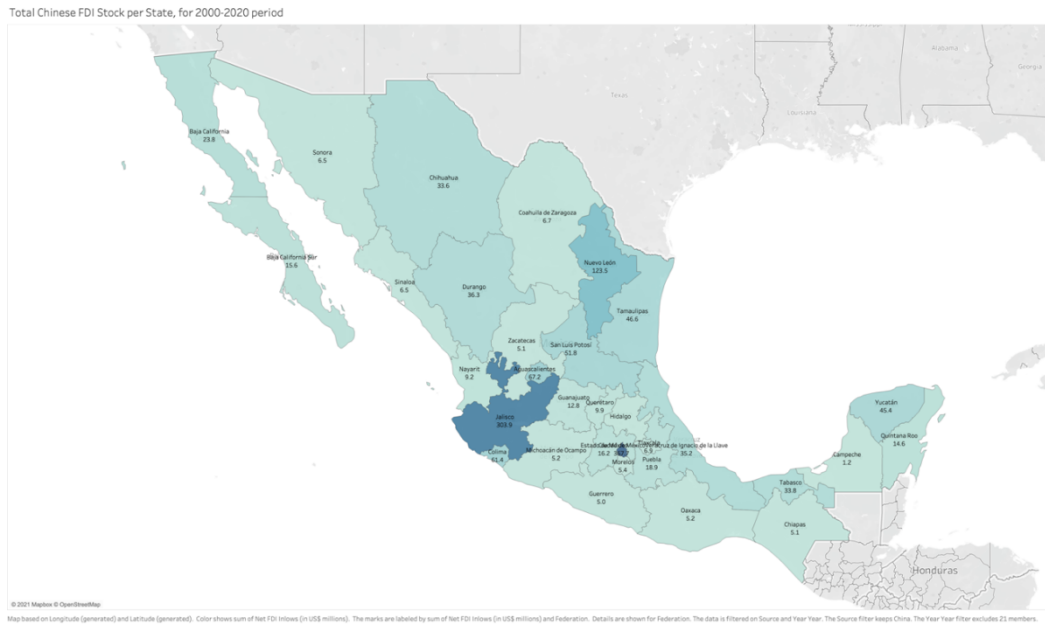
⁵⁵⁸ "Chinese company arrives in Jalisco [Llega empresa China a Jalisco]." *Players of Life*, 1 Nov. 2019, <https://playersoflife.com/guadalajara/negocios/llega-empresa-china-a-jalisco/>.

⁵⁵⁹ Velasco, Jorge. "Jalisco attracts 25 energy projects [Atrae Jalisco 25 proyectos de energía]." *Informador.mx*, 25 Oct. 2019, <https://www.informador.mx/economia/Atrae-jalisco-25-proyectos-de-energia-20191025-0115.html>.

⁵⁶⁰ Huerta, Juan Carlos. "The Jalisco office in China starts operations to attract Asian investments [Arranca operaciones la oficina de Jalisco en China para atraer inversiones asiáticas]." *El Financiero*, 8 Jan. 2020, <https://www.elfinanciero.com.mx/bajio/arranca-operaciones-la-oficina-de-jalisco-en-china-para-atraer-inversiones-asiaticas>.

⁵⁶¹ Interview with author on condition of anonymity, 27 April 2021.

⁵⁶² Interview with author on condition of anonymity, 27 April 2021.

MAP 1. China's FDI Stock in Mexico by State, 2019 *Source: Author compilation*

■ Influence in the Information Space

China's state-sponsored media campaigns to influence Mexican public opinion on the PRC, while active, are relatively limited compared to their efforts in other countries. Aside from the publication of pro-PRC op-eds, which are placed in numerous media outlets, it is difficult to discern the extent of the PRC's impact on Mexican media outlets, outside of some positive coverage of China's technological advances and poverty-reduction work—which are stories that bear strong resemblance to the PRC embassy's official language or are reprinted directly from PRC media sources.⁵⁶³

Print Media

The PRC's diplomats in Mexico frequently publish op-eds in Mexican newspapers (see Appendix II), issue official statements on the embassy website regarding bilateral cooperation, and address negative commentary about China by public officials. However, Mexican businesspeople and former politicians interviewed for this report note that China's op-eds and official communiqués are not widely read and have done little to influence public

⁵⁶³ See, for example: "Huawei announces new flexible phone [Anuncia Huawei nuevo teléfono flexible]." *Reforma*, 22 Feb. 2021, https://www.reforma.com/aplicacioneslibre/preacceso/articulo/default.aspx?_rval=1&urlredirect=/anuncia-huawei-nuevo-telefono-flexible/ar2130295; Yin, He. "Constructing an attractive and prosperous China [Construyen una China Atractiva y Próspera]." *Reforma*, 10 Mar. 2021, <https://www.reforma.com/construyen-una-china-atractiva-y-prospera/gr/ar2140935?md5=ca684112fbcc7be5d8e579bda7d37fea&ta=0dfdbac11765226904c16cb9ad1b2efe>; "Boosting local growth tackles poverty in China [Impulso a crecimiento local abate la pobreza en China]." *La Jornada*, 2 Mar. 2021, <https://www.jornada.com.mx/notas/2021/03/02/mundo/impulso-a-crecimiento-local-abate-la-pobreza-en-china/>; "Huawei announces new Mate X2 foldable phone [Huawei anuncia su nuevo teléfono plegable Mate X2]." *El Universal*, 22 Feb. 2021, <https://www.eluniversal.com.mx/techbit/huawei-anuncia-su-nuevo-telefono-plegable-mate-x2/>; "The cheap electric car that is taking China by storm [El auto eléctrico barato que está arrasando en China]." *El Universal*, 25 Feb. 2021, <https://www.eluniversal.com.mx/autopistas/este-auto-electrico-barato-supero-las-ventas-de-tesla-en-china>.

opinion.⁵⁶⁴ Additionally, Mexico's major newspapers do not appear to censor topics China would consider to be taboo, such as stories about Xinjiang and Hong Kong that convey U.S. and Western political views rather.⁵⁶⁵

In one conflicting instance, Notimex - once considered a Mexican state-run company but now recognized as an independent outlet - appears to have adopted CCP messaging on Xinjiang. The 2015 report "*News Agencies in the Digital Era*," notes that Notimex maintains a strategic alliance with Xinhua and published an article in March 2019 suggesting that China was succeeding in combating terrorism and protecting human rights in Xinjiang.⁵⁶⁶

Broadcast Media

On television, Xinhua, CGTN, and other CCP-backed outlets in Mexico advertise China's successes, showcase PRC assistance to Mexico and other Latin American nations, focus on vaccine diplomacy, and display anti-American messaging.

On television, Xinhua, CGTN, and other CCP-backed outlets in Mexico advertise China's successes, showcase PRC assistance to Mexico and other Latin American nations, focus on vaccine diplomacy, and display anti-American messaging.⁵⁶⁷ Xinhua, which has an office in Mexico City with 60

employees and 50 contractors,⁵⁶⁸ has an established content-sharing arrangement with Mexico's "Congress Channel" to share Mexican parliamentary activity with PRC audiences and promote Mexican tourist destinations in China. In 2015, Xinhua's then-director general He Ping suggested other ways to strengthen Xinhua's presence in Mexico,⁵⁶⁹ but that has been limited to photo sharing agreements.⁵⁷⁰ Other arrangements with Chinese media include agreements to air Chinese dramas and documentaries in Mexico which appear to be commercially motivated.⁵⁷¹

Student Exchanges and Technical Cooperation

Presidents Peña Nieto and Xi Jinping signed a Comprehensive Strategic Partnership in 2013 which outlined intensifying exchanges between young students, academics, media, and sport as "desired outcomes."⁵⁷² The PRC has expanded investment in scholarships for Mexican students pursuing studies in China as student exchanges and technological cooperation will likely play a growing role in future Mexico-China ties.⁵⁷³ China has also

⁵⁶⁴ Mexican businesspeople and politicians interviewed on the condition of anonymity by the author.

⁵⁶⁵ Rachman, Gideon. "Chinese censorship spreads [La censura china se extiende]." *Milenio*, 21 Oct. 2019, <https://www.milenio.com/negocios/la-censura-china-se-extiende>.

⁵⁶⁶ "China issues white paper on terrorism, human rights in Xinjiang [China emite libro blanco sobre terrorismo y derechos humanos en Xinjiang]." *Notimex*, 18 Mar. 2019, <https://planoinformativo.com/647991/china-emite-libro-blanco-sobre-terrorismo-y-derechos-humanos-en-xinjiang/amp/>.

⁵⁶⁷ "U.S. media: U.S. Secretary of State displays the Mexican flag upside down [美媒：美国务卿展示倒挂的墨西哥国旗 墨记者懵了]." *Huanqiu*, 27 Feb. 2021, <https://world.huanqiu.com/article/426DuCojgcf>.

⁵⁶⁸ "News agencies in the digital age [Las agencias de noticias en la era digital]." *Biblioteca Mexicana del Conocimiento*, 16 Nov. 2015, <https://issuu.com/coneicc/docs/las-agencias-de-noticias-en-la-era>.

⁵⁶⁹ "Xinhua will use content from the Congress Channel [Xinhua utilizará contenidos del Canal del Congreso]." *El Universal*, 18 Nov. 2015, <https://www.eluniversal.com.mx/articulo/nacion/sociedad/2015/11/18/xinhua-utilizara-contenidos-del-canal-del-congreso>.

⁵⁷⁰ "News agencies in the digital age [Las agencias de noticias en la era digital]."

⁵⁷¹ "China International Television Corporation's In-depth Development of the American Market Has Achieved Remarkable Results." *China International Television Corporation*, 30 Jan. 2018, <http://www.chnpec.com/en/2018/01/30/ART11517274742119354.shtml>.

⁵⁷² Geall, Sam and Robert Soutar. "Chinese Media and Latin America: 'Borrowing a Boat' to Set Sail." *China Brief*, 18 (12), The Jamestown Foundation, 10 July 2018, <https://jamestown.org/program/chinese-media-and-latin-america-borrowing-a-boat-to-set-sail/>.

⁵⁷³ Yang, Jun and Xiaoming Zhang. "Alliance opens doors for Mexican students in China." *China Daily*, 30 July 2019, http://www.chinadaily.com.cn/global/2019-07/30/content_37496606.htm.

sponsored small exchanges between the Federation of Mexican Journalist Associations (FAPERMEX) and the Association of Journalists from China, with visits taking place at Renmin University's School of Journalism.⁵⁷⁴

Scientific and technical cooperation, including innovative technologies, is also increasingly prevalent in the China-Mexico relationship. For example, the "Mexico-China Workshop on Nano: Materials/Science/Technology," was held in 2016 to bring together specialists from both nations, who met to analyze research work related to nanotechnology.⁵⁷⁵ Chinese e-commerce platform Alibaba has also signed agreements with Mexico's Guanajuato Foreign Trade Promotion Coordinator (COFOCE) to train entrepreneurs in e-commerce and other digital sales.⁵⁷⁶ Alibaba has also announced plans to create "digital villages" in all 32 Mexican states, train 1,000 university students, and launch 50 micro-businesses in each village.⁵⁷⁷ Despite China's current limitations in the science and technology space, these projects show the potential for the growth of exchanges between the two countries.

■ Political Influence

Companies and officials from the PRC have gone to great lengths to establish relationships with Mexican officials in support of wide-ranging political and economic objectives. Mexican actors are likewise seeking opportunities for enhanced cooperation with China. While China has developed and maintained relationships with numerous political parties, engagement efforts by the CCP's International Liaison Department (ILD) with Mexican political parties and government officials appear to have peaked during Peña Nieto's administration (2012 – 2018). This likely reflects close historic ties between the CCP and the PRI,⁵⁷⁸ which was the first non-communist party to establish ties with the CCP in 1979.⁵⁷⁹ Close ideological views between the CCP and the PRI on governance and public security helped deepen the partnership.⁵⁸⁰ For example, in May 2021 the PRI's secretary for international affairs said in an interview with Xinhua that the PRI has a "very rich" relationship with the CCP through exchanges and high-level trips by young PRI members to China.⁵⁸¹

Companies and officials from the PRC have gone to great lengths to establish relationships with Mexican officials in support of wide-ranging political and economic objectives. Mexican actors are likewise seeking opportunities for enhanced cooperation with China.

Despite longstanding ties between the CCP and PRI, the ILD and United Front-linked institutions have continued to engage with high-level government officials and policymakers from across Mexico's political spectrum (see

⁵⁷⁴ Zhong, Xiaolei. "The President of the National Journalism Education Society of Mexico leads a delegation to visit the School of Journalism of Renmin University [墨西哥全国新闻教育学会主席率团访问人民大学新闻学院]." *National People's Congress News Network*, 14 Oct. 2015, <https://news.ruc.edu.cn/archives/114701>.

⁵⁷⁵ "Chinese researchers interested in developing collaborative work with Cimav [Investigadores de China interesados en desarrollar trabajos de colaboración con el Cimav]." *CIMAV, Gobierno de México*, 2017, <https://cimav.edu.mx/2017/01/investigadores-de-china-interesados-en-colaborar-con-cimav/>.

⁵⁷⁶ Culebro, Enrique. "How Alibaba is helping to push the digital transformation in Mexico." *Latin America Business Stories*, 9 Oct. 2019, <https://labsnews.com/en/articles/economy/how-alibaba-is-helping-to-push-the-digital-transformation-in-mexico/>.

⁵⁷⁷ López, Mariana. "Alibaba launches ambitious e-commerce initiative in Mexico." *Contxto*, 30 June 2020, <https://contxto.com/en/mexico/alibaba-e-commerce-mexico/>.

⁵⁷⁸ Interview with author on condition of anonymity, 23 April 2021.

⁵⁷⁹ Cardenal, Juan Pablo. "The art of making friends How the Chinese Communist Party seduces political parties in Latin America [El arte de ser amigos: Cómo el Partido Comunista chino seduce a los partidos políticos en América Latina]." CADAL, KONRAD-ADENAUER-STIFTUNG, 2021, <https://www.cadal.org/informes/pdf/El-arte-de-hacer-amigos.pdf>.

⁵⁸⁰ Interview with author on condition of anonymity, 23 April 2021.

⁵⁸¹ Pei, Jianrong and Luis Rojas. "INTERVIEW: Mexico and China can encourage more preparation among young people through games, says PRI representative [ENTREVISTA: México y China pueden fomentar más preparación entre jóvenes vía partidos, dice representante del PRI]." *Xinhua español*, 5 April 2021, http://spanish.xinhuanet.com/2021-05/04/c_139923156.htm.

Appendix I).⁵⁸² This includes outreach to Mexico's Workers' Party and Lopez Obrador's National Regeneration Movement (MORENA). Due to PRC outreach or not, some in Mexico's political establishment outside the PRI strongly support China's economic engagement and China's political interests — including Taiwan and Hong Kong — regardless of the regional implications. For example, Senator Héctor Vasconcelos of the MORENA Party arranged President-elect López Obrador's first meeting as president with the PRC ambassador and has previously stated that China has an “unlimited” future if it resolves its problems.⁵⁸³ Former PRI president Cesar Camacho Quiroz has also praised China's contributions in Mexico on numerous occasions. However, most senators and local politicians who have engaged in official travel to the PRC do not promote the China-Mexico relationship in their public messaging on social media, instead promoting U.S.-Mexico relations, and taking part in both China and Taiwan-backed events.⁵⁸⁴



PRC Ambassador to Mexico Shu Qingqiao commemorates 50 years of Mexico-PRC bilateral relationships in Mexico City, Mexico. February 14, 2022. (Photo by Luis Barron/ Eyepix Group/NurPhoto via AP).

At present, there is no indication that closer ties have resulted in pro-China policies within Mexico's political parties. However, pervasive corruption among Mexico's political and economic elite makes it challenging to assess any particular economic or political coercion resulting from increased engagement with the PRC. In fact, PRC-based companies have borne the brunt of certain high-profile Mexican corruption scandals. The most prominent example is the cancellation of a much anticipated high-speed railway running from Querétaro to Mexico City that

⁵⁸² “Centenary of the CCP: CGTN in Spanish interviews the president of the Labor Party of Mexico [Centenario del PCCh: CGTN en Español entrevista al presidente del Partido del Trabajo de México].” *CGTN*, 10 May 2021, <https://espanol.cgtn.com/n/2021-05-10/FADdEA/centenario-del-pcch-cgtn-en-espanol-entrevista-al-presidente-del-partido-del-trabajo-de-mexico/index.html>.

⁵⁸³ “China's Prospects: Hector Vasconcelos [Las Perspectivas de China: Hector Vasconcelos].” *YouTube*, 2 Feb. 2021, <https://www.youtube.com/watch?v=szVcUUEeQsw>.

⁵⁸⁴ “Mexico and Taiwan signed collaboration agreement to promote investment attraction.” *Axopolis*, 10 Feb. 2020, <https://mexico-now.com/mexico-and-taiwan-signed-collaboration-agreement-to-promote-investment-attraction/>.

was to be built by China Railway Construction Corporation (CRCC) in consortium with local firms, despite CRCC's presence on the World Bank's blacklist for fraudulent practice.⁵⁸⁵ The disclosure of political connections between at least one of the Mexican consortium companies and President Peña Nieto's wife⁵⁸⁶ led to the project's indefinite suspension which seriously damaged China-Mexico diplomatic ties at the time.⁵⁸⁷

China has nevertheless pursued relationships with policymakers who have been accused of corruption. Former Transport Minister Gerardo Ruiz Esparza was a major proponent of PRC infrastructure investment during the Peña Nieto administration, including the failed high-speed rail project.⁵⁸⁸ Evidence suggests he may have been a proponent of Huawei's 2018 partnership with the Mexican company Megacable, in which his ministry and Mexico's environmental secretariat would provide technical support to Megacable after the company won the contract to lay cable across the Sea of Cortés. Esparza was later investigated for acts of corruption related to the "Master Fraud" scandal, where he was accused of irregularly awarding contracts.

■ United Front

The CCP has enlisted the assistance of Chinese diaspora communities in Latin American nations to achieve its economic, political, and cultural objectives.⁵⁸⁹ In 2010, the Overseas Chinese Affairs Office (OCAO), which has since been incorporated into the United Front Work Department, worked with the Chinese Associations of Mexicali and Tijuana to create a Chamber of Chinese Enterprises of the Northeast, which served as a "coordinating body for some four thousand Chinese businesspeople in the region."⁵⁹⁰ They received support from OCAO's Guangdong office to connect businesspeople and producers in Asia and Mexico to create a "critical nexus for Chinese and Mexican businesspeople at a time when bilateral tensions have made institutional channels and partnerships difficult to establish and sustain."⁵⁹¹

Additional research revealed that OCAO's political objectives were closely "intertwined with Chinese commercial and cultural goals in Mexico."⁵⁹² In 2001, the OCAO established the Chinese Peaceful Pro-unification Alliance of Baja California, which adopted Mandarin as its operating language⁵⁹³ and requested that all Chinese associations break linkages with Taiwan to secure continued support from China's Ministry of Foreign Affairs (MOFA).⁵⁹⁴ Since then at least five overseas Chinese organizations in Mexico have supported China's political objectives, including its treatment of Hong Kong.⁵⁹⁵ In 2018 four members of the Chinese diaspora in Mexico were named overseas

⁵⁸⁵ "FONATUR by Jiménez Pons on trial: corrupt companies sneak into the construction of the Mayan Train [FONATUR a cargo de Jiménez Pons a prueba: se cuelan empresas corruptas a construcción del Tren Maya]." *Redacción*, 23 April 2020, <https://almomento.mx/sonatur-a-cargo-de-jimenez-pons-a-prueba-se-cuelan-empresas-corruptas-a-construccion-del-tren-maya/>.

⁵⁸⁶ "Mystery of Mexico's president, a luxury mansion and cancelled US\$3.7b bullet-train contract." *South China Morning Post*, 11 Nov. 2014, <https://www.scmp.com/news/china/article/1636918/mystery-mexicos-president-luxury-mansion-and-cancelled-us37b-bullet-train>.

⁵⁸⁷ Rodriguez, Angela. "The curse of Mexico's passenger rail projects." *Bnamericas*, 1 Mar. 2019, <https://app.bnamericas.com/article/section/all/content/xy3p9vufo-the-curse-of-mexicos-passenger-rail-projects----->.

⁵⁸⁸ O'Boyle, Michael and Dave Graham. "UPDATE 6-Mexico scraps \$3.75 bln China rail deal ahead of state visit." *Reuters*, 7 November 2014, <https://www.reuters.com/article/mexico-china-railways/update-6-mexico-scraps-3-75-bln-china-rail-deal-ahead-of-state-visit-idUSL1N0SX0CP20141107>.

⁵⁸⁹ Hearn, Adrian H., "China's Social Engagement Programs in Latin America," *Journal of Iberian and Latin American Research*, 19 (2), 2013, 239–250.

⁵⁹⁰ Hearn. "China's Social Engagement Programs in Latin America."

⁵⁹¹ Hearn. "China's Social Engagement Programs in Latin America."

⁵⁹² Hearn. "China's Social Engagement Programs in Latin America."

⁵⁹³ Hearn. "China's Social Engagement Programs in Latin America."

⁵⁹⁴ Hearn. "China's Social Engagement Programs in Latin America."

⁵⁹⁵ "Nearly 600 associations around the world issued a solemn statement by overseas Chinese and overseas Chinese, strongly

condemning the riots and color revolutions in Hong Kong. [全球近六百家社团发表全球华侨华人严正声明，强烈谴责香港暴乱和颜色革命]." *Global Chinese Convergence Media*, 10 Aug. 2019,

members of the 10th Committee of the Chinese Federation of Returned Overseas Chinese.⁵⁹⁶ It is probable that at least some of the outreach and relationship building activities carried out by United Front representatives has generated opportunities for China in Mexico, whether in the commercial realm or in the area of policy coordination, although their impact is difficult to assess.

■ Mexico's Response

On the whole, Mexico appears to be resilient to Chinese efforts to influence national level policymaking. China-Mexico economic ties and investment opportunities are growing, but China's overall footprint is exceedingly limited as few deals ever materialize and some in Mexico's private sector continue to distrust China.

On the whole, Mexico appears to be resilient to Chinese efforts to influence national level policymaking. China-Mexico economic ties and investment opportunities are growing, but China's overall footprint is exceedingly limited as few deals ever materialize⁵⁹⁷ and some in Mexico's private sector continue to distrust China.⁵⁹⁸ While there is interest within the current government and among Mexican businesspeople to deepen cooperation with China, China's biggest advocates are not very prominent,⁵⁹⁹ and there is no indication Mexico will align with China on key interests.⁶⁰⁰

If anything, López Obrador's recent policies may make collaboration harder for China in the near-term, as efforts to change the electricity law would give priority to power generated by the Mexican state monopoly CFE instead of to new Chinese renewables.⁶⁰¹ Evidence suggests China does not view the current political environment in Mexico as particularly inviting. In November 2019, Ambassador Zhu Qingqiao explained to Yan Qifa, CEO of China-Latin America Cooperation Fund, that López Obrador has been advocating for economic nationalism since he took office, but that "his approach has led the federal government to become more conservative, financial support to tighten, privatization projects to be blocked, and forced suspensions or reorganizations of existing deals."

Corruption in Mexico is also a challenge for Chinese companies as it has derailed prominent projects in the past and could very well do so again.⁶⁰² With all of this in mind, efforts to build capacity in Mexico would be mostly forward-looking, preparing stakeholders for the possibility of enhanced PRC engagement. It is possible that in addition to continued efforts to build relationships at the national level, Chinese state actors will also aim to engage more extensively at the local level in the coming years.

<http://www.cgctv.com/2019/08/10/%E5%85%A8%E7%90%83%E8%BF%91%E5%85%AD%E7%99%BE%E5%AE%B6%E7%A4%BE%E5%9B%A2%E5%8F%91%E8%A1%A8%E5%85%A8%E7%90%83%E5%8D%8E%E4%BE%A8%E5%8D%8E%E4%BA%BA%E4%B8%A5%E6%AD%A3%E5%A3%B0%E6%98%8E%EF%BC%8C%E5%BC%BA/>

⁵⁹⁶ "The list of overseas members of the 10th Committee of the Chinese Federation of Returned Overseas Chinese hired by the 10th National Congress [(受权发布) 第十次全国归侨侨眷代表大会聘请中国侨联第十届委员会海外委员名单]." *China Federation of Returned Overseas Chinese*, 1 Sept. 2018, <http://www.chinaql.org/n1/2018/0901/c421026-30265666.html>.

⁵⁹⁷ Interview with author on condition of anonymity, 27 April 2021.

⁵⁹⁸ Interview with author on condition of anonymity, 27 April 2021.

⁵⁹⁹ Interview with author on condition of anonymity, 25 April 2021.

⁶⁰⁰ Interview with author on condition of anonymity, 27 April 2021.

⁶⁰¹ "A bad energy law says much about Mexico's president." *The Economist*, 13 Mar. 2021, <https://www.economist.com/the-americas/2021/03/11/a-bad-energy-law-says-much-about-mexicos-president>.

⁶⁰² Dussel Peters, et al. *Building Development for a New Era: China's Infrastructure Projects in Latin America and the Caribbean*. Asian Studies Center, Center for International Studies, University of Pittsburgh, and Red Académica de América Latina y el Caribe sobre, China, 2018, <https://www.redalc-china.org/v21/images/Red-ALC-China-y-U-PittsburghBuilding-Development2018.pdf>.

In his 2019 conversation with China-Latin America Cooperation Fund Chairman Yan Qifa, Ambassador Zhu Qingqiao recommended that funds and related enterprises increase communication and interaction with regional governments to open local markets through grassroots projects.⁶⁰³ If China engages even more extensively at the local level, Mexican leadership must be equipped with knowledge of China's interests, engagement style, and efforts to make constructive deals.

Chinese companies have acted in concert with other international actors for construction projects, and the structure of future deals will be critical in order for Mexico to maintain high standards, control better outcomes, and encourage competitive bids from reputable consortia or single actors. This transparent approach will presumably promote positive outcomes in project development with or without China's involvement.

Much, of course, depends on the government's commitment to fairness and transparency throughout any given project's development. Given the relative newness of some of China's ventures in Mexico, including recent acquisitions and financing arrangements, it will also be critical to closely monitor progress on all projects, as a measure of China's commitment to economic growth in Mexico and to good environmental, social, and governance-related practices.

It is unclear whether Mexico's media will be interested in closely monitoring China's deal making in the coming months and years. On the whole, Mexican media outlets have portrayed diverse views of China. Though coverage of prominent Chinese issues such as Xinjiang and Hong Kong are available throughout the country on a range of platforms, China does not appear to be a major topic of interest for Mexico's readership given China's relatively small footprint in Mexico. Instead, concerns about COVID-19, corruption and organized crime, and citizen security dominate Mexican news. Recently, most outlets reporting on China focus on issues with immediate impact on Mexican audiences, including trade tensions with the United States and pandemic assistance. However, with China poised to play a more prominent role in shaping economics in Mexico in the future, Mexican media outlets should familiarize themselves on China's history, economy, and politics, and its strategy across the Latin American region, to facilitate stronger reporting on China affairs.

■ Conclusion

Despite increased economic and commercial ties with China since Beijing's accession to the WTO, Mexico remains resilient to Chinese influence operations across multiple sectors. Corruption scandals which drive public perceptions of Chinese companies, an asymmetric trade relationship between Beijing and Mexico City, and Mexico's deep and longstanding ties with the United States have made Mexican business leaders and industrialists very resilient in the face of growing trade ties with China, despite the perception of strained ties with the United States. In the present moment, the CCP's longstanding relationship with PRI means little, as Mexican President López Obrador's economic nationalism and policy decisions favoring Mexican state monopolies has made it difficult for Chinese firms to find large FDI markets in Mexico.⁶⁰⁴

China's influence efforts in Mexican media are ineffective, as most major publications share pro-U.S. and pro-Western stories on issues including Hong Kong and Xinjiang, often to the chagrin of Chinese state media. Though

⁶⁰³ "Yan Qifa, CEO of China-Latin America Cooperation Fund, met with Zhu Qingqiao, my ambassador to Mexico [中拉合作基金首席执行官严启发 拜会我驻墨西哥大使祝青桥]." *CLAC Fund*, 18 Nov. 2019,

<http://www.clacfund.com.cn/common/index.aspx?nodeid=34&page=ContentPage&contentid=323>.

⁶⁰⁴ "A bad energy law says much about Mexico's president."

fledgling student exchange programs and United Front operations are growing, they exercise little influence outside of business and commercial groups of ethnic Chinese but should be monitored in the future.

At the end of the day, one must recognize that Mexico's interest in engaging more extensively with China is aimed at boosting economic growth and diversifying economic partnerships. Mexico is grappling with the effects of overreliance on the U.S., and many in the country naturally see value in diversifying sources of investment and trade partnerships. Regardless, the U.S. will play a role in fortifying and encouraging additional productive economic activity in Mexico as Latin America finds itself in a vulnerable economic position following COVID-19.

Appendix I: Examples of International Liaison Department and other Chinese Party/government interactions with Mexican politicians, 2013-2020

- **April 2021** - Li Zhanshu, chairman of the National People's Congress Standing Committee, held talks via video link with Oscar Eduardo Ramirez Aguilar, speaker of Mexico's Senate, on April 20, 2021.⁶⁰⁵
- **September 2020** - Former President of the PRI Alejandro Moreno Cárdenas watched the live broadcast of the "*The Story of the Communist Party of China—The Practice of Xi Jinping Thought on Socialism with Chinese Characteristics in Guizhou in the New Era*," jointly organized by the International Department of the Central Committee of the Communist Party of China and the Guizhou Provincial Committee of the Communist Party of China. The focus was on China's successes in poverty alleviation.⁶⁰⁶
- **July 2020** - The Mexican Labor Party stated that in the fight against the COVID-19 pandemic the CCP and its core leadership have demonstrated an important role, having extended humanitarian assistance to other countries, shared anti-epidemic experience in a timely manner, and provided technical and material assistance.
- **April 2019** - Mexican officials took part in the "Second Belt and Road Forum for International Cooperation Thematic Forum on People-to-People Connectivity."
- **April 2019** - The ILD's Song Tao met in Beijing with a delegation of National Regeneration Movement (MORENA, ruling coalition) members led by Yeidckol Polvinsky. The delegation was attending the "Belt and Road Forum."⁶⁰⁷
- **December 2018** - Zhang Chunsheng, General Representative of CCPIT's Mexico Office, met with Álvaro Burgos, director of commerce of the state of Guerrero; Nolasco Mesa, deputy director of the Administration of the Federal Economic Development Zone of Mexico; and the Director of Special Economic Zones (SEZ) Hugo Bunichi.⁶⁰⁸ During the meeting, the two sides reportedly discussed Chinese investment in the Lázaro Cárdenas-La Unión SEZ, as well as Guerrero's "cooperation with China in manufacturing, agriculture, tourism, mining, natural gas development, and renewable energy."
- **September 2018** - According to the Ministry of Foreign Affairs, Vice Foreign Minister Qin Gang met with the president of MORENA coalition, Yeidckol Polvinsky, before Mexican president López Obrador (also of MORENA) was inaugurated.
- **August 2018** - The ILD's Li Jun met with Laura Rojas Hernández, chairwoman of the Foreign Affairs Committee of the Mexican Senate and her party, the National Action Party (PAN).

⁶⁰⁵ "China and Mexico pledge to intensify cooperation to promote ties [China y México se comprometen a intensificar cooperación para promover vínculos]." *Embajada de la República Popular China en México*, 20 Apr. 2021, <https://www.mfa.gov.cn/ce/cemx/esp/sgjs/t1870234.htm>.

⁶⁰⁶ "Leading the cooperation of political parties to help the global fight against the epidemic. [中共中央对外联络部：引领政党合作助力全球抗疫]." *International Liaison Department of the Communist Party of China*, 16 Apr. 2020, <https://www.56-china.com.cn/show-case-3584.html>.

⁶⁰⁷ "Song Tao met with guests from Iran and Mexico respectively [宋涛分别会见伊朗和墨西哥客人]." *Xinhuanet*, 22 Apr. 2019, http://www.xinhuanet.com/world/2019-04/22/c_1124401304.htm.

⁶⁰⁸ "Brazil-China Business Seminar Successfully Held in Florianopolis, Santa Catarina, Brazil." *China Council for the Promotion of International Trade - Representative Office in Brazil*, 2 July 2019, http://www.ccpit.org/Contents/Channel_3930/2019/0702/1183772/content_1183772.htm.

- **December 2017** – ILD members traveled to Mexico and several other countries to share highlights from the 19th Party Congress.⁶⁰⁹
- **August 2017** – A CCP delegation visited Mexico at the invitation of the PRI. Central Committee member Leng Rong met the deputy speaker of the House of Representatives of Mexico, and Cesar Camacho Quiróz, coordinator of the Institutional Revolutionary Party (PRI) faction in the Constituent Assembly of Mexico City. The delegation also participated in the second theoretical seminar of the two parties between China and Mexico. Experts and scholars from both sides conducted in-depth discussions and exchanges on comprehensively deepening reforms and building the ruling party.
- **December 2016** – The Communist Party Secretary of Qingdao, Li Qun, met with Cesar Camacho Quiróz, coordinator of the Institutional Revolutionary Party (PRI) faction in the Constituent Assembly of Mexico City, and Carolina Monroy del Mazo, secretary general of the PRI, among other politicians and Member of Congress. Li introduced the spirit of the Sixth Plenary Session of the 18th Central Committee and the two sides exchanged views on strengthening inter-party exchanges and cooperation.
- **December 2016** – During Li Qun’s visit, the chairman of the Mexican-China Chamber of Commerce and Technology commented that President Xi Jinping’s speech in Latin America and the recent presidential election in the United States made more Mexicans feel that “the United States has closed its doors and China has opened its arms.”
- **November 2016** - The CPAFFC held the first China-Latin America Local Governments Cooperation Forum in Chongqing.⁶¹⁰ According to CPAFFC reports, the meeting comprised approximately 200 people representing 15 countries and 20 cities in LAC, 15 international and regional organizations, and 15 Chinese localities. The forum also hosted representatives from Argentina, Chile, Colombia, Costa Rica, and Mexico and included discussions on promoting cooperation in areas such as trade, industry, tourism, and the humanities.
- **June 2013** - President Xi Jinping met with Senators Anaya, the chairman of the Standing Committee of the Mexican Congress and Mexican Workers Party member; Arroyo, speaker of the House of Representatives; and heads of special committees in the Senate and House of Representatives. Anaya and Arroyo praised China's continuous development along the path of socialism with Chinese characteristics in their speeches.⁶¹¹ Wang Huning, Li Zhanshu, Yang Jiechi and others also participated in the above activities.

⁶⁰⁹ “China Brings Three Enlightenments to the World—The Spiritual Presentation of the 19th National Congress of the Communist Party of China Resonates Strongly in the International Community.” *CCTV*, <http://news.cctv.com/special/sjdsjwx/index.shtml>, accessed 25 April 2021.

⁶¹⁰ “The First China-Latin America Local Government Cooperation Forum was Held in Chongqing.” *Chinese People’s Association for Friendship with Foreign Countries*, 9 Nov. 2016, <https://www.cpaffc.org.cn/index/news/detail/id/3401/lang/1.html>.

⁶¹¹ “President Xi Jinping meets with Mexican congressmen in Mexico City [国家主席习近平在墨西哥城会见墨西哥国会议员].” *The Central People’s Government of the People’s Republic of China*, 6 June 2013, http://www.gov.cn/ldhd/2013-06/06/content_2420408.htm.

Appendix II: Examples of Recent Op-Eds by Chinese Diplomats Placed in Mexican Media Outlets

2/4/2020	The PRC ambassador to Mexico published op-ed assuring China's control of the pandemic outbreak entitled "China takes vigorous measures to combat novel coronavirus outbreak." ⁶¹²	H.E. Mr. Zhu Qinqiao
3/16/2020	The PRC ambassador to Mexico published op-ed promoting donations and cooperation entitled "United to combat Covid-19." ⁶¹³	H.E. Mr. Zhu Qinqiao
3/18/2020	The PRC ambassador to Mexico published an op-ed promoting China's control of pandemic and economic recovery entitled "China resumes production as epidemic prevention improves." ⁶¹⁴	H.E. Mr. Zhu Qinqiao
5/4/2020	The PRC ambassador to Mexico published an op-ed promoting cooperation and highlighted donations entitled "Together to defeat the pandemic." ⁶¹⁵	H.E. Mr. Zhu Qinqiao
6/1/2020	The PRC ambassador to Mexico published an op-ed promoting cooperation entitled "Solidarity is the most powerful weapon to defeat the pandemic." ⁶¹⁶	H.E. Mr. Zhu Qinqiao
6/18/2020	The PRC ambassador to Mexico published an op-ed defending China against criticism of the National Security Law in Hong Kong entitled "Lies will not prevail over the legislation in Hong Kong." ⁶¹⁷	H.E. Mr. Zhu Qinqiao
7/16/2020	The PRC ambassador to Mexico published an op-ed promoting cooperation and highlighting donations and BRI advances entitled "China and AI towards a shared future." ⁶¹⁸	H.E. Mr. Zhu Qinqiao
8/7/2020	The PRC ambassador to Mexico published an op-ed promoting cooperation and highlighting donations entitled "China and LAC build a community of common destiny." ⁶¹⁹	H.E. Mr. Zhu Qinqiao
9/7/2020	The PRC ambassador to Mexico publishes an op-ed regarding international cooperation on the 75th anniversary of the end of WWII entitled "Cherish peace for a better future of humanity." ⁶²⁰	H.E. Mr. Zhu Qinqiao

⁶¹² Qinqiao, Zhu. "China takes vigorous measures to combat novel coronavirus outbreak [China toma medidas energicas para combatir brote de nuevo coronavirus]." *Milenio*, 4 February 2020, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/china-toma-medidas-energicas-combatir-brote-coronavirus>.

⁶¹³ Qinqiao, Zhu. "United to combat Covid-19 [Unidos para combatir el Covid-19]." *Milenio*, 16 March 2020, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/unidos-para-combatir-el-covid-19>.

⁶¹⁴ Qinqiao, Zhu. "China resumes production as epidemic prevention improves [China reanuda su producción mientras se mejora la prevención de epidemia]." *Milenio*, 18 March 2020, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/china-reanuda-produccion-mejora-prevencion-epidem>.

⁶¹⁵ Qinqiao, Zhu. "Together to defeat the pandemic [Juntos para vencer la pandemia]." *El Sol De México*, 4 May 2020, <https://www.elsoldemexico.com.mx/analisis/juntos-para-vencer-la-pandemia-5184176.html>.

⁶¹⁶ Qinqiao, Zhu. "Solidarity is the most powerful weapon to defeat the pandemic [La solidaridad es el arma más poderosa para vencer la pandemia]." *Milenio*, 1 June 2020, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/la-solidaridad-es-el-arma-mas-poderosa-para-vencer-la-pandemia>.

⁶¹⁷ Qinqiao, Zhu. "Lies will not prevail over the legislation in Hong Kong [No prevalecerán las mentiras sobre la legislación en Hong Kong]." *El Financiero*, 18 June 2020, <https://www.elfinanciero.com.mx/opinion/zhu-qinqiao/no-prevaleceran-las-mentiras-sobre-la-legislacion-en-hong-kong/>.

⁶¹⁸ Qinqiao, Zhu. "China and AI towards a shared future [China y AI, hacia un futuro compartido]." *El Heraldo de México*, 16 July 2020, <https://heraldodemexico.com.mx/opinion/2020/7/16/china-ai-hacia-un-futuro-compartido-192909.html>.

⁶¹⁹ Qinqiao, Zhu. "China and LAC build a community of common destiny [China y LAC construyen la comunidad de futuro compartido]." *El Universal*, 7 August 2020, <https://www.eluniversal.com.mx/opinion/zhu-qinqiao/china-y-alc-construyen-la-comunidad-de-futuro-compartido>.

⁶²⁰ Qinqiao, Zhu. "Cherish peace for a better future of humanity [Apreciar la paz para un mejor futuro de la humanidad]." *Milenio*, 7 September 2020, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/apreciar-la-paz-para-un-mejor-futuro-de-la-humanidad>.

10/1/2020	The PRC ambassador to Mexico published an op-ed promoting cooperation and highlighting aid entitled "Community, Trust, Cooperation, Contribution." ⁶²¹	H.E. Mr. Zhu Qingqiao
11/11/2020	The PRC ambassador to Mexico published an op-ed promoting China's poverty alleviation the pandemic entitled "Confidence, determination and perseverance, decisive for the future development of China." ⁶²²	H.E. Mr. Zhu Qingqiao
11/18/2020	The PRC ambassador to Mexico published an op-ed promoting China's poverty alleviation amid the pandemic entitled "New pattern of development, suitable for China and the world." ⁶²³	H.E. Mr. Zhu Qingqiao
11/30/2020	The Chinese Embassy' economic consul gave an interview on China-Mexico economic cooperation, focusing on pandemic related medical equipment trade entitled "The relationship between China and Mexico will show new bright spots in the future." ⁶²⁴	Zou Chuanming
12/2/2020	The PRC ambassador to Mexico published an op-ed promoting China's poverty alleviation amid the pandemic entitled "Fight for the happiness of the people." ⁶²⁵	H.E. Mr. Zhu Qingqiao
12/16/2020	The PRC ambassador to Mexico published an op-ed promoting cooperation and multilateralism entitled "Overcome difficulties and create the future together." ⁶²⁶	H.E. Mr. Zhu Qingqiao
2/10/2021	The PRC ambassador to Mexico published an op-ed promoting cooperation and multilateralism entitled "The world needs true multilateralism." ⁶²⁷	H.E. Mr. Zhu Qingqiao
2/22/2021	The PRC ambassador to Mexico published an op-ed promoting cooperation and celebrating vaccine delivery entitled "Deepening vaccine cooperation between China and Mexico." ⁶²⁸	H.E. Mr. Zhu Qingqiao
3/5/2021	The PRC ambassador to Mexico published an op-ed promoting China's poverty alleviation amid the pandemic entitled "Eradication of poverty and a new expedition." ⁶²⁹	H.E. Mr. Zhu Qingqiao

⁶²¹ Qingqiao, Zhu. "Community, Trust, Cooperation, Contribution [Comunidad, Confianza, Cooperación, Contribución]." *Milenio*, 1 October 2020, <https://www.milenio.com/opinion/zhu-qingqiao/columna-zhu-qingqiao/comunidad-confianza-cooperacion-contribucion>.

⁶²² Qingqiao, Zhu. "Confidence, determination and perseverance, decisive for the future development of China [Confianza, determinación y perseverancia, decisivas para el futuro desarrollo de China]." *El Financiero*, 11 November 2020, <https://www.elfinanciero.com.mx/opinion/zhu-qingqiao/confianza-determinacion-y-perseverancia-decisivas-para-el-futuro-desarrollo-de-china/>.

⁶²³ Qingqiao, Zhu. "New pattern of development, suitable for China and the world [Nuevo patrón de desarrollo, idóneo para China y el mundo]." *El Financiero*, 18 November 2020, <https://www.elfinanciero.com.mx/opinion/zhu-qingqiao/nuevo-patron-de-desarrollo-idoneo-para-china-y-el-mundo/>.

⁶²⁴ Gandara, Gabriela. "The relationship between China and Mexico will show new bright spots in the future [La relación entre China y México mostrará nuevos puntos brillantes en el futuro]." 30 November 2020, *Comercio Exterior Bancomext*, <https://revistacomercioexterior.com/la-relacion-entre-china-y-mexico-mostrara-nuevos-puntos-brillantes-en-el-futuro>.

⁶²⁵ Qingqiao, Zhu. "Fight for the happiness of the people [Luchar por la felicidad del pueblo]." *El Financiero*, 2 December 2020, http://mx.china-embassy.gov.cn/esp/ojos/202012/t20201203_10313482.htm.

⁶²⁶ Qingqiao, Zhu. "Overcome difficulties and create the future together [Superar dificultades y crear juntos el futuro]." *Milenio*, 16 December 2020, <https://www.milenio.com/opinion/zhu-qingqiao/columna-zhu-qingqiao/superar-dificultades-y-crear-juntos-el-futuro>.

⁶²⁷ Qingqiao, Zhu. "The world needs true multilateralism [El mundo necesita el verdadero multilateralismo]." *El Financiero*, 10 February 2021, <https://www.elfinanciero.com.mx/opinion/zhu-qingqiao/el-mundo-necesita-el-verdadero-multilateralismo/>.

⁶²⁸ Qingqiao, Zhu. "Deepening vaccine cooperation between China and Mexico [Profundizar la cooperación de vacunas entre China y México]." *Milenio*, 22 February 2021, <https://www.milenio.com/opinion/zhu-qingqiao/columna-zhu-qingqiao/profundizar-la-cooperacion-de-vacunas-entre-china-y-mexico>.

⁶²⁹ Qingqiao, Zhu. "Eradication of poverty and a new expedition [Erradicación de la pobreza y una nueva expedición]." *Milenio*, 5 March 2021, <https://www.milenio.com/opinion/zhu-qingqiao/columna-zhu-qingqiao/erradicacion-de-la-pobreza-y-una-nueva-expedicion>.

5/6/2021	The PRC ambassador to Mexico published an op-ed to celebrate the CCP's development model entitled "The three Rs in the 100 years of the Communist Party of China." ⁶³⁰	H.E. Mr. Zhu Qinqiao
5/22/2021	The PRC ambassador to Mexico published an op-ed on China's model for international engagement entitled, "The three A's of diplomacy under the leadership of the Communist Party." ⁶³¹	H.E. Mr. Zhu Qinqiao
6/14/2021	The PRC ambassador to Mexico published an op-ed extolling the virtues of the CCP's governance and development model entitled, "Four words to sum up the success of the Communist Party of China." ⁶³²	H.E. Mr. Zhu Qinqiao
7/26/2021	The PRC ambassador to Mexico published an op-ed praising the PLA entitles, "People's Liberation Army, defender of sovereignty and peace." ⁶³³	H.E. Mr. Zhu Qinqiao
7/2/2022	The PRC ambassador to Mexico published an op-ed on PRC leadership and the BRICS, "Safeguard world peace and development for common prosperity." ⁶³⁴	H.E. Mr. Zhu Qinqiao

⁶³⁰ Qinqiao, Zhu. "The three Rs in the 100 years of the Communist Party of China [Las tres R en los 100 años del Partido Comunista de China]." *Milenio*, 6 May 2021, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/las-tres-r-en-los-100-anos-del-partido-comunista-de-china>.

⁶³¹ Qinqiao, Zhu. "The three A's of diplomacy under the leadership of the Communist Party [Las tres A de la diplomacia bajo el liderazgo del Partido Comunista]." *Milenio* 22 May 2021, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/las-tres-a-de-la-diplomacia-bajo-el-liderazgo-del-partido-comunista>.

⁶³² Qinqiao, Zhu. "Four words to sum up the success of the Communist Party of China [Cuatro palabras para resumir el éxito del Partido Comunista de China]." *Milenio*, 14 June 2021, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/cuatro-palabras-para-resumir-el-exito-del-partido-comuni>.

⁶³³ Qinqiao, Zhu. "People's Liberation Army, defender of sovereignty and peace [Ejército Popular de Liberación, defensor de la soberanía y la paz]." *Milenio*, 26 July 2021, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/ejercito-popular-liberacion-defensor-soberania-paz>.

⁶³⁴ Qinqiao, Zhu. "Safeguard world peace and development for common prosperity [Salvaguardar la paz y el desarrollo mundial por la prosperidad común]." *Milenio*, 2 July 2022, <https://www.milenio.com/opinion/zhu-qinqiao/columna-zhu-qinqiao/salvaguardar-paz-desarrollo-mundial-prosperidad-comun>.



■ Introduction

Over the last two decades, the People's Republic of China (PRC) has made various efforts to expand its influence in South Africa, regarded as the gateway to a continent and a foundational partner in the BRICS (Brazil Russia India China and South Africa) group. China's influence and interference efforts in South Africa have relied primarily on the Chinese Communist Party's (CCP) longstanding relationship with the African National Congress (ANC), whose officials openly associate with organizations that perform United Front Work in the country. Those officials also have benefited financially from business deals with Chinese firms that often lack transparency. Rampant corruption in South Africa has, however, undermined the CCP's ability to fully exploit its economic ties to unduly influence South African policy makers.

The Chinese telecommunications giant Huawei has gained an important foothold in the country, creating dependencies and potential vulnerabilities that could have serious future repercussions for South Africa. Huawei uses its access and success in South Africa's media market as propaganda to encourage other countries to commit their telecommunications developments to the company and PRC hardware. As it has done in other countries, China has tried to exert its influence in the media and in academia to shape the national discourse in its favor and has encouraged censorship of issues that are anathema to the CCP. Chinese officials are also believed to have mobilized their allies in South Africa to protest government interactions with Taiwanese and Tibetan officials in ways that undermine the sovereign right of the South African state to conduct foreign policy. China also provides training programs for South African government officials, law enforcement officers, and others. These training sessions serve as platforms to indoctrinate select officials with a worldview that is compatible with Chinese ambitions. In spite of pathways for increased influence in the economic and political domain, South Africa's robust media and pluralistic political system provide checks on such influence. As a result, while the South Africa-PRC relationship remains strong, it has not yet encouraged authoritarian backsliding to the degree observed in others of the PRC's bilateral relationships.

■ Economic Influence

As is the case with many African countries, economic entry points enabled the PRC to become a significant economically and political partner to South Africa. Soon after the end of apartheid rule in the early 1990s, the PRC threatened to rescind South Africa's "most favored nation" trading status with the goal of pushing the newly elected government toward a "One China" policy.⁶³⁵ This effort succeeded in 1998 when South African President Nelson Mandela switched recognition from Taiwan to Beijing. A decade later, the PRC had become South Africa's largest trading partner, with a value of \$54 million USD in exports and imports.⁶³⁶ Moreover, the two countries have used multilateral bonds such as BRICS to fortify economic partnerships and political cooperation, which the PRC has used to access Southern Africa – a high-priority region with many land-locked trading partners. The

⁶³⁵ "A tale of two Chinas: The story of South Africa's switch from Taipei to Beijing." *Mail and Guardian*, 24 July 2018, <https://mg.co.za/article/2018-07-24-a-tale-of-two-chinas-the-story-of-south-africas-switch-from-taipei-to-beijing/>.

⁶³⁶ "Trade between Africa and China reached an all-time high in 2021." *Quartz Africa*, 08 Feb. 2022, <https://qz.com/africa/2123474/china-africa-trade-reached-an-all-time-high-in-2021/>.

contemporary relationship between China and South Africa is defined by the role of "special economic zones (SEZ)" and information and communications technology (ICT) development. This reflects China's ambitions and its leverage in the region in regard to South Africa's development needs.

Special Economic Zones

SEZs, which are demarcated areas of a country subject to different economic regulations in order to attract foreign direct investment, are a key part of the PRC's development model. They are used by the PRC to catalyze development at home and abroad. Starting in 2011, South Africa began to embrace the SEZ model as a means of inviting Chinese investment. In 2011, South Africa's Department of Trade, Industry and Competition (DTIC) produced a Special Economic Zone Bill that defined a SEZ as a "geographical designated area of the country set aside for specifically targeted economic activities which are then supported through special arrangements and support systems which are different from those which apply to the rest of the country."⁶³⁷ The government designated 10 SEZs for China in 2013, each with its own focus for development.⁶³⁸ In July 2015, South Africa's then-Deputy President, Cyril Ramaphosa, stated in a speech to the China-South Africa Business Forum that his government had decided to expand its SEZ program. He invited the Chinese business community to invest in those SEZs with a particular focus on natural resources.⁶³⁹ The DTIC Industrial Policy Action Plan released in 2018 identified the SEZ program as one a critical governmental tool for accelerating industrialization.⁶⁴⁰

High profile Chinese investments in South African SEZs have come from the state-owned vehicle companies China FAW Group Corporation, Beijing Automotive Group Co., Ltd., and BAIC Automotive Group. These companies went to the Coega SEZ, while the appliance and electronics manufacturer Hisense went to the Atlantis SEZ in Cape Town.⁶⁴¹ The Musina-Mukhado SEZ, near the border with Zimbabwe, is managed by the South African Energy Metallurgical Base, a subsidiary of the Chinese conglomerate Shenzhen Hoi Mor Resources Holding Company.⁶⁴²

To further the use of SEZs as a tool for development in South Africa, and to maximize their effectiveness as a development accelerator, DTIC signed a five-year agreement with China for a capacity building training program in China focusing on SEZs. This training began in 2013 - its annual goal was to train approximately 30 officials involved in the planning, development, management, and operations of SEZs in South Africa. The training focused on a range of topics, including planning, development, management, and SEZ operations.⁶⁴³ The last group of trainees in this program underwent training in Tianjin in 2018. The DTIC also organized investment roadshows, in China, presented by officials from various South African SEZs and designed to attract more investment in 2017, 2018, and 2019.⁶⁴⁴ However, the extent to which SEZs have been successful as an engine of economic development

⁶³⁷ Etinne, Nel and Rogerson Christian. "Re-Spatializing Development: Reflections from South Africa's Recent Re-Engagement with Planning for Special Economic Zones." *Urbani Izziv*, 2014, https://www.jstor.org/stable/24920929#metadata_info_tab_contents. Accessed 17 Mar. 2021.

⁶³⁸ Nel and Rogerson. "Re-Spatializing Development: Reflections from South Africa's Recent Re-Engagement with Planning for Special Economic Zones."

⁶³⁹ "Deputy President Cyril Ramaphosa: China-South Africa Business Forum." *South African Government*, 15 July 2015, <https://www.gov.za/speeches/deputy-president-cyril-ramaphosa-china-south-africa-business-forum-15-jul-2015-0000>.

⁶⁴⁰ "Industrial Policy Action Plan", *Department: Trade and Industry Republic of South Africa*, May 2018, <https://www.tralac.org/documents/resources/by-country/south-africa/1924-industrial-policy-action-plan-2018-2021/file.html>.

⁶⁴¹ Black, Anthony and, Yang Chongsheng. "South Africa's Special Economic Zones as Destinations for Chinese Investment: Problems and Possibilities." *South Africa-China Relations: A Partnership of Paradoxes*, 2021, https://link.springer.com/chapter/10.1007/978-3-030-54768-4_8.

⁶⁴² Black and Yang. "South Africa's Special Economic Zones as Destinations for Chinese Investment: Problems and Possibilities."

⁶⁴³ "S. African officials to receive training in China on special economic zones." *Chinese Embassy in South Africa*, 28 May 2018, <http://za.china-embassy.org/eng/zngx/zzgx/t1563493.htm>.

⁶⁴⁴ "The DTI to lead Special Economic Zones investment roadshow to China." *Cosmo City Chronicle*, 5 May 2017, <http://cosmocitychronicle.co.za/the-dti-to-lead-special-economic-zones-investment-roadshow-to-china>; "SA trade delegation arrives in

in South Africa is a source of debate. An assessment by the Growth Agenda, an initiative to promote economic growth in South Africa, stated that “To the best of our knowledge, all the current SEZs are loss-making, in that rental income does not cover operational costs, let alone capital investment; none would survive were it not for on-going government subsidies.”⁶⁴⁵

Huawei

Despite domestic and international concerns that Huawei is involved in espionage and IP theft on behalf of the PRC, South Africa has fully embraced the company for telecommunications infrastructure development. Consequently, Huawei has become a dominant economic, cultural, and even educational force in South Africa, with few options for the country to extricate itself if a national security risk arises from this relationship.

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South Africa has rejected U.S. government statements that Huawei represents a threat to South African national security. In July 2019, President Ramaphosa made his thoughts on Huawei clear during the 4th Industrial Revolution in South Africa (4IRSA) Digital Economy Summit. While addressing the China-U.S. trade war, Ramaphosa stated that the U.S. was “jealous that a Chinese company called Huawei has outstripped them. And because they have been outstripped, they must now punish that one company and use it as a pawn in the fight they have with China.”⁶⁴⁶ His views are matched by the actions of South African consumers and their government. Approximately 70 percent of 4G base stations (hubs for local wireless networks) on the African continent are made by Huawei and local cellphone network companies such as Vodacom use Huawei’s networks.⁶⁴⁷ Cobus van Staden, a China-Africa relations expert at the South African Institute of International Affairs, told the Financial Times that Huawei “already operates at almost every level of internet provision on the continent, from installing undersea cables to selling handsets.”⁶⁴⁸ In July 2020, the South African wireless provider Rain jointly launched the first stand-alone 5G network on the African continent with Huawei, using Huawei equipment.⁶⁴⁹

Huawei has penetrated the African continent to such an extent that it is unlikely, albeit not impossible, that the shift to 5G will be managed by a telecommunications company other than Huawei, although another Chinese company accused of spying, ZTE, has entered a partnership with the phone company MTN South Africa to

China for special economic zones investment roadshow.” African News Agency, 28 May 2018, <https://www.freightnews.co.za/article/sa-trade-delegation-arrives-china-special-economic-zones-investment-roadshow>. “Deputy Minister Majola to Lead a Special Economic Zones Investment Roadshow to China.” *Department: Trade, Industry and Competition Republic of South Africa*, 2 September 2019, <http://www.thedtic.gov.za/deputy-minister-majola-to-lead-a-special-economic-zones-investment-roadshow-to-china/>.

⁶⁴⁵ Altbeker Antony, Rehan Visser, and Lisa Bulterman. “What if South Africa had a special economic zone that was actually special?” *The Growth Agenda*, 11 May 2021, <https://www.africaportal.org/publications/what-if-south-africa-had-special-economic-zone-was-actually-special/#:~:text=What%20if%20South%20Africa%20had%20a%20Special%20Economic,tragically%20delayed%2C%20quest%20to%20achieve%20faster%20employment%20growth>.

⁶⁴⁶ “Ramaphosa says US ‘clearly jealous’ of Huawei.” *Fin24*, 05 July 2019, <https://www.news24.com/fin24/companies/financial-services/ramaphosa-says-us-clearly-jealous-of-huawei-20190705>.

⁶⁴⁷ Kidera, Momoko, “Huawei’s deep roots put Africa beyond reach of US crackdown.” *Nikkei Asia*, 15 August 2020, <https://asia.nikkei.com/Spotlight/Huawei-crackdown/Huawei-s-deep-roots-put-Africa-beyond-reach-of-US-crackdown>.

⁶⁴⁸ White, Edward. “Samsung mounts 5G offensive as countries review Huawei networks.” *Financial Times*, 4 October 2020, <https://www.ft.com/content/4ef1d31f-ebfe-475e-97fb-3c7993b11202>.

⁶⁴⁹ “Rain and Huawei Jointly Launches Africa’s First Standalone 5G Network.” *Huawei*, 19 July 2020. <https://www.huawei.com/us/news/2020/7/rain-huawei-africa-first-standalone-5g-network>.

eventually perform similar work.⁶⁵⁰ Telkom and Rain have issued statements suggesting that they were open to the idea of using vendors other than Huawei because of security concerns, or if laws issued by the U.K. and the U.S. meant that Huawei could not meet their requirements. However, they also warned that such a scenario would incur significant and unwelcome delays in rolling out the technology.⁶⁵¹

Huawei has also provided technical expertise to South African students – offering it an initial entry point, albeit limited in scale to start, for influence in the education sphere. On July 19, 2016, South African Department of Telecommunications and Postal Services (DTPS Minister Siyabonga Cwele signed a cooperation contract with Huawei South Africa. This was an extension of the Information and Communications Technology (ICT) Plan of Action 2015-2020 signed by both parties one year earlier and included additional practical details. For example, Huawei South Africa committed to training 1,000 students over the next five years in areas including cloud computing, satellite navigation, and telecommunication network security.⁶⁵² Huawei began those efforts by including South Africa in its existing Seeds for the Future training program, which was already active in other African countries, in 2016.⁶⁵³ Cwele also announced the launch of a joint innovation center to integrate with nine other centers that Huawei is opening in China, the U.K., Germany, Russia, Poland, and Brazil. The center was expected to add 40 permanent jobs to Huawei South Africa's 1,200-person labor force.

Starting in 2016, Huawei has hosted Huawei Joburg Day every September or October with the Johannesburg radio station 94.7. A local news station, Eyewitness News, called it Joburg's favorite outdoor concert as well as one of the biggest musical events on the SA music calendar.⁶⁵⁴ It was enough of a fixture that it was reformatted to take place virtually during the COVID-19 pandemic.

Eskom

Overall economic ties between Beijing and Johannesburg are strong and poised to get stronger in the coming years. There is one notable exception, however: Eskom, a South African state-owned enterprise. The company suffers from severe mismanagement and allegations of large-scale corruption and state capture.⁶⁵⁵ In 2017, South Africa's state power utility Eskom secured a China Development Bank (CDB) loan of \$1.5 billion USD to prevent the company from bankruptcy.⁶⁵⁶ CDB, however, became unhappy with the relationship, due to mismanagement in the company and issues with loan repayment. While Eskom has ultimately always managed to pay its loans, it prioritized them over service provision, leaving customers equally unhappy. Over concerns related to the

⁶⁵⁰ Admire, Moyo. "Shunned by the West, Huawei powers SA's 5G networks." *ITWeb*, 24 July 2020, <https://www.itweb.co.za/content/Gb3Bw7W8RGmM2k6V>.

⁶⁵¹ Swart, Heidi. "SA Network Operators are Reliant on Huawei 5G Products that are Deemed 'critically Vulnerable.'" *Daily Maverick*, 06 Dec. 2020, <https://www.dailymaverick.co.za/article/2020-12-07-sa-network-operators-are-reliant-on-huawei-5g-products-that-are-deemed-critically-vulnerable/>.

⁶⁵² "DTPS: Siyabonga Cwele: Address by Telecommunications and Postal Services Minister, at the signing ceremony of the cooperation contract on capacity building, ICT talent training and joint innovation on ICT between DTPS and Huawei, Johannesburg (19/07/2016)." *Polity*, 20 July 2016, <https://www.polity.org.za/article/dtps-siyabonga-cwele-address-by-telecommunications-and-postal-services-minister-at-the-signing-ceremony-of-the-cooperation-contract-on-capacity-building-ict-talent-training-and-joint-innovation-on-ict-between-dtps-and-huawei-johannesburg-19072016-2016-07->.

⁶⁵³ "South African Students Placed In Top 10 At Huawei's Seeds For The Future Global Tech4Good Competition." *Tech Financials*, 24 January 2022, <https://techfinancials.co.za/2022/01/24/south-african-students-placed-in-top-10-at-huaweis-seeds-for-the-future-global-tech4good-competition/#:~:text=Seeds%20for%20the%20Future%20exposes.of%20Communications%20and%20Digital%20Technologies>.

⁶⁵⁴ "Virtual Huawei Joburg Day is Here and Free to Watch from Wherever You Are." *Eyewitness News*, 23 October 2020, <https://ewn.co.za/2020/10/23/virtual-huawei-joburg-day-is-here-and-free-to-watch-from-wherever-you-are>.

⁶⁵⁵ "Eskom project team to tackle 'immense harm' cause by state capture." *Fin24*, 29 April 2022, <https://www.news24.com/fin24/economy/eskom-project-team-to-tackle-immense-harm-caused-by-state-capture-20220429>.

⁶⁵⁶ "South Africa's Eskom Signs \$1.5 billion loan agreement with China." *Reuters*, 6 July 2017, <https://www.reuters.com/article/us-safrica-eskom/south-africas-eskom-signs-1-5-billion-loan-agreement-with-china-idUSKBN19R138>.

company's management, CDB threatened to withhold a R7 billion payment related to issues with Eskom's construction project in Medupi and Kusile power stations, which would not continue and thus create tensions on the Beijing-South Africa Relationship.⁶⁵⁷

■ Influence in the South African Information Space

South Africa has a relatively competitive media environment. It is not organized around a single state-owned outlet but around a handful of independent conglomerates. For this reason, the PRC has not made much headway in the information environment, despite some engagement with South African media outlets to shape narratives around the PRC and the PRC-South Africa relationship. Moreover, there is evidence of resilience to PRC attempts to exert its influence in the information space.

Two large South African media conglomerates have business ties with Chinese companies. The largest is Naspers, Africa's biggest publishing company, which owns the news company Media24, and controls a range of magazines, online platforms (including South Africa's leading online daily news provider News24), and newspapers (the Daily Sun, City Press, and all the Afrikaans newspapers). Multichoice, Naspers' digital subscription service, dominates the paid TV market.⁶⁵⁸ Naspers has a significant investment in the Chinese technology conglomerate Tencent, but there is no evidence that this economic relationship has directly affected the company's reporting on China. Outlets under this umbrella run coverage that ranges from neutral to critical on topics related to the PRC on the global stage and Chinese companies in South Africa.

Case Study: Independent Media

One media group, however, has effectively served as a mouthpiece for the PRC in South Africa. Under the executive chairmanship of Dr. Iqbal Survé, the Sekunjalo Independent Media Consortium (SIM) has promoted pro-China narratives in its outlets.⁶⁵⁹ When Dr. Survé bought the media group in 2013, China International Television Corp. (now China Global Television Network, the international division of state-media outlet CCTV) provided financing, along with a consortium of other PRC and South African investors – reportedly put together by top leaders of the ANC.⁶⁶⁰ Survé also signed a deal with CCTV in 2014 to create a new Africa-wide news platform – the African News Agency.⁶⁶¹ ANA/Independent Media subsequently signed a content sharing agreement with Xinhua – the only one among South African media outlets.⁶⁶²

With 20 percent ownership in from CGTN and a content-sharing with Xinhua, Independent Media's positive editorial stance on China is in line with how the PRC has utilized ownership elsewhere in Africa

⁶⁵⁷ Slabbert, Antoinette. "China withholds R7bn Eskom loan." *News24*, 06 May 2019, <https://www.news24.com/citypress/business/china-withholds-r7bn-eskom-loan-20190506>.

⁶⁵⁸ Wasserman, Herman. "The state of South African media: a space to contest democracy." *Publizistik*, 2020, <https://link.springer.com/article/10.1007/s11616-020-00594-4>.

⁶⁵⁹ SIM is commonly referred to as Independent Media, but the entire catalogue of products and services of SIM is more than the brand Independent Media.

⁶⁶⁰ York, Geoffrey. "Why China is making a big play to control Africa's media." *The Globe and Mail*, 11 September 2013, <https://www.theglobeandmail.com/news/world/media-agenda-china-buys-newsrooms-influence-in-africa/article14269323/>.

⁶⁶¹ "Independent Media signs big China deal." IOL, 5 December 2014, <https://www.iol.co.za/capetimes/news/independent-media-signs-big-china-deal-1791079>.

⁶⁶² Madrid-Morales, Dani. "Who set the narrative? Assessing the influence of Chinese global media on news coverage of COVID-19 in 30 African countries." *Global Media and China*, vol. 6, no. 2, 2021, pp. 129-151.

to promote a positive narrative and limit critical coverage.⁶⁶³ Independent Media publishes around 20 newspapers, including the dailies Pretoria News and The Star and it owns the online news platform IOL. Pro-China narratives have been featured across Independent Media platforms. For example, on October 8, 2019, The Star published a short letter from a reader calling on the South African government to raise awareness on the treatment of Uyghurs in Xinjiang. On October 15, the paper published a lengthy and strongly worded rebuttal by “Zheng Yi” calling on the writer of the letter to learn to become a person of integrity.⁶⁶⁴

Survé maintains close ties to the ANC, originating in his claim to have been Nelson Mandela’s doctor.⁶⁶⁵ In 2019, Survé was the only South African appointed to the first council meeting of the Belt and Road News Network (BRNN). Under Survé’s leadership, Independent Media has left the Press Council, the Editor’s Forum, and the Newspaper Press Union.⁶⁶⁶ Because of this, Independent Media is no longer subject to procedures required via membership in the aforementioned forums and the means for the public are limited, often requiring legal action. Survé has reportedly removed any independent journalists from his media institutions, interfered in editorial policy, and promoted his own business interests in Independent Media’s newspapers, in addition to using them as a platform to lambast critics.⁶⁶⁷

Starting in 2016, the journalist Azad Essa wrote a regular column for Independent Media. In September 2018, it was abruptly cancelled after he wrote a piece critical of China’s treatment of the Uyghurs in another outlet.⁶⁶⁸ He immediately published an article in Foreign Policy titled “China is buying African media’s silence,” in which he drew a direct line between SIM’s Chinese investors and the cancellation of his column, criticizing Independent Media for not asking basic questions about China’s motives in Africa.⁶⁶⁹ Essa began his column by stating: “It is official.

After more than a decade of planning, setting up, and bankrolling African media, the Chinese are finally ready to cash in on their investment.” This is a reference to Chinese investment in Africa media and the expansion of Chinese state media on the continent, though Essa believes that “it is private media companies that have most effectively become vehicles for forwarding the interests of the Chinese state, in cahoots with local elites.” By taking on Chinese investment, Essa wrote, Independent Media, and other companies like it also take on the China’s model of censorship with thick and non-negotiable red lines.⁶⁷⁰

⁶⁶³ York. “Why China is making a big play to control Africa’s media.”

⁶⁶⁴ Yi, Zheng. “The Ethnic Minorities in Xinjiang Fully Enjoy Stability, Prosperity, and Religious Freedom.” The Star Early Edition, 15 October 2019, <https://www.pressreader.com/south-africa/the-star-south-africa-early-edition/20191015/281668256739215>.

⁶⁶⁵ “Fact checking Iqbal Survé’s bold bio leaves more questions.” Fin24, 28 June 2016, <https://www.news24.com/Fin24/fact-checking-iqbal-surves-bold-bio-leaves-more-questions-20160628>.

⁶⁶⁶ The listed associations and organizations promote ethics, transparency, unity, and integrity in South Africa’s media industry.

⁶⁶⁷ See, for example: Sole, Sam. “Comment: Sam Sole sets the record straight.” *amaBhungane*, 25 February 2019, <https://amabhungane.org/stories/comment-sam-sole-sets-the-record-straight/>; Daniels, Glenda. Power and Loss in South African Journalism. Wits University Press, 2020; Hogg, Alex. “Iqbal Survé, specialist in media capture and state capture.” *BizNews*, 15 April 2019, <https://www.biznews.com/undictated/2019/04/15/media-capture-iqbal-surve>; Survé, Iqbal. “Destroying Mandela’s democracy – a captured media silences freedom. *IOL*, 18 July 2022, <https://www.iol.co.za/news/politics/opinion/destroying-mandelas-democracy-a-captured-media-silences-freedom-a7732ac1-71de-4ce8-8070-78026fd9b773>.

⁶⁶⁸ Essa, Azad. “China thinks Islam is a disease, and Muslim leaders don’t care.” *Middle East Eye*, 13 September 2018, <https://www.middleeasteye.net/opinion/china-thinks-islam-disease-and-muslim-leaders-dont-care>.

⁶⁶⁹ Essa, Azad. “China Is Buying African Media’s Silence.” *Foreign Policy*, 14 September 2018, <https://foreignpolicy.com/2018/09/14/china-is-buying-african-medias-silence/>.

⁶⁷⁰ Essa. “China Is Buying African Media’s Silence.”

Independent Media newspapers are also the preferred publishers for promoting China's interests in South Africa. For example, a mysterious advertisement appeared in *The Star* on January 7, 2016, with the tagline “All South Africa Chinese” and claiming to speak on behalf of the “300,000 Overseas Chinese population in South Africa.”⁶⁷¹ The authors of the ad expressed their firm opposition to a trip to Taiwan by Tshwane Mayor and Democratic Alliance (opposition party in South Africa) Party member Solly Msimanga in December 2016. A similar Chinese-language notice about the visit, this one credited to the All-Africa Association for Peaceful Reunification of China, was published earlier in January in *African Times*.⁶⁷²

PRC Influence in Sinology and Mandarin Instruction in South Africa

Through the establishment of Confucius Institutes (CI) and think tanks, a coordinated public relations campaign, and the application of sharp power, the PRC occupies a prominent position in promoting Sinology, the study of the Chinese language, history, culture, and politics, and Mandarin language instruction in South Africa. Dr. Ross Anthony, the director of the Centre for Chinese Studies at Stellenbosch University from 2014-2018, noted that though ethnic Chinese communities have been in South Africa for a relatively long time, the country does not have a history of Sinology like that seen in the United States and Europe. This lack of history has allowed the PRC government to get “first dibs” on structuring an academic field of Chinese studies in accordance with its preferred discourse.⁶⁷³

CIs operate with generous startup funding and guidance from the PRC. According to Falk Hartig, a German scholar of Chinese soft power, the PRC government provides startup funding between \$100,000-200,000 USD for a CI's first few years and it provides supplies.⁶⁷⁴ The Confucius Classroom (CC) at the Cape Academy of Mathematics, Science and Technology (like CIs, CCs operate through partnerships with local secondary/high schools) noted on its website that Hanban, which is the colloquial name for the CI headquarters, provided a projection screen, a projector, a mainframe computer, a camera, a printer, speakers, and other electronic equipment.⁶⁷⁵ This makes CIs highly attractive for institutions, especially those that lack funding. Hartig also interviewed a teacher at an unidentified South African CI program who explained how Hanban trained instructors to handle incidents when classroom discussions touched on sensitive topics. Instructors were advised to either highlight their limited knowledge of the issue or to ignore the topic and transition onto another.

After a decade of operations, there does not appear to be significant criticism of CIs in South Africa, although there seems to be an undercurrent of worries tied to colonialism.⁶⁷⁶ It is also important to note that CIs do not have a monopoly on Mandarin instruction in South Africa. In 2019, reports stated that, of the approximately 25,000

⁶⁷¹ Haffajee, Ferial. “Did I Miss The Announcement About South Africa Becoming A Colony Of China?” *Huffpost South Africa*, 23 January 2017, <https://www.huffingtonpost.co.uk/ferial-haffajee/did-i-miss-the-announcement-about-south-africa-becoming-a-colony-a-21660555/>.

⁶⁷² “Public statement by the All-Africa Association for the Promotion of China’s Peaceful Reunification on Mayor Tswane’s Visit to Taiwan.” *African Times*, 8 January 2017, <https://www.52hrtt.com/za/n/w/info/D1483780833809>.

⁶⁷³ “African universities need their own China expertise.” *University World News*, 21 September 2018, <https://www.universityworldnews.com/post.php?story=2018091712562488>.

⁶⁷⁴ Hartig, Falk. *Chinese Public Diplomacy: The rise of the Confucius Institute*, Oxfordshire, UK: Routledge, 2015.

⁶⁷⁵ “Welcome to the Mandarin Department.” *The Cape Academy of Maths, Science & Technology*, <http://www.camst.co.za/mandarin.html>.

⁶⁷⁶ Brown, Ryan Lenora. “South Africa has 11 official languages. Why the fuss over learning Mandarin?” *The Christian Science Monitor*, 29 May 2019, <https://www.csmonitor.com/World/Africa/2019/0529/South-Africa-has-11-official-languages.-Why-the-fuss-over-learning-Mandarin>; “Teaching Mandarin at school ‘will colonise SA anew’ – Sadtu.” *Mail & Guardian*, 8 April 2015, <https://mg.co.za/article/2015-04-08-teaching-mandarin-at-school-will-colonise-sa-anew-sadtu/>.

schools in South Africa, only 150 offered the language in their curriculum.⁶⁷⁷ Even among this small group, there are only a handful of CIs and CCs.

In August 2019, South Africa designated September 17 as National Chinese Language Day. Of the top 10 South African universities listed in World University Rankings 2021 by Times Higher Education, six offer Mandarin courses. Of the six, five have affiliated CIs. The University of the Witwatersrand is the only university to have a non-CI Mandarin language program.⁶⁷⁸ Moreover, CIs have had an impactful effect in sending South Africans to study abroad in China, though the number of students studying in China remains small. In 2019, more than 3,000 South African students were studying in China.⁶⁷⁹ As of 2019, the Chinese Government Scholarship program had awarded scholarships to more than 400 South Africa students to study in China, 200 of them in 2019 alone. Fifty-five of the 200 students were students who won scholarships for the first time.⁶⁸⁰

Centre for Africa-China Studies at the University of Johannesburg

Academic think tanks are another tool the PRC has used to forge closer connections with universities in South Africa. After establishing a CI at the University of Johannesburg in 2016, the Chinese Embassy in Pretoria and Consulate-General in Johannesburg supported the launch of the University's Centre for Africa-China Studies (CACS) on November 22, 2018. CACS is a direct extension of the CI; the co-directors, David Monyae, the co-director of the University of Johannesburg CI, and Peng Yi from Nanjing University of Technology, took on the lead roles at the new center.⁶⁸¹

The CACS describes its purpose as studying the entire range of Africa-China relations. The launch ceremony was attended by Chinese Ambassador Lin Songtian, who gave a speech in which he emphasized the new center's role in producing research on the South Africa-China relationship.⁶⁸² CACS has hosted several research fellows, conducted research on issues such as economic relations and people-to-people exchanges, and published several op-eds and policy briefs. The latter includes a list of news articles by Monyae, all published in Independent Media outlets with titles such as "Africa could learn a lot from China."⁶⁸³ Notably, the University of Johannesburg also conferred an honorary doctorate on Xi Jinping in 2019. This was the first time the Chinese leader accepted an honorary doctorate from a foreign university.⁶⁸⁴

⁶⁷⁷ Brown. "South Africa has 11 official languages. Why the fuss over learning Mandarin?"

⁶⁷⁸ "World University Rankings 2021." *Times Higher Education*, March 2021, <https://www.timeshighereducation.com/world-university-rankings/2021/world-ranking#!/page/0/length/25/locations/ZA/sort%20by/rank/sort%20order/asc/cols/scores>.

⁶⁷⁹ "56 South African students win scholarship to study in China." *Xinhua*, 16 August 2019, http://www.xinhuanet.com/english/2019-08/16/c_138312121.htm.

⁶⁸⁰ "The Embassy in South Africa sent off the 2019 Government Scholarship recipients to study in China." *PRC Embassy in the Republic of South Africa*, 16 August 2019, <http://za.china-embassy.org/chn/zngxss/jyjl/t1689195.htm>.

⁶⁸¹ "About the UJCI." *University of Johannesburg Confucius Institute*, June 2021, <http://confucius-institute.joburg/about-ujci>; "CACS Staff." *Centre for Africa-China Studies*, 2021, <http://www.cacs.org.za/staff/>.

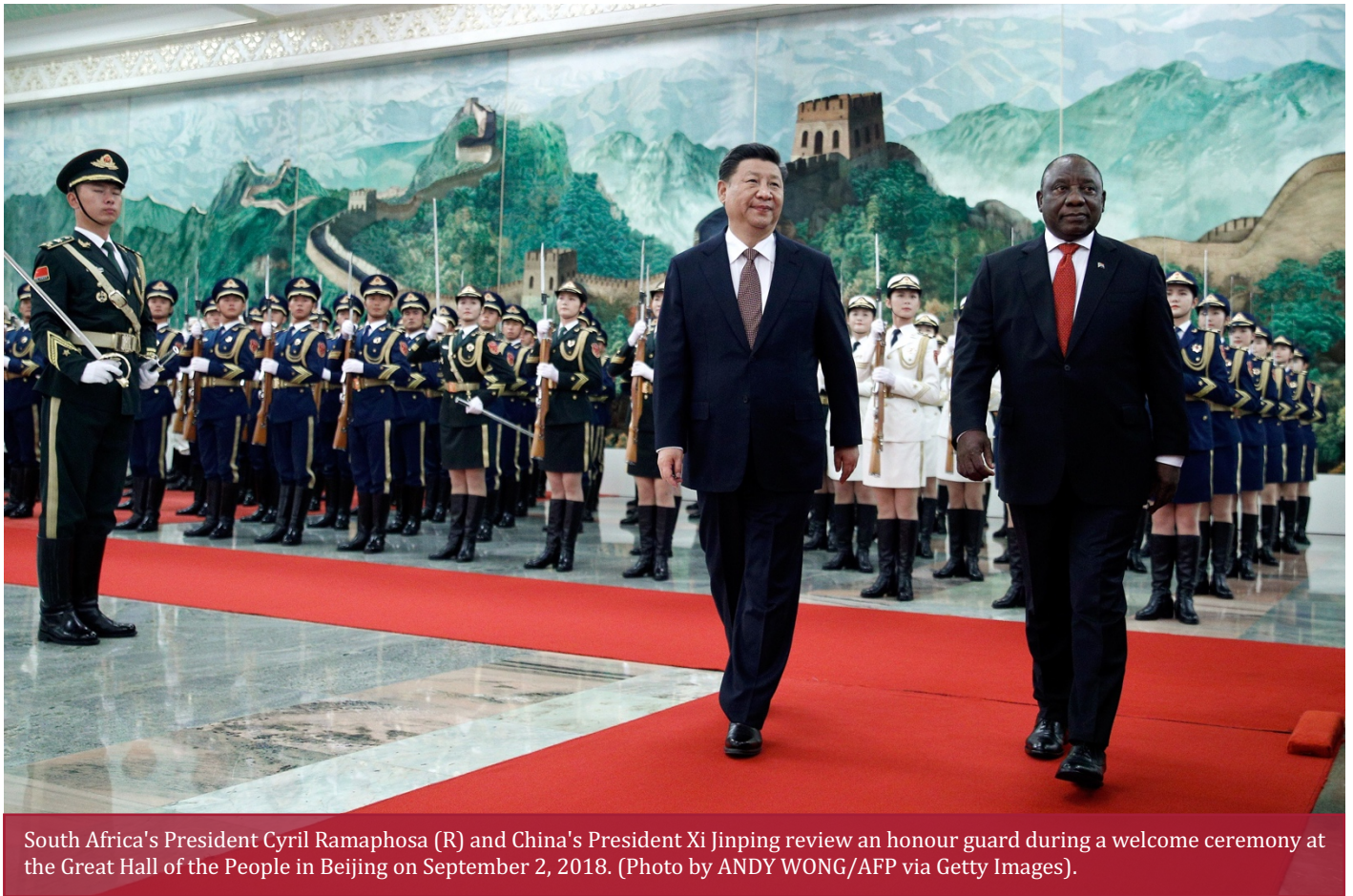
⁶⁸² "UJ launches Centre for Africa-China Studies (CACS)." *University of Johannesburg*, 23 November 2018, <https://www.uj.ac.za/news/uj-launches-centre-for-africa-china-studies-cacs/>.

⁶⁸³ "Opinion and Analysis." *Centre for Africa-China Studies*, <http://www.cacs.org.za/analysis/>; Monyae, David. "Africa could learn a lot from China." *IOL*, 13 March 2019, <https://www.iol.co.za/news/opinion/africa-could-learn-a-lot-from-china-19853694>.

⁶⁸⁴ Naki, Eric. "UJ to confer honorary doctorate on China's Xi Jinping." *The Citizen*, 26 March 2019, <https://citizen.co.za/news/south-africa/education/2106866/uj-to-confer-honorary-doctorate-on-chinas-xi-jinping/>.

■ Political Influence

Leadership Ties



South Africa's President Cyril Ramaphosa (R) and China's President Xi Jinping review an honour guard during a welcome ceremony at the Great Hall of the People in Beijing on September 2, 2018. (Photo by ANDY WONG/AFP via Getty Images).

Up to the 1980s, the Soviet Union held a stranglehold on relations with and support for the ANC in South Africa, leaving the PRC with a minor role in engaging and supporting less prominent anti-apartheid organizations. While its relations with the ANC (and various other South African political organizations) began to expand in the 1980s, the PRC played a largely symbolic and inactive role in the struggle against apartheid.⁶⁸⁵ Taiwan was a loyal ally of apartheid South Africa, starting in the 1970s, and was its fifth-largest trading partner when apartheid ended in 1994.⁶⁸⁶ In August 1996, however, the ANC's National Executive Committee (NEC) made the decision to switch recognition to the PRC. Following pressure from the PRC (i.e., threats to restrict South Africa's trade with Hong Kong after 1997, when China took over), Mandela made an announcement in November 1996 that South Africa would switch its allegiance to the PRC in January 1998 and downgrade relations with the Republic of China (ROC), Taiwan's formal name.⁶⁸⁷

Thabo Mbeki became the second president of South Africa in June 1999 and resigned in September 2008. He made state visits to China in 1998 and 2001, and in 2004 relations between the two countries were upgraded to a strategic partnership. Throughout his stay in office, however, Mbeki's diplomatic focus was on the African

⁶⁸⁵ Taylor, Ian. "The Ambiguous Commitment: The People's Republic of China and the Anti-Apartheid Struggle in South Africa." *Journal of Contemporary African Studies*, 18 January 2000.

⁶⁸⁶ Williams, Christopher, "Explaining South Africa's China Choice." *South Africa–China Relations: A Partnership of Paradoxes*, 2021.

⁶⁸⁷ Williams. "Explaining South Africa's China Choice."

continent. South Africa maintained cordial relations with China but did not prioritize stronger ties. Mbeki even articulated his concerns about Africa's relations with China in public remarks. Notably, after the 2006 Forum on China-Africa Cooperation (FOCAC) Summit in Beijing, he cautioned that the continent should be wary of merely being a supplier of raw materials to China.⁶⁸⁸

President Jacob Zuma, who was in power between 2009 and 2018, deepened the relationship between the two countries. Most notably, during his administration, South Africa joined the economic agreement referred to as BRICS.⁶⁸⁹ After South Africa refused to give the Tibetan spiritual leader the Dali Lama a visa, President Zuma traveled to China to sign over 20 agreements with the PRC, cementing economic and political cooperation between the countries.⁶⁹⁰ Zuma's presidency coincided with low points in South Africa public opinion of the relationship. According to a 2014 survey by the Pew Research Center, only 41 percent thought China's influence in the economy was good for South Africa's growth.⁶⁹¹ This dynamic, as well as Zuma's embattled reputation due to various scandals and allegations of corruption, may partly explain why he expended significant foreign and domestic political capital to bolster relations.⁶⁹²

Following Zuma's resignation, Cyril Ramaphosa took office with a goal of firmly putting South Africa in China's political orbit. Keen on continuing South Africa's close relationship with the PRC, the Ramaphosa administration also understood that the alleged corruption of the Zuma administration posed a challenge to PRC interests in South Africa. Then-PRC ambassador to South Africa Lin Songtian described Ramaphosa as the last hope for South Africa in 2019 and called for his administration to turn mutually agreeable policies into laws to secure more Chinese investment.⁶⁹³ Ramaphosa used his new office to reassure his PRC counterparts and secured \$14.7 billion in investment during his first year in office.⁶⁹⁴ Outside the economic realm, the South African government has provided support to the PRC on international issues. For instance, South Africa abstained on a UN resolution that blamed Russia for the invasion of Ukraine. Ramaphosa and Xi have also echoed the same talking points about the conflict.⁶⁹⁵

Party-to-Party Ties

The CCP has a long history of providing practical and ideological assistance to two of the three parties that make up the Tripartite Alliance that controls the South African government. The Tripartite Alliance is made up of the ANC and the two other parties. These relationships give Beijing another way to influence politics in the country. The ANC has governed South Africa since Nelson Mandela was elected in 1994. It currently holds 230 of the 400 seats in the National Assembly. The South African Communist Party (SACP) and the Congress of South African

⁶⁸⁸ Alden, Chris, and Yu-Shan Wu. "South African foreign policy and China: converging visions, competing interests, contested identities." *Commonwealth and Comparative Politics*, 2015.

⁶⁸⁹ Ayres, Alyssa. "How the BRICS Got Here." *Council on Foreign Relations*, 31 Aug. 2017, <https://www.cfr.org/expert-brief/how-brics-got-here>.

⁶⁹⁰ "More than twenty agreements signed as President Zuma hosts President Xi Jinping on a State Visit." *The Presidency Republic of South Africa*, 2 Dec. 2015, <https://www.thepresidency.gov.za/content/more-twenty-agreements-signed-president-zuma-hosts-president-xi-jinping-state-visit>.

⁶⁹¹ Narayani, Basu. "South Africa and the Allure of Chinese Investment." *The Diplomat*, 11 Dec. 2014, <https://thediplomat.com/2014/12/south-africa-and-the-allure-of-chinese-investment/>.

⁶⁹² Crabtree, Justina. "Will closer ties to China rescue South Africa's government?" *CNBC*, 24 Aug 2016, <https://www.cnbc.com/2016/08/24/will-closer-ties-to-china-rescue-south-africas-government.html>.

⁶⁹³ "Ramaphosa is last hope for SA, says Chinese ambassador." *Business Day*, 29 July 2019, <https://www.businesslive.co.za/bd/economy/2019-07-29-ramaphosa-is-last-hope-for-sa-says-chinese-ambassador/>.

⁶⁹⁴ Zingisa, Mvumvu. "Ramaphosa makes it rain as he secures \$14.7-billion from China." *Times LIVE*, 24 July 2018, <https://www.timeslive.co.za/politics/2018-07-24-ramaphosa-makes-it-rain-as-he-secures-147-billion-from-china/>.

⁶⁹⁵ McCain, Nicole. "Ramaphosa, Chinese president discuss need to end Russian-Ukraine conflict through talks." *News24*, 19 March 2022, <https://www.news24.com/news24/southafrica/news/ramaphosa-chinese-president-discuss-need-to-end-russian-ukraine-conflict-through-talks-20220319>.

Trade Unions (COSATU) are not represented in the National Assembly, but are allied and work in cooperation with the ANC. While COSATU has expressed concerns about the effect Chinese investments may have on labor conditions and unemployment, the ANC and SACP have both participated in political trainings with the CCP.

Whereas once party-to-party exchanges sought to build the legitimacy of the CCP on the African continent, they are now focused on advertising the value of the PRC's system of governance more generally.

Whereas once these party-to-party exchanges sought to build the legitimacy of the CCP on the African continent, they are now focused on advertising the value of the PRC's system of governance more generally.⁶⁹⁶ Members of South African political parties look to these training workshops for examples on how to run state-owned enterprises, prevent corruption, or educate cadres.

For the CCP, interactions with South African elites are valuable because they 1) build a network with current leaders as well as future ones; 2) communicate ideological information about governance; and 3) market Chinese commercial interests.⁶⁹⁷ Politicians from both countries clearly understood that party-to-party exchanges are valuable enough to continue during COVID-19. For example, the SACP and the ANC participated in video conferences with the CCP's Central Committee's (CCP-CC) International Liaison Department (ILD) in April and June 2020 respectively.⁶⁹⁸ According to data compiled by academics Christine Hackenesch and Julia Bader, during their study of the ILD's actions between 2002 and 2017, the ANC and SACP are both in the top 20 political parties the CCP engaged with worldwide. The ANC stands at number 10, with a total of 32 contacts and the SACP is at number 20, with 22.⁶⁹⁹

Over the last few decades, South African political parties have also turned to the CCP for training in abstract fields such as communication and "party loyalty." This has culminated in a decades-long effort – still pending – to build an ANC training school with PRC support. In 2007, the ANC announced it would build its own political training school in the former mining town of Venterskroon. The school would focus on the challenges of governing as a ruling party.⁷⁰⁰ This decision was part of a larger ANC effort that designated 2013-2023 as the "decade of the cadre." This effort was intended to help rebuild the party's integrity after widespread incidents of corruption. According to the plan, every party member would be expected to attend some form of compulsory political education.⁷⁰¹ In July 2014, the Chinese ambassador to South Africa at the time, Tian Xuejun, led a delegation to meet ANC Secretary General Gwede Mantashe and the ANC Chairman of Political Education Nathi Mthethwa at the site of the future school. Once there, they discussed the US\$75 million the CCP was prepared to offer in funding

⁶⁹⁶ Additional information about changes to the ILD's general approach can be accessed through the sources below: Benabdallah, Lina "Power or Influence? Making Sense of China's Evolving Party-to-party Diplomacy in Africa." *African Studies Quarterly*, Volume 19, Issues 3-4, October 2020.

⁶⁹⁷ For one example of how CCP propaganda uses these interactions in this way, see "Xi Jinping arrived in Pretoria to begin a state visit to South Africa." *Xinhua*, 2 December 2015, http://www.xinhuanet.com/world/2015-12/02/c_1117336345.htm.

⁶⁹⁸ "Li Mingxiang Attends Opening Ceremony of Online Training Workshop for SACP Senior Cadres." *International Department, Central Committee of CPC*, 23 April 2020, https://www.idcpc.org.cn/english/news/202004/t20200428_138415.html; "China and South Africa hold the first video seminar in the history of exchanges between the ruling parties." *International Department, Central Committee of CPC*, 10 June 2020, https://www.idcpc.org.cn/ttxw_2992/202006/t20200611_138620.html.

⁶⁹⁹ Hackenesch, Christine, and Julia Bader. "The struggle for Minds and Influence: the Chinese Communist Party's Global Outreach." *International Studies Quarterly*, 2020, <https://www.die-gdi.de/en/others-publications/article/the-struggle-for-minds-and-influence-the-chinese-communist-partys-global-outreach/>.

⁷⁰⁰ "Why is the ANC following the example of the Chinese Communist Party?" *New Statesman*, 6 January 2015, <https://www.newstatesman.com/politics/2015/01/why-anc-following-example-chinese-communist-party>.

⁷⁰¹ Findlay, Stephanie. "South Africa's Ruling ANC Looks to Learn from Chinese Communist Party." *Time*, 24 November 2014, <https://time.com/3601968/anc-south-africa-china-communist-party/>.

and how the school would be modeled on the Shanghai-based China Executive Leadership Academy Pudong (CELAP).⁷⁰² While some articles in the English-language media highlighted these plans as a worrisome sign of growing CCP-ANC ties, the school was still in the planning stages as of July 2020. In response to this line of criticism, Mthethwa replied, “Nobody will dictate to us who our friends are.”⁷⁰³

On the surface, it may seem contradictory that a democratic country like South Africa would seek advice from a single-party authoritarian state like the PRC. Researchers from the U.S.-China Economic and Security Review Commission attribute South Africa’s openness to China to shared anti-colonial, socialist history, and to a degree of trust in the PRC’s methods of governance.⁷⁰⁴ The ILD press releases for training and exchanges are nondescript and succinct, offering few details on their scope and content. South African politicians are occasionally more forthcoming about the content and intention of these political training sessions. For example, at a 2018 strategy workshop, ANC General Secretary Ace Magashule referenced that the party had a lot to learn from China ahead of the upcoming 2019 elections.⁷⁰⁵ ANC spokesman Paul Mabe softened the statement by explaining that the ANC could learn from many countries.⁷⁰⁶

Not all ANC party members agree with this kind of thinking. For example, ANC politician Fikile Mbalula was much firmer in rejecting the relationship with the CCP, asking: “Why would we look to China for propaganda when they are an undemocratic state?”⁷⁰⁷ Still, after this meeting, a further 300 cadres traveled to China to study strategy, propaganda, communications, and “party discipline and loyalty.”⁷⁰⁸ There is no evidence that these party-to-party training sessions have directly influenced domestic or foreign policy. Rather, there are indications that South Africa’s political elites may be shaping their behavior or their career trajectories to accord with the CCP’s vision. Both Zuma and Ramaphosa led party-to-party exchange delegations to China prior to becoming president. Ramaphosa participated in a trip to Beijing in 2009 when he was the ANC General Secretary.⁷⁰⁹ The PRC’s Ministry of Foreign Affairs (MFA) notes that Zuma did the same in 2008.⁷¹⁰ As for the SACP, it has gone as far as to sign on to statements crafted by the ILD in support of China’s international objectives. In May 2020, SACP First Deputy Secretary Solly Afrika Mapaila joined several leaders from international political parties to praise China’s response to the COVID-19 pandemic.⁷¹¹

Opposition Parties

Given the tight relationship between the CCP and the ANC, there is an expectation that opposition parties might campaign on matters such as corrosive Chinese influence on the political environment. While minority parties have at times been critical of South Africa-Chinese ties, they have not formulated a consistent foreign policy or

⁷⁰² Benabdallah. “Power or Influence? Making Sense of China’s Evolving Party-to-party Diplomacy in Africa.”

⁷⁰³ “South Africa’s Ruling ANC Looks to Learn from Chinese Communist Party.”

⁷⁰⁴ Green, Will, Leyton Nelson, and Brittney Washington. “China’s Engagement with Africa: Foundations for an Alternative Governance Regime.” *U.S. – China Economic and Security Review*, 1 May 2020, https://www.uscc.gov/sites/default/files/2020-05/Chinas_Engagement_Africa.pdf.

⁷⁰⁵ Daniel, Luke. “ANC comrades to be trained by the Communist Party of China.” *The South African*, 30 July 2018, <https://www.thesouthafrican.com/news/anc-comrades-to-be-trained-by-the-communist-party-of-china/>; Kgosana, Caiphus. “ANC looks to China for elections strategy and tactics.” *Times Live*, 29 July 2018, <https://www.timeslive.co.za/news/2018-07-28-anc-looks-to-china-for-election-strategy-and-tactics/>.

⁷⁰⁶ Daniel. “ANC comrades to be trained by the Communist Party of China.”

⁷⁰⁷ Daniel. “ANC comrades to be trained by the Communist Party of China.”

⁷⁰⁸ Daniel. “ANC comrades to be trained by the Communist Party of China.”

⁷⁰⁹ Benabdallah. “Power or Influence? Making Sense of China’s Evolving Party-to-party Diplomacy in Africa.”

⁷¹⁰ Zhong, Weiyun. “Inter-party relations promote Sino-African strategic partnership.” *China Today*, 19 October 2012, http://www.chinatoday.com.cn/english/zhuanti/2012-10/19/content_492959.htm.

⁷¹¹ “Political leaders of many countries have called for enhancing the awareness of a community with a shared future for mankind and opposing the use of the epidemic to engage in stigmatization.” International Department, Central Committee of CPC, 14 May 2020, https://www.idcpc.org.cn/wdzs/ylzq/202005/t20200515_138485.html.

built a competent organization to offer an alternative vision of the country's relationship with China. A September 2015 report by the Centre for Chinese Studies in Stellenbosch and supported by the Austrian Embassy summarized the issue: "South Africa's domestic opposition to engagement with China is relatively mild, when compared to more serious episodes in Zambia and the Democratic Republic of Congo (DRC)."⁷¹²

The Congress of South African Trade Unions (COSATU) is not an opposition party; it is the third member of the governing coalition with the ANC. However, it departs from the approach the ANC and the SACP have taken to Chinese relations and views politics through the perspective of labor. Over the past two decades, COSATU has focused on the effect Chinese trade policies have had on working-class South Africans. For example, in 2006 it raised concerns about the trade deal Mbeki made with China to protect textile workers. COSATU warned that the deal would exacerbate job losses and noted that it had not been included in consultations.⁷¹³

In 2011, COSATU Secretary General Zwelinzima Vavi stated that China's economic growth was coming at the expense of the manufacturing sector, remarking "You have a friend that smiles whilst you are grinning in pain and suffering like we are doing in relation to what is happening to our manufacturing."⁷¹⁴ On another occasion he described the relationship as "colonial."⁷¹⁵ COSATU has engaged in direct actions opposing China such as supporting a strike at the Chinese-owned Hisense factory in 2020 (See the economics section on SEZs). However, COSATU does not have a cohesive foreign policy platform to oppose the PRC; its objections are concentrated on single issues and in recent years have been compromised by ethical failings and a consequently diminished role in national politics.

The ANC's most substantial source of opposition is the Democratic Alliance (DA), which is traditionally a predominantly white party that currently holds 84 out of 400 seats in the National Assembly. It is frequently critical of the ANC's close and guarded relationship with China, but the ideological reasons for its objections are not always stated in its platform. For example, the broad Manifesto for Change published on the DA's website in February 2019 only makes two vague references to China. One citation notes that South Africa is facing protectionism from the PRC as well as from the U.S., and another recommendation states the need for "investment treaties with steel producing countries that include skills sharing and skills exchange programmes to upskill our workers. International partnerships should include the USA, India, China, and Japan."⁷¹⁶

The DA has been outspoken about South Africa's engagement with China on several occasions. In September 2011, it publicly pressured the Department of International Relations and Cooperation to issue a visa to the Dalai Lama.⁷¹⁷ Then, in December 2016, Taipei Mayor Ko Wen-je invited the DA politician and Tshwane Mayor Solly Msimanga on a business trip to Taiwan. When Msimanga returned to South Africa, the ANC released a statement strongly condemning him for supposedly undermining South Africa's adherence to the One China Policy.⁷¹⁸ In

⁷¹² Anthony, Ross, Paul Tembe, and Olivia Gull. "South Africa's changing foreign policy in a multi-polar world: The influence of China and other emerging powers." *Centre for Chinese Studies*, September 2015, <http://www0.sun.ac.za/ccs/wp-content/uploads/2015/10/Austria-Embassy-Report-Final.pdf>.

⁷¹³ "Cosatu warns of job losses on SA-China trade deal." *South African Broadcasting Corporation*, 13 April 2006, <https://www.bilaterals.org/?cosatu-warns-of-job-losses-on-sa>.

⁷¹⁴ "We Suffer While China Smiles- Vavi." *Eyewitness News*, 12 October 2011, <https://ewn.co.za/2011/10/12/We-suffer-while-China-smiles--Vavi>.

⁷¹⁵ Muresan, Arina, and Sanusha Naidu. "Chinese and South African Labour Relations: An Analysis." *South Africa-China Relations: A Partnership of Paradoxes*, 2021.

⁷¹⁶ "The Manifesto for Change: One South Africa for All." *Democratic Alliance*, 22 February 2019, <https://cdn.da.org.za/wp-content/uploads/2019/02/22160849/A4-Manifesto-Booklet-Digital.pdf>.

⁷¹⁷ Campbell, John. "China, South Africa, and the Dalai Lama." *Council on Foreign Relations*, 29 September 2011, <https://www.cfr.org/blog/china-south-africa-and-dalai-lama>.

⁷¹⁸ "Accusations against Tshwane mayor over Taiwan 'laughable'." *CityPress*, 3 January 2017, <https://www.news24.com/citypress/news/accusations-against-tshwane-mayor-over-taiwan-laughable-20170103>.

September 2018, the DA demanded to see details of the 370 billion ZAR (\$USD 25 billion) loan from China that President Ramaphosa had facilitated, warning that South Africa was in danger of a debt trap.⁷¹⁹ In 2018, the DA submitted a Promotion of Access to Information Act (PAIA) request for the terms and conditions of a 33 billion ZAR (\$USD 2.2 billion) loan from the CDB to the state-owned energy company Eskom. The DA vowed it would “not allow China’s model of ‘debt trap diplomacy’ to take root in South Africa and would approach the courts, if necessary, to ensure that the government is transparent with the public about the terms and conditions of loans received from China.”⁷²⁰ The DA is currently navigating a leadership crisis that may compromise its strength as an opposition party, raising questions about the vibrancy of the country’s multiparty democracy, and the trajectory of opposition politics regarding China in the coming years.⁷²¹

The Economic Freedom Fighters (EFF) has positioned itself as a more radical, leftist alternative to the ANC. The EFF has voiced strong, albeit limited, objections to Chinese influence in South Africa. EFF commander in chief Julius Malema established a reputation for distrusting China when he was the ANC Youth League President in 2011. During a speech to the South African Jewish Students Union in Cape Town, he questioned the utility of joining BRICS:

This advert that we are the gateway to Africa... must come to an end, because it is just making us vulnerable. People use us to get into Africa, take mineral resources raw as they are and leave SA or Africa. The Chinese are number one in doing that... We are literally not getting anything out of Chinese involvement... At least with the colonisers [sic] they utilised [sic] our people, although the working conditions were not better – but these ones, they don’t give you even labour [sic], they just open up a Chinese town on their arrival.⁷²²

This tone has continued through Malema’s departure from the ANC and the creation of the EFF party until today. However, EFF officials have also made statements that frame the PRC as a better alternative to Western or European alliances. On April 14, 2021, Malema pushed Ramaphosa to reject “European vaccine[s]” such as Pfizer and choose Russian and Chinese options instead.⁷²³

In April 2020, the DA and the EFF were briefly united in their condemnation of the poor conditions forced on African nationals during the COVID-19 crisis in Guangzhou. These included evictions, quarantines, and forced testing without cause. Then-DA leader Mmusi Maimane joined leaders from Tanzania and Malawi in writing an open letter to the chair of the African Union urging an investigation.⁷²⁴ EFF national spokesperson Vuyani Pambo urged Ramaphosa to leverage his role as chairperson of the African Union to achieve the “unconditional

⁷¹⁹ “DA demands details of R370bn Chinese loan, warns of ‘debt trap.’” *Fin24*, 16 Sep. 2018, <https://www.news24.com/Fin24/da-demands-details-of-r370bn-chinese-loan-warns-of-debt-trap-20180916>.

⁷²⁰ “DA demands details of R370bn Chinese loan, warns of ‘debt trap.’”; “DA threatens legal action after Eskom fails to publicise terms of China loan.” *IOL*, 28 October 2018, <https://www.iol.co.za/news/politics/da-threatens-legal-action-after-eskom-fails-to-publicise-terms-of-china-loan-17674580>.

⁷²¹ McKaiser, Eusebius. “The Democratic Alliance’s Demise Puts South Africa’s Multiparty Democracy at Risk.” *Foreign Policy*, 29 October 2019, <https://foreignpolicy.com/2019/10/29/the-democratic-alliances-demise-puts-south-africas-multiparty-democracy-at-risk/>.

⁷²² Pietersen, Michelle. “Take firm stand against China – Malema.” *Independent Online*, 11 April 2011, <https://www.iol.co.za/sundayindependent/take-firm-stand-against-china-malema-1055087>.

⁷²³ “Official Twitter Account of the Economic Freedom Fighters.” *Twitter*, 14 April 2021, https://twitter.com/EFFSouthAfrica/status/1382201839291150337?ref_src=twsrc%5Etfw%7Ctwcamp%5Etweetembed%7Ctwtterm%5E1382201839291150337%7Ctwgr%5E%7Ctwcon%5Es1&ref_url=http%3A%2F%2Fwww.capetalk.co.za%2Farticles%2F413756%2Fwatch-malema-calls-on-sa-government-to-consider-the-russian-and-chinese-vaccines.

⁷²⁴ Breakfast, Siviwe. “AU called to step in as concerns over Africans’ treatment in China mount.” *The South African*, 18 April 2020, <https://www.thesouthafrican.com/news/au-called-to-step-in-as-concerns-over-africans-treatment-in-china-mount/>.

repatriation” of Africans from the PRC.⁷²⁵ This cooperation, however, does not seem to have resulted in significant policy actions.

Public Service Training

Beyond parties, China provides training to South Africans working in multiple fields including politics, public service, governance, law enforcement, as well as disaster and emergency management and nuclear power plant operations.⁷²⁶ In July 2020, South Africa’s National School of Government (NSG) announced it was hosting two-week online training seminars on governance capacity for South African civil servants along with the China-Africa Institute and the Chinese Academy of Social Science. On April 3, 2021, PRC Ambassador Chen Xiaodong delivered closing remarks for these workshops for about 200 students identified as “senior officials, department heads, and senior advisors to the national and local governments in South Africa.”⁷²⁷

South African police officers also regularly receive training from Chinese law enforcement. These exchanges may be driven by the very real needs of the local Chinese community.⁷²⁸ Physical safety in South Africa is a crucial topic for both Chinese residents and tourists, and threats of violent crime have inspired community leaders to establish independent Police Cooperation Centers to facilitate better communication with South African police (see section on the United Front for more information on this issue).⁷²⁹

In 2013, the South African Police Service (SAPS) formed a partnership with the Chinese Embassy for a pilot program in Johannesburg to teach Mandarin to police officers so they could better engage with Chinese residents and tourists.⁷³⁰ The program was enlarged and expanded to five other cities in 2014. Mandarin classes were provided to police officers through CIs and Chinese language training centers.⁷³¹ Some officers went to the PRC for short visits working with police academies.⁷³² Upon returning from China in December 2014, the Cluster Commander of Pretoria Central Police Station stated that “the benefit is already there. We’ve seen best practice of Chinese police system, which can be applied to ours, to move forward on issues that concern all of our people.”⁷³³ The PRC reaps the benefits of offering this training because participants often express admiration for policing and general public safety in China. The quality of the exchanges is less significant than the fact that they appear to be happening more frequently.

■ United Front Work

So-called “United Front work” is the term the CCP uses for its mission to communicate with, co-opt, and consolidate party control over the non-Party parts of PRC society, so as to head off potential challenges to its

⁷²⁵ Zulu, Sifiso. “COVID-19: EFF Condemns China’s ‘Inhumane Treatment’ of Africans,” *Eyewitness News*, 12 April 2020, <https://ewn.co.za/2020/04/12/covid-19-eff-condemns-china-s-inhumane-treatment-of-africans>.

⁷²⁶ “Governance capacity training seminar between South Africa and China kicks off.” *Xinhua*, 13 July 2020, http://www.xinhuanet.com/english/2020-07/13/c_139209877.htm.

⁷²⁷ “Chinese Ambassador Chen Xiaodong Addressed the Completion Ceremony of the China-South Africa Training Workshop on Governance.” *Embassy of the People’s Republic of China in the Republic of South Africa*, 02 April 2021, <http://za.china-embassy.org/eng/sgxw/t1866563.htm>.

⁷²⁸ Shaban, Abdur Rahman Alfa. “South Africa gets 13th Chinese police co-op unit, language center.” *Africanews*, 2 Nov. 2018, <https://www.africanews.com/2018/11/02/south-africa-gets-13th-chinese-police-co-op-unit-language-center/>.

⁷²⁹ Shaban. “South Africa gets 13th Chinese police co-op unit, language center.”

⁷³⁰ “Confucius Institute offers Chinese language training for South African Police (Cape Town).” *University of Cape Town Confucius Institute*, 7 February 2014, <http://www.confucius.uct.ac.za/news/confucius-institute-offers-chinese-language-training-south-african-police-cape-town>.

⁷³¹ “Confucius Institute offers Chinese language training for South African Police (Cape Town).”

⁷³² “Confucius Institute offers Chinese language training for South African Police (Cape Town).”

⁷³³ “Confucius Institute offers Chinese language training for South African Police (Cape Town).”

authority, and mobilize people not in the Party towards its political goals. The Party's definition of "PRC society" includes members of the Chinese diaspora outside of China's borders, and the party-state has a significant and well-resourced bureaucracy tasked with carrying out United Front work among this diverse, geographically dispersed group.

Ascertaining the scope and scale of United Front work among the diaspora in a given country is notoriously difficult, given the diverse nature of the diaspora (even within individual countries), United Front work's diffuse, generally non-public nature, and the multitude of CCP party organs responsible for this work.⁷³⁴ One way to approximate the scale of PRC- and UFWD-linked activities in a country is to consult lists of diaspora members invited to attend important CCP events. By this metric, South Africa has a relatively well-developed United Front network compared to other African countries, but less developed than some industrialized countries. In 2018, for example, 13 South Africans attended a congress held by the All-China Federation of Returned Overseas Chinese (ACFROC), a diaspora convening body directly run by the party's United Front Work Department. This delegation significantly outnumbered the second and third largest groups from Africa (Nigeria with six and Egypt with five). South Africa's delegation was smaller than countries with larger diaspora communities, such as the United States, at 51 people. The proportions were relatively similar for a previous ACFROC congress in 2013. In October 2019, at least 30 diaspora leaders from South Africa attended another important united front global convening event, a military parade honoring the 70th anniversary of the founding of the PRC in Beijing.⁷³⁵

Overseas Chinese Service Centers and Chinese Community and Police Cooperation Centers

Overseas Chinese Service Centers provide aid for the local Chinese diaspora and fall under the direction of the State Council. They have served to mobilize portions of the diaspora community in South Africa in support of pro-PRC policies and actions.⁷³⁶ South Africa currently appears to have at least two: the Johannesburg Overseas Chinese Service Center (JOCSC) was founded in November 2015⁷³⁷ and the first references to the Overseas Chinese Service Center Cape Town (OCSCCT) appear around 2016. Overseas Chinese Service Centers are common worldwide, but the PRC diaspora in South Africa has built a new kind of organization on top of the preexisting service center model. The new organizations are called Chinese Community and Police Cooperation Centres (CCPCC) and are nominally intended to address the Chinese diaspora's physical safety concerns by improving their interactions with South African law enforcement and by bridging cultural and linguistic barriers. However, they are also an obvious channel for an organization with strong ties to the PRC party-state to build links with South Africa's police and security forces. The police cooperation centers are transparent about the fact that the PRC embassy provides financial and personnel support for CCPCC headquarters and 12 regional centers spread across South Africa (with one additional center in Lesotho).

⁷³⁴ The party organs responsible for this work include the United Front Work Department (UFWD), its subordinate office the China Council for the Promotion of Peaceful National Reunification (CCPPNR), as well as the Chinese People's Political Consultative Conference (CPPCC). The Overseas Chinese Affairs Office (OCAO) and the subordinate All-China Federation of Returned Overseas Chinese (ACFROC) were once organized underneath the PRC's State Council; in October 2018 they were absorbed by the UFWD during a massive reorganization. Other entities performing United Front Work, such as the Chinese People's Association for Friendship with Foreign Countries (CPAFFC), are not transparent about their ties to either state or party organs.

⁷³⁵ Xianglu, Sun. "Thirty overseas Chinese leaders from South Africa attended the National Day reception held at the Great Hall of the People in Beijing." *African Times*, 28 October 2019, <http://www.africantimes2005.com/nfhs/14901.html>.

⁷³⁶ Schrader, Matt. "Chinese Assistance Centers' Grow United Front Work Department Global Presence." *The Jamestown Foundation Global Research & Analysis*, 5 Jan. 2019 <https://jamestown.org/program/chinese-assistance-centers-grow-united-front-work-department-global-presence/>.

⁷³⁷ "Inauguration of the Chinese Aid Centre in Johannesburg, South Africa Tan Tianxing." *Overseas Chinese Affairs Office of the State Council*, 12 November 2015, <http://www.gqb.gov.cn/news/2015/1112/36944.shtml>.

The current and past directors of the CCPCC headquarters are Li Xinzhu and Wu Shaokang, respectively. Both men have held leadership positions in UFWD-linked organizations across the country including the All-Africa Association for the Peaceful Reunification of China. In May 2005, they co-founded the African Times, an independent Chinese-language newspaper based in Cyrildene, Johannesburg, a suburb with a large Chinese population. News reports about the CCPCC's growing network of police cooperation centers in South Africa has often been negative. Many South Africans saw their presence as proof that Chinese law enforcement agencies were now operating in the country. The true nature of the PRC's relationship to the CCPCC is more complex. These centers are not staffed by PRC law enforcement officers and are not directly operated by diplomatic staff or officials. But they do appear to operate in a manner like other diaspora groups with strong ties to the United Front Work Department, receiving guidance, financial, and institutional support from the PRC while describing themselves as independent.

Still, the negative comments in the South African information environment suggest that while the network of CCPCCs appears to be popular among ethnic Chinese residents and tourists who fear for their safety, it has not shifted hearts and minds about the potential threat posed by the PRC. News 24 debunked a series of urban legends about CCPCCs in May 2020 and provided a small sample of the types of such legends circulating online, such as:

China has started colonising SA, we have had (sic) of China mall, city, town and more recently Chinese police stations!" and "Chinese personel (sic) have been deployed throughout (sic) Johannesburg police stations recently.⁷³⁸

Councils for the Promotion of Peaceful National Reunification

South Africa is also home to at least three Councils for the Promotion of Peaceful Reunification. These are local branches of the All-China Council for the Promotion of Peaceful National Reunification (CCPPNR), an organization run by the Work Department. In countries such as Australia, peaceful reunification councils have been used to mobilize diaspora groups to create influential, nominally-independent pro-PRC political networks.⁷³⁹

The most active councils in South Africa include the Cape Town Council for Peaceful Reunification (CTCPRC), the All-Africa Association for the Peaceful Reunification of China (AAAPRC) in Johannesburg, and its branch in Durban, the All-Africa Association for Peaceful Reunification of China — KwaZulu Natal Province Branch (AAAPRC-KZNPB). CCPPNR's official website shows an additional two chapters that do not appear to be active within the last five years. The South Africa North West Province Council for the Promotion of Peaceful Reunification (SANWPCPPR) was founded on October 6, 2013, with Lin Xuehua serving as president.⁷⁴⁰ The South Africa Gauteng Province Council for the Promotion of Peaceful Reunification (SAGPCPPR) was founded November 2013 under the leadership of Yang Sisong. Li Xinzhu and Wu Shaokang both attended the inaugural meeting.⁷⁴¹

⁷³⁸ "FAKE NEWS | Reports about Chinese police stations opening in SA are bogus, and 2 years old." *News24*, 13 May 2020, <https://www.news24.com/news24/southafrica/news/fake-news-reports-about-chinese-police-stations-opening-in-sa-are-bogus-and-2-years-old-20200513>.

⁷³⁹ Knaus, Christopher. "Chinese Communist party-linked group not listed on foreign influence register." *The Guardian*, 28 Mar. 2019, <https://www.theguardian.com/australia-news/2019/mar/29/chinese-communist-party-linked-group-not-listed-on-foreign-influence-register>.

⁷⁴⁰ "Association for the Promotion of China's Peaceful Reunification in Northwest Province, South Africa." *China Council for the Promotion of Peaceful Reunification*, 28 April 2015, <https://web.archive.org/web/20150428123918/http://www.zhongguotongcuhui.org.cn/hnwtch/fz/nf/nfxbszgtch/>.

⁷⁴¹ "Establishment of the Association for the Promotion of China's Peaceful Reunification in Gauteng Province, South Africa." *China Council for the Promotion of Peaceful Reunification*, 25 November 2013, http://www.zhongguotongcuhui.org.cn/hnwtch/fz/nf/hdstch/201311/t20131126_5265790.html.

The most influential council in South Africa is the AAAPRC, based in Johannesburg. Its elite position within the diaspora community is indicated by the organization's name, which claims to represent all of Africa, the invitations sent to its leaders to attend high-level conferences in the PRC, and its ability to attract important guests from both the Chinese and South African governments. The list of attendees for the July 2019 inauguration ceremony for the AAAPRC's Ninth Board of Directors, led by the new president Xu Changbin, illustrates the organization's network. AAAPRC-KZNPB, founded on August 27, 2005, in Durban does not appear to be very active, but the founding ceremony included significant language about its mission. Zhang Lianyuan, the PRC Consul General in Durban at the time, notes that there are not as many Mainland Chinese, people who have emigrated directly from China, in the region, but there are many Taiwanese businesses. For that reason, he believes the AAAPRC-KZNPB can do the important "work of opposing independence and promoting unification."⁷⁴²

As an example of the typical profile of Peaceful Reunification Councils in South Africa, the CTCPRC was established in 2003 and frequently addresses issues that threaten China's perception of its geographic borders. In a September 2020 press release announcing new leadership for the group, the CTCPRC also denounced the trip U.S. Secretary of Health and Human Services Alex Azar made to Taiwan in August.⁷⁴³ The group also attended protests against the February 2018 visit of the President of Tibet in exile to Stellenbosch University, wielding signs such as "No damage to China-South Africa Friendly Relations" and "No opening door for Tibetan separatists."⁷⁴⁴ Unlike similar protests against Taiwanese or Tibetan leaders in other countries, this group was joined by people identified as something the effect of grassroots members of the ANC Party in Cape Town who were not ethnically Chinese. While the Chinese Consulate in Cape Town did not claim it had organized what was meant to seem like a spontaneous protest, it also did not conceal evidence that the event was supported by PRC diplomatic staff.

■ South Africa's Response

South Africa's vibrant media landscape is a large part of the country's resilience to the PRC's influence and interference. Despite one leading conglomerate's business ties and its pro-China narrative, many media outlets provide critical coverage of the corrosive elements of PRC influence in South Africa and the world.

South Africa's vibrant media landscape is a large part of the country's resilience to the PRC's influence and interference. Despite one leading conglomerate's business ties and its pro-China narrative, many media outlets provide critical coverage of the corrosive elements of PRC influence in South Africa and the world. Additionally, outside of some limited domains where the PRC can impinge on freedom of expression by denying visas, members of the

media can dissent without restraint. Naspers Media 24 and its subsidiaries lead the charge in providing balanced coverage. Given its high viewership and institutional resources, the South African media market consistently offers a plurality of views, thereby preventing PRC-affiliated media entities from dominating the market.

⁷⁴² "The Kwa Provincial Branch of the All-Africa Association for the Promotion of Peaceful Reunification of China was established in Durban, South Africa." *Sina*, 31 August 2005, <http://news.sina.com.cn/o/2005-08-31/10336826875s.shtml>.

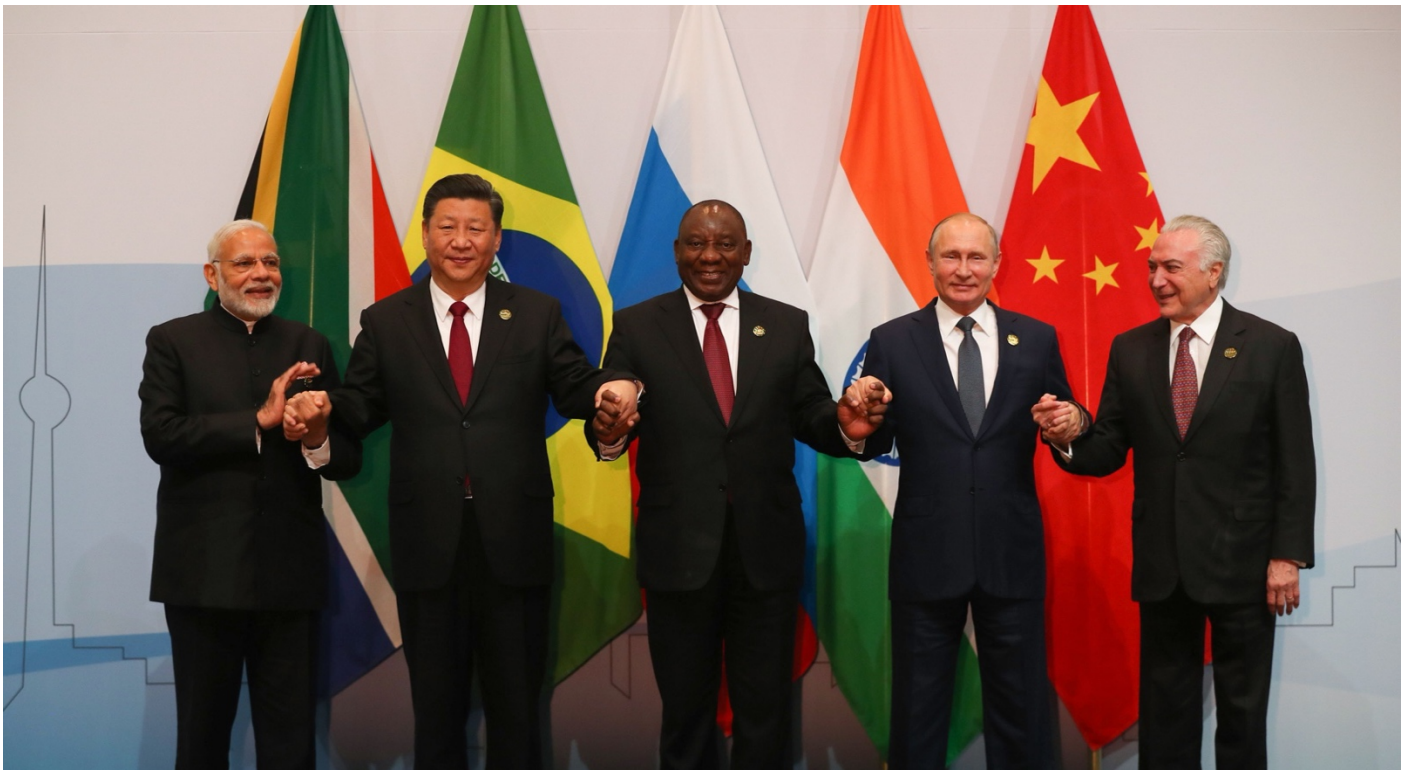
⁷⁴³ "Inauguration Declaration of the Eighth Supervisor of the Cape Town Association for the Promotion of Peaceful Reunification of China." *China Council for the Promotion of Peaceful National Reunification*, 2 October 2020, http://www.zhongguotongcuhui.org.cn/hnwtchdt/202010/t20201002_12299765.html.

⁷⁴⁴ "The Sneaked-in Head of 'Tibetan Administration in Exile' Met with Massive Local Protest." *Embassy of the People's Republic of China in the Republic of South Africa*, 8 Feb 2018, <http://za.china-embassy.org/eng/sgxw/t1533198.htm>.

South Africa's political parties are an additional source of resilience. The number of parties with vastly different viewpoints supports an ideologically diverse populace. As a result, political party platforms often have different views about the role of external actors in South Africa. Despite efforts to court the ruling ANC and opposition parties, a unified voice on China has yet to emerge. Most importantly, it appears that political actors can also advocate for policies that are against Beijing's interest without fear of retribution from party leadership.

Such checks and balances are likely one reason why South Africa does not offer universal support for China's foreign policies on the world stage. The Institute for Security Studies in Pretoria has described South Africa's role on the UN Security Council as a swing state, balancing Russia and China on one side and France, the U.K., and the U.S. on the other. This is especially true when it comes to controversial topics. For example, South Africa has not publicly defended the PRC's actions in Xinjiang or Hong Kong. In 2019, the South African ambassador to China was conspicuously missing from a joint letter signed by ambassadors from 37 African countries praising China's "human rights achievements."⁷⁴⁵

■ Conclusion



India's Prime Minister Narendra Modi, China's President Xi Jinping, South Africa's President Cyril Ramaphosa, Russia's President Vladimir Putin and Brazil's President Michel Temer pose for a group picture during the 10th BRICS (acronym for the grouping of the world's leading emerging economies, namely Brazil, Russia, India, China and South Africa) summit on July 26, 2018 at the Sandton Convention Centre in Johannesburg, South Africa. (Photo by MIKE HUTCHINGS / POOL / AFP) (Photo credit should read MIKE HUTCHINGS/AFP via Getty Images).

South Africa is commonly called the gateway to Africa and that title has proven accurate when it comes to certain aspects of the PRC's influence and interference efforts. The country is a literal gateway in the sense that it serves as a transportation hub through which the PRC manages its imports and exports to and from the African continent. In a more metaphorical sense, South Africa is home to the largest Chinese diaspora in Africa and community

⁷⁴⁵ "2020 Edition: Which Countries Are For or Against China's Xinjiang Policies?" *The Diplomat*, 9 Oct 2020, <https://thediplomat.com/2020/10/2020-edition-which-countries-are-for-or-against-chinas-xinjiang-policies/>.

leaders have been active in forging connections with the PRC. South Africa sends the largest African delegations to ACFROC and State Council events. The country's leaders and citizens have also set important precedents for cooperating with Chinese state- and party-linked entities. For example, South Africa became the first country in Africa to set up a stand-alone 5G network and it did so using Huawei technology. South Africa is also home to some of Africa's most elite universities, whose associated CIs, think tanks, and conferences set a standard for the study of China on the continent.

South Africa is a developed country and China's typical toolbox for economic influence does not always apply. The PRC has not achieved bold successes in pursuing BRI projects, special economic zones, edge city developments, or agricultural training centers. When it comes to Chinese involvement in the information space, South Africa does not have a state-owned media that can be utilized by the government – or the CCP – to shape coverage. Instead, China has made piecemeal investments through individuals like Iqbal Survé and Independent Media. However, bias in some coverage has been called out relatively quickly and journalistic integrity has remained intact in other news sources.

The most powerful tool the CCP has at its disposal in influencing South Africa is its relationship with the ANC. The two political parties frequently meet for training and ANC officials associate with organizations that perform United Front Work and attend their events. However, because of widespread allegations of corruption, the ANC is facing a slow decline in popular support. Those allegations cannot be separated from the China-South African relationship. Many of the best publicized cases of state capture involve a Chinese company's illicit and preferential deals with ANC elites. Ironically, there are some situations in which the consequences of those illiberal practices have also made the PRC reluctant to further enmesh itself with South African entities. Despite the occasional hiccup, the economic relationship remains strong. South Africa is likely to continue orienting its economy around PRC and BRICS investment. Furthermore, while Ramaphosa is president, the political relationship, both at the elite level and lower levels, appears to be strongly grounded in shared interests and public platitudes. South Africa's deference to the PRC's position on Russia's war against Ukraine is a meaningful indicator of this dynamic.



SOLOMON ISLANDS

■ Introduction

The Chinese Communist Party (CCP)'s relationship with Solomon Islands over the last five years has become a focal point of the People's Republic of China (PRC)'s growing influence around the globe. Early in his premiership, Prime Minister Manasseh Sogavare began exploring the possibility of changing diplomatic recognition to the PRC from Taiwan in hopes of opening new commercial ties and gaining leverage with traditional development partners such as Australia and New Zealand.⁷⁴⁶ In September 2019, Solomon Islands government abruptly switched diplomatic allegiances from Taipei to Beijing, marking one of the nation's most consequential decisions since achieving independence from the United Kingdom in 1978.⁷⁴⁷ This decision was made despite ongoing tensions related to this issue, and has since sparked mass dissent from civil society and opposition policymakers alike. Yet the relationship continues to grow, and new alliances continue to be made between PRC-affiliated entities and Solomon Islands government. Prime Minister Sogavare's new relationship with Beijing is emblematic of a growing behavioral shift toward the PRC and away from democratic partners, even when it comes to controversial security decisions or economic deals that do not directly benefit local communities.

These strengthened ties between the PRC and Solomon Islands have raised alarms because of the country's fragility and pre-existing tensions across the islands. Decades of conflict between ethnic militias in Solomon Islands saw nearby Australia deploy peacekeeping troops in 2003 under the Regional Assistance Mission to Solomon Islands (RAMSI). The country's April 2019 vote, electing Manasseh Sogavare as Prime Minister, was the first in the country after RAMSI departed the country in recognition 2017. Following his election, Sogavare convened a parliamentary committee to study the potential for opening relations with the PRC. He also travelled to other Pacific Island nations to examine how their relationship with China benefited their respective economies.⁷⁴⁸ The change in recognition of the One China Policy followed soon thereafter. Solomon Island Members of Parliament (MPs) across the country leveled seemingly credible allegations of corruption against the Sogavare government in connection with the change in recognition, some alleging that Beijing offered payments of up to \$125,000 to individual MPs to win their support.⁷⁴⁹ Still, the Sogavare government remains in power and relations with CCP continue to grow.

Solomon Islands' new relationship with China has influenced a variety of sectors such as technology, energy, security, and media, as well as heightened the country's dependence on PRC-affiliated companies. Rising internal tensions and institutionally and financially weak provincial governments, who often struggle to negotiate complex deals with sophisticated foreign actors, have influenced the nature of Solomon Islands-PRC relations since the

⁷⁴⁶ "Why China is challenging Australia for influence over the Pacific Islands." *CNN*, 22 Jul. 2019, <https://www.cnn.com/2019/07/22/asia/china-australia-pacific-investment-intl-hnk/index.html>.

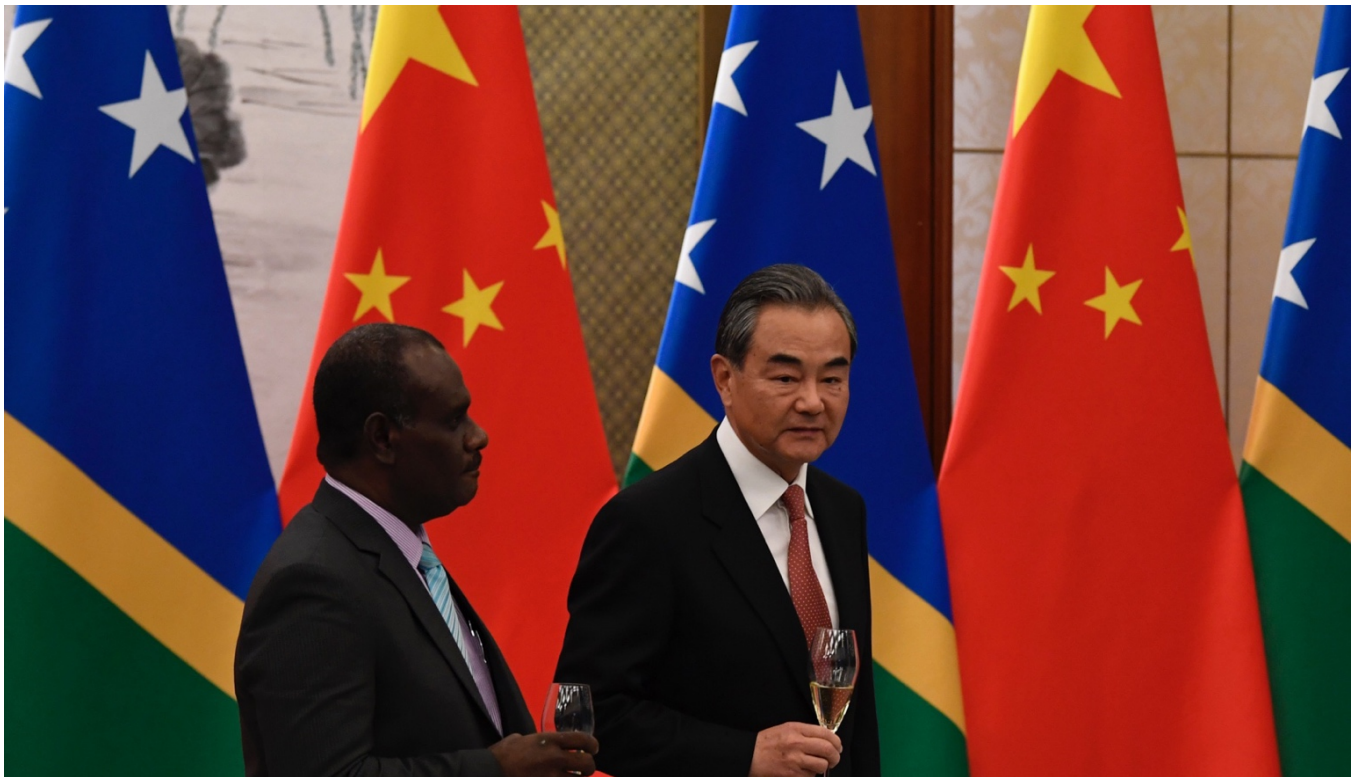
⁷⁴⁷ "Joint communique on the establishment of diplomatic relations between the People's Republic of China and Solomon Islands." *Ministry of Foreign Affairs of the People's Republic of China*, 21 Aug. 2019, https://www.fmprc.gov.cn/mfa_eng/wjdt_665385/2649_665393/201909/t20190921_679587.html.

⁷⁴⁸ "Solomons delegation to study China's Pacific aid." *Radio New Zealand*, 25 June 2019, <https://www.rnz.co.nz/international/pacific-news/392891/solomons-delegation-to-study-china-s-pacific-aid>.

⁷⁴⁹ [4] Cavanaugh, Edward. "China and Taiwan offered us huge bribes, say Solomon Islands MPs." *The Guardian*, 7 Dec. 2019, <https://www.theguardian.com/world/2019/dec/08/china-and-taiwan-offered-us-huge-bribes-say-solomon-islands-mps>.

switch. There have been several cases wherein the PRC attempted to make consequential deals with local leaders from marginalized ethnic groups in less-developed island communities, without consent from the appropriate authorities, thereby taking advantage of weak institutional checks and balances across the island nation.⁷⁵⁰ The 2022 security pact between the PRC and Solomon Islands further demonstrates how the CCP is using the growing relationship between the two countries to increase its foothold in the Pacific region.⁷⁵¹

At the same time, however, public mistrust about the direction of the PRC-Solomon Islands relationship has resulted in violent blowback against the local Chinese diaspora⁷⁵² and fueled tensions between ethnic groups across the islands.⁷⁵³ Despite the many examples of potentially adverse effects on Solomon Islands' democracy, the country retains some institutional strength. For example, its legal institutions demonstrate ongoing democratic resilience and lays foundation for a potential shift to a healthier, more balanced relationship with the PRC.⁷⁵⁴



Chinese State Councilor and Foreign Minister Wang Yi (R) chats with Solomon Islands Foreign Minister Jeremiah Manele after a ceremony to mark the establishment of diplomatic ties between the two nations at the Diaoyutai State Guesthouse on September, 2019 in Beijing, China. (Photo by Naohiko Hatta - Pool/Getty Images).

⁷⁵⁰ "Solomons' government vetoes Chinese attempt to lease an island." *The Guardian*, 25 Oct. 2019, <https://www.theguardian.com/world/2019/oct/25/solomons-government-vetoes-chinese-attempt-to-lease-an-island>.

⁷⁵¹ Doran, Matthew. "Peter Dutton Warns China Will Expand Its Presence in Pacific after Solomon Islands Pact". *ABC News*, 20 Apr. 2022. <https://www.abc.net.au/news/2022-04-21/peter-dutton-china-solomon-islands-presence-pacific/101004664>.

⁷⁵² Zhang, Denghua. "Perceiving China's Influence in the Pacific: The Case of Solomon Islands." *The Diplomat*, 18 October 2019, <https://thediplomat.com/2019/10/perceiving-chinas-influence-in-the-pacific-the-case-of-solomon-islands/#:~:text=Another%20factor%20mentioned%20by%20the%20task%20force%20is,in%20the%20local%20economy%20especially%20the%20retail%20sector>.

⁷⁵³ The author of this report travelled the country in November 2019 examining sentiments about the China switch as part of a reporting project for the Guardian newspaper. These sentiments were identifiable through extensive reporting across five islands: Guadalcanal, Savo, Ngella, Tulagi, and Malaita. Anti-Chinese racism is casual and consistent but is also inflamed by the genuine economic dominance that ethnically Chinese-owned businesses maintain across the country.

⁷⁵⁴ Foukona, Joseph D. "Solomon Islands Gets a Lesson in Chinese Diplomacy." *Lowy Institute*, 29 June 2020. <https://www.lowyinstitute.org/the-interpretor/solomon-islands-gets-lesson-chinese-diplomacy>.

■ Economic Influence

Solomon Islands faces the threat of overdependence on the PRC due to its underdeveloped economy, particularly its heavy reliance on exports of raw materials to China. The country's inability to broaden its export base poses challenges for policymakers and leaves Honiara, the capital, little bargaining power with Beijing. The threat of this dependency and lack of bargaining power influence large economic agreements with the PRC, furthering the potential erosion of democratic institutions because of increased corruption and elite capture. For example, export imbalances were one of the key driving factors behind changing diplomatic recognition to Beijing in 2019. Following the switch, Solomon Islands exported \$414 million worth of goods to China, compared to just \$11 million to Taiwan.⁷⁵⁵ The disproportionately large export figure gives the PRC leverage over internal decision-making.

Solomon Islands' acute infrastructure shortfall slows the country's economic growth, which opens the door for foreign actors seeking to influence the government through economic aid. Immediately after the diplomatic switch to Beijing, the China State Railway Group and an associated Chinese minerals business committed \$825 million to operate Solomon Islands' largest gold mine through what local opposition leaders called an "opaque process."⁷⁵⁶ One famous example of a PRC-based company attempting to infiltrate local government is when Solomon Island's Central Province fell victim to unfavorable economic overtures and signed a 75-year investment deal with a Chinese company, China Sam Enterprise Group, which would have leased the island of Tulagi to the Beijing-backed entity.

However, the deal was later found to be unlawful because the Chinese company made the deal directly with local island leaders, side-stepping formal Solomon Islands legal procedures requiring approval from the Attorney General.⁷⁵⁷ In Malaita, the largest and most populous province in Solomon Islands, PRC-affiliated entities have attempted to make agreements directly with local MPs without seeking buy-in from the regional government bodies or communities themselves. Malaita Premier Daniel Suidani has consistently rejected these deals and recently cited that he will continue to do so.⁷⁵⁸ Yet, the Tulagi example demonstrates the vulnerability of smaller, less economically advantaged islands when making deals with foreign entities — an engagement that can potentially infringe upon Solomon Islands' sovereignty.

Underinvestment in Provincial Government Capacity

Solomon Islands relies heavily on international aid and assistance because of a lack of economic development across the country. Only 66 percent of Solomon Islanders in Honiara have access to electricity, while in other provinces this is as low as 10 percent.⁷⁵⁹ Lack of readily available energy has also harmed the country's COVID-19 vaccination program, making transport and cold chain storage of various types of vaccines virtually impossible.

⁷⁵⁵ See Figure I, graph outlining Solomon Islands exports.

⁷⁵⁶ [11] Adeeb, Maryam. "China in US\$825M deal to revive abandoned Solomon Islands gold mine." *S&P Global Market Intelligence*, 31 Oct. 2019, <https://www.spglobal.com/marketintelligence/en/news-insights/trending/jzlb1yvhrhozrjcamqjeow2>.

⁷⁵⁷ Barrett, Jonathan. "Solomon Government says Chinese company's lease of island 'unlawful.'" *Reuters*, 24 Oct. 2019, <https://www.reuters.com/article/us-china-solomonislands/solomon-government-says-chinese-companys-lease-of-island-unlawful-idUSKBN1X400G>.

⁷⁵⁸ Power, John. "As China Opens Embassy in Solomon Islands, a Bitter Feud Over Values Fuels Separatist Bid." *South China Morning Post*, 25 Sept. 2020. <https://www.scmp.com/week-asia/politics/article/3102905/china-opens-embassy-solomon-islands-bitter-feud-over-values>.

⁷⁵⁹ "MIGA Announces First Ever Guarantee in the Solomon Islands for a Hydro Plant." *Water Power & Dam Construction*, 19 Mar. 2020. <https://www.waterpowermagazine.com/news/newsmiga-announces-first-ever-guarantee-in-the-solomon-islands-for-a-hydro-plant-7830699>.

As a result, the country has relied on distribution of 50,000 doses of China's Sinopharm vaccine,⁷⁶⁰ which was a gift from Beijing, and requires standard refrigeration.⁷⁶¹

Since the conclusion of Solomon Islands' civil tensions in 2003, international donors have focused primarily on peace-making initiatives, with institutional capacity building and infrastructure as secondary issues. However, international legal and police institution development efforts were primarily focused on Honiara and the national government with minimal attention paid to the provinces.⁷⁶² This imbalance contributed to a faulty system whereby provincial governance is weak, small, and ill-equipped to deal with complex foreign investment negotiations.

Solomon Islands' federalized system of government also opens the door to multinational corporations looking to extract favorable business terms.⁷⁶³ Provincial administrations focusing on local-level government functions have three means of revenue collection: fixed service grants and capital grants from the national government, and business licensing fees that allow considerable autonomy to the province, but risk overreliance on business transactions - granting the companies that pay them considerable political leverage.

Tugali Lease Controversy

The aforementioned lease agreement in Tugali is one such example of PRC-based companies exploiting institutional gaps to manipulate national decision-making in their favor. In September 2019, just two weeks after Solomon Islands' diplomatic switch from Taipei to Beijing, the PRC-based investment firm SAM Group announced a lease agreement with the Central Province's local government. The agreement was signed by Central Province Premier Stanley Maniteva and granted SAM Group a 75-year lease over the island of Tulagi. The deal had strategic value to the PRC, as Tulagi is the former capital of Solomon Islands and located near Iron Bottom Sound, a suitable location for a deep-water port.⁷⁶⁴

The Tulagi episode demonstrated several factors typical of the present PRC-Solomon Islands investment dynamic, including the willingness of PRC companies to sidestep standard legal frameworks to make deals that favor them.

Before the official announcement, details of the agreement leaked to the press. Headlines and stories about "China's profound power over Solomon Islands" were published and broadcast globally, embarrassing Solomon Islands national government officials who knew nothing of the deal. In the face of

widespread public condemnation, independently appointed Attorney General John Muria, Jr. annulled the deal – which highlights the country's independent judiciary as a potential source of political resilience. The Tulagi episode demonstrated several factors typical of the present PRC-Solomon Islands investment dynamic, including the willingness of PRC companies to sidestep standard legal frameworks to make deals that favor them. It also

⁷⁶⁰ "Transfer Certificate for the 50,000 Sinopharm Vaccines signed." *Solomon Islands Government*, 13 Apr. 2021. <https://solomons.gov.sb/transfer-certificate-for-the-50000-sinopharm-vaccines-signed/>.

⁷⁶¹ Joi, Priya. "China's Sinopharm COVID19 vaccine first to carry a smart label to monitor heat-damage." *Gavi*, 14 May 2021, <https://www.gavi.org/vaccineswork/chinas-sinopharm-covid-19-vaccine-first-carry-smart-label-monitor-heat-damage>.

⁷⁶² Leith, Andrew. "The Regional Assistance Mission to the Solomon Islands." *Prism*, 2 (3), pp. 155-164. [https://cco.ndu.edu/Portals/96/Documents/prism/prism 2-3/Prism 155-164 Leith.pdf](https://cco.ndu.edu/Portals/96/Documents/prism/prism%202-3/Prism%20155-164%20Leith.pdf).

⁷⁶³ Phillips, Melanie. "What we can learn from provincial governments in Solomon Islands: A personal perspective – Part 2: Using provincial revenue for peace and localised solutions." *Australian National University's Department of Pacific Affairs*, 2020, https://bellschool.anu.edu.au/sites/default/files/publications/attachments/2020-05/dpa_in_brief_2020_14_phillips_solomon_islands_provincial_govt_pt_2_final.pdf.

⁷⁶⁴ "Solomons' government vetoes Chinese attempt to lease an island." *The Guardian*, 25 Oct. 2019, <https://www.theguardian.com/world/2019/oct/25/solomons-government-vetoes-chinese-attempt-to-lease-an-island>.

demonstrated that such deals can be driven primarily by a lack of institutional capacity rather than corruption. Although it is possible the deal was facilitated through corruption, neither Premier Maniteva nor his administration have been accused of wrongdoing or faced an independent investigation.⁷⁶⁵

The Tulagi deal was, however, a clear example of a local government's lack of capacity to conduct proper due diligence on an investment proposal, which could have resulted in poorly constructed agreements and bad policy outcome for the country as a whole. It also shows the vulnerability of provincial and sub-national governments to deals with external actors that lack national oversight mechanisms. When the PRC makes deals with local entities, side-stepping the official approval processes, this can lead to an elevated risk of subnational actors entertaining lucrative investment deals from China, hoping to spur more investment from the Solomon Islands' traditional partners such as Australia and New Zealand.⁷⁶⁶ In the case of Tulagi, the Attorney General only found out about the deal through a media leak, but in future cases it could very well be too late by the time the news reaches Honiara. By working with traditional donor partners to strengthen their institutional capacity, Solomon Islands' government can improve decision-making at the local government level, ultimately making the country more resilient to deleterious outside influence.

Though the Tugali example may have been due to lack of local level capacity rather than corruption, corruption exists in the Solomon Islands, the drivers of which are myriad. A 2017 report by the Anti-Corruption Resource Centre (ACRC) identified a small and spread-out population, contradiction between contemporary and traditional governance systems, and a low ratio of parliamentarians to citizens as important factors that influence corrupt practice.⁷⁶⁷ The country's switch to China has been tainted by accusations of vote-buying by both the pro-Taiwan and pro-China camps within Solomon Islands. These claims are ultimately unverifiable, but they undermine public confidence in the decision-making process that led to the switch and fueled public discontent over the state of corruption.⁷⁶⁸

■ The Consequences of Growing PRC Influence

Elite Capture

Growing PRC involvement in Solomon Islands may contribute to and exacerbate preexisting issues with corruption. The prevalence of corruption in Solomon Islands is well publicized and presents a significant hurdle for the country's development.⁷⁶⁹ The country's strong dependency on external actors for resources also contributes to elite-level corruption, since one of the few pathways to personal wealth in low-income countries of the South Pacific is through a political career.⁷⁷⁰ After recent survey wherein countries ranked the integrity of their leaders, Solomon Islands was ranked 78 out of 180,⁷⁷¹ and the country was given a score of 43 out of 100 - in which higher scores indicate less corruption - on Transparency International's corruption index.⁷⁷² Despite widespread distrust in government, low capacity of local leadership, and high levels of corruption, Solomon

⁷⁶⁵ "Solomons' government vetoes Chinese attempt to lease an island." *The Guardian*, 25 Oct. 2019.

⁷⁶⁶ "Solomons' government vetoes Chinese attempt to lease an island." *The Guardian*, 25 Oct. 2019.

⁷⁶⁷ Chêne, Marie. "Solomon Islands: Overview of corruption and anti-corruption." *Anti-Corruption Resource Centre*, 23 Jan. 2017, No. 1, https://knowledgehub.transparency.org/assets/uploads/helpdesk/Country_profile_Solomon_Islands_2017.pdf.

⁷⁶⁸ Li, Jason. "Solomon Islands: A Pacific Linchpin Is Pulled." *The Diplomat*, 3 Jan. 2020. <https://thediplomat.com/2020/01/solomon-islands-a-pacific-linchpin-is-pulled/>.

⁷⁶⁹ Chêne, Marie. "Solomon Islands: Overview of corruption and anti-corruption." *Transparency International*, 23 Jan. 2017, <https://www.u4.no/publications/solomon-islands-overview-of-corruption-and-anti-corruption.pdf>.

⁷⁷⁰ Lamour, Peter. "Corruption and accountability in the Pacific islands." *Australian National University*, 2005, 5 (10), https://openresearch-repository.anu.edu.au/bitstream/10440/1159/1/Lamour_Corruption2005.pdf.

⁷⁷¹ "Corruption Perceptions Index." *Transparency International*, 2020, <https://www.transparency.org/en/cpi/2020/index/slb>.

⁷⁷² Transparency International. "Corruption Index." https://images.transparencycdn.org/images/CPI2021_Report_EN-web.pdf.

Islands still prides itself on improving and maintaining its democratic institutions and systems of governance. It is likely that perception of conflicting governance styles between Solomon Islands and the PRC's authoritarian model fueled public discomfort surrounding the switch to Beijing in 2019.⁷⁷³

Rising Internal Tensions



Chinese citizens speak to Red Cross workers in the Police Club which was turned into a refugee centre for 400 ethnic Chinese business owners and their families on April 21, 2006 in the Solomon Islands capital of Honiara. This occurred as a result of the first mass protests in Honiara's Chinatown in 2006, following the election of Snyder Rini as prime minister. (Photo by Ross Land/Getty Images).

Switching diplomatic relations to mainland China was controversial in the Solomon Islands because of the long-held skepticism many community members have towards the PRC.⁷⁷⁴ This public skepticism created a political opportunity for opponents of the Sogavare government, particularly on the island of Malaita, which is the largest province in Solomon Islands both by land and population. It is widely believed that the premier of Malaita, Daniel Suidani, has a higher approval rating than any other premier, and is rated higher than

Prime Minister Sogavare. Malaitans constitute their own ethnicity, maintain numerous languages endemic to the province, and represent more than half of the population of Solomon Islands. For these reasons, the premier of Malaita plays an influential role in the Solomon Islands' national political dialogue and is considered by some as the second-most powerful politician in the country. Tensions between ethnic Malaitans and other groups in Honiara contributed to civil unrest in the country between 1998 and 2003.⁷⁷⁵ Pro-Taiwan and pro-PRC camps began to fall along similar cultural lines in the wake of the diplomatic switch, with Malaita largely supporting Taiwan and Honiara supporting the PRC. In Malaita, a local organization called Malaita for Democracy (M4D) quickly mobilized and protested in the streets of Auki, the provincial capital, triggering a forceful response from Premier Daniel Suidani, who vowed to never accept PRC investment in his province.⁷⁷⁶

Despite the federal government's stated position, Malaita has maintained ties with Taiwanese diplomats, requesting COVID-19 aid from the Taiwanese delegation in Australia in March 2020.⁷⁷⁷ Once the COVID-19 aid flowed into Auki, Premier Suidani made public appearances with the vaccine shipments and draped it in Malaitan

⁷⁷³ Cavanaugh, Edward. "When China came calling: inside the Solomon Islands switch." *The Guardian*, 7 Dec. 2019, <https://www.theguardian.com/world/2019/dec/08/when-china-came-calling-inside-the-solomon-islands-switch>.

⁷⁷⁴ The author of this report travelled the country in November 2019 examining sentiments about the China switch as part of a reporting project for the Guardian newspaper. These sentiments were identifiable through extensive reporting across five islands: Guadalcanal, Savo, Ngella, Tulagi, and Malaita. Anti-Chinese racism is casual and consistent but is also inflamed by the genuine economic dominance that ethnically Chinese-owned businesses maintain across the country.

⁷⁷⁵ O'Brien, Patricia. "The Deep Roots of the Solomon Islands' Ongoing Political Crisis." Center for Strategic and International Studies, 10 Dec. 2021, <https://www.csis.org/analysis/deep-roots-solomon-islands-ongoing-political-crisis>.

⁷⁷⁶ Kekea, Georgina. "Continuous Protest Against China in Malaita." *Solomon Times*. 2 Sept. 2020, <https://www.solomontimes.com/news/continuous-protest-against-china-in-malaita/10171>.

⁷⁷⁷ Wasuka, Evan. 2020. "China urges Solomon's province to refrain from contacting Taiwan." *ABC Pacific Beat*, 12 June 2020. <https://www.abc.net.au/radio-australia/programs/pacificbeat/china-urges-solomons-province-to-refrain-from-contacting-taiwan/12347652>.

and Taiwanese flags.⁷⁷⁸ The PRC embassy has consistently spoken out against the Malaitan action, noting that the “national feelings” of the Chinese people were “hurt” by Malaita’s stance on Taiwan. In contrast, the Sogavare government has threatened to dissolve the Malaitan government and forced at least one vote of no confidence against Suidani even though he was democratically elected to office.⁷⁷⁹ As conflict over relations with China escalated, Premier Suidani announced that Malaita would seek to conduct an independence referendum.⁷⁸⁰

The PRC-Solomons Security Pact

Leaders in Solomon Islands have alleged that PRC military presence could further destabilize the country given the already controversial nature of the PRC-Solomon Islands relationship among clashing ethnic groups.

On April 19, 2022, shortly after the United States announced it was sending officials to the country, Solomon Islands signed a security pact with the PRC. The draft agreement leaked just one month prior to the announcement and had provisions that could permit PRC military deployments in the country, prompting widespread international concern.⁷⁸¹ Prime Minister Sogavare has claimed that military

bases will not be built in Solomon Islands,⁷⁸² and that the pact is necessary for the country to deal with escalating tensions and growing security concerns.⁷⁸³ However, other leaders in Solomon Islands have alleged that PRC military presence could further destabilize the country given the already controversial nature of the PRC-Solomon Islands relationship among clashing ethnic groups.⁷⁸⁴

China-Solomon Islands ties fuel tension with the Chinese diaspora

Even before the announcement of the security pact, suspicion of the Chinese community in Solomon Islands ran high, with mass violence against the diaspora erupting in 2006 and 2021. This violence was driven by claims that the diaspora unfairly monopolized the benefits of growing trade with China. Members of the Chinese diaspora have grown rich and influential by establishing retail and hospitality businesses, and some have been heavily involved in exporting raw materials, such as wood, to China.⁷⁸⁵ PRC-based economists have speculated that the switch to Beijing could accelerate this trend by drawing significant PRC investment into the tourism sector.⁷⁸⁶

⁷⁷⁸ Cavanaugh, Edward. “The small Pacific islands at the center of a big power play.” *The Washington Post*, 30 Jul., 2020, https://www.washingtonpost.com/world/asia_pacific/china-taiwan-dispute-and-coronavirus-aid-fuel-hostilities-in-solomon-islands/2020/07/29/500a7fd8-cccb-11ea-99b0-8426e26d203b_story.html.

⁷⁷⁹ Cavanaugh, Edward. “The small Pacific islands at the center of a big power play.”

⁷⁸⁰ Cavanaugh, Edward. “Solomon Islands province announces independence vote amid China tensions.” *The Guardian*, 2 Sept. 2020, <https://www.theguardian.com/world/2020/sep/02/solomon-islands-province-announces-independence-vote-amid-china-tensions>.

⁷⁸¹ “China says it has signed Security Pact with Solomon Islands.” Al Jazeera, 19 Apr. 2022, <https://www.aljazeera.com/news/2022/4/19/china-says-it-has-signed-security-pact-with-solomon-islands>.

⁷⁸² Doran, Matthew. “Peter Dutton Warns China Will Expand Its Presence in Pacific after Solomon Islands Pact.” ABC News, 20 Apr. 2022, <https://www.abc.net.au/news/2022-04-21/peter-dutton-china-solomon-islands-presence-pacific/101004664>.

⁷⁸³ “Why is the Solomon Islands-China Security Pact Causing Alarm?” Al Jazeera, 20 Apr. 2022, <https://www.aljazeera.com/news/2022/4/20/explainer-solomon-islands-china-security-pact-concern>.

⁷⁸⁴ “China says it has signed Security Pact with Solomon Islands.” Al Jazeera.

⁷⁸⁵ Zhang, Denhua. “Perceiving China’s Influence in the Pacific: The Case of Solomon Islands.” *The Diplomat*, 18 Oct. 2019, <https://thediplomat.com/2019/10/perceiving-chinas-influence-in-the-pacific-the-case-of-solomon-islands/>.

⁷⁸⁶ “Solomon Islands could be the next investment hub with stronger Chinese ties.” *The Global Times*, 19 Sept. 2019, <https://web.archive.org/web/20200126174154/https://www.globaltimes.cn/content/1164875.shtml>.

In 2006, mobs burned down approximately 90 percent of Honiara's Chinese-owned business district.⁷⁸⁷ Some justified their actions by claiming ethnic Chinese Solomon Islanders have outsized control over Honiara's business and financial sectors, despite being just one percent of the overall population.⁷⁸⁸

Similar riots occurred in November 2021, targeting Honiara's Chinatown,⁷⁸⁹ once again driven by anxieties about PRC investment driving further socio-economic inequality amongst Solomon Islands' ethnic groups.⁷⁹⁰ Some reports indicate that protesters travelled all the way from Malaita to march the streets of Chinatown and the area surrounding Parliament.⁷⁹¹ Perceptions of bribery and corruption by the country's Chinese minority are common among Solomon Islanders, one that has led to increased violence against the minority group.⁷⁹² In Malaita, the pro-independence organization 'Malaita for Democracy' (M4D) threatened to terminate business licenses of Chinese-operated stores in Auki, although the organization has no authority to do so. Some threats went so far as telling business owners to leave or face having their property burned. Former Secretary of M4D, Richard Olita, organized the first protests in Malaita's provincial capital after the switch from Taipei to Beijing in 2019.⁷⁹³

Timeline of Events

While there is much to indicate that Solomon Islands' switch to Beijing was the result of a diplomatic push by PRC actors, not all interactions between the two countries should be viewed as illustrative of overt influence campaigns. However, since the switch there have been notable examples of potentially coercive methods of PRC influence, conducted either by the PRC government or by Beijing-linked entities and financial groups. For example, in October 2019, the PRC agreed to jointly fund a new soccer stadium in Honiara without a competitive tender process. The stadium is set to host the 2023 Pacific Games.⁷⁹⁴

Timeline of Key Events in Solomon Islands – PRC Relationship: 2019 - 2021		
Date	Event	Description
September 8, 2019	"The switch"	Honiara ends 36-year alliance with Taipei, recognizes Beijing.
September 10, 2019	PRC and Solomon Islands governments announce Gold Ridge mining deal	\$825 million deal led by consortium including of the Chinese firm Wanguo International Mining in partnership with SEO China Rail and an Australian-Chinese company without independent tendering. Questions regarding investment arise given the project's scale and the fact that it was abandoned in 2014 and sold to Solomon Island locals for \$70 million.

⁷⁸⁷ Harrison, Dan. "Honiara burns as rioters return." *The Age*, 20 Apr. 2006, <https://www.theage.com.au/national/honiara-burns-as-rioters-return-20060420-ge25qq.html>.

⁷⁸⁸ "SOUTH PACIFIC: 'Fear of Domination Sparked Anti-Chinese Riots.'" *Inter Press Service*, 22. Apr. 2006, <https://www.ipsnews.net/2006/04/south-pacific-fear-of-domination-sparked-anti-chinese-riots/>.

⁷⁸⁹ Miller, Michael E. "Australia deploys forces to Solomon Islands as protestors burn Chinatown, Parliament." *The Washington Post*, 25 Nov. 2021, https://www.washingtonpost.com/world/asia_pacific/solomon-islands-unrest-protests-china/2021/11/24/807c68e2-4d18-11ec-a7b8-9ed28bf23929_story.html.

⁷⁹⁰ Cavanaugh, Edward. "The small Pacific islands at the center of a big power play." *The Washington Post*, 30 July 2020, https://www.washingtonpost.com/world/asia_pacific/china-taiwan-dispute-and-coronavirus-aid-fuel-hostilities-in-solomon-islands/2020/07/29/500a7fd8-cccb-11ea-99b0-8426e26d203b_story.html.

⁷⁹¹ Miller, Michael E. "Australia deploys forces to Solomon Islands as protestors burn Chinatown, Parliament."

⁷⁹² Zhang, Denhua. "Perceiving China's Influence in the Pacific: The Case of Solomon Islands."

⁷⁹³ Cavanaugh, Edward. "The small Pacific islands at the center of a big power play."

⁷⁹⁴ Bjerkevoll, Ola. "China to gift stadium to the Solomons." *Football Oceania*, 22 Nov. 2019, <https://footballoceania.com/2019/11/22/china-to-gift-stadium-to-the-solomons/>.

September 19, 2019	Global Times editorializes on new investment opportunities in Solomon Islands ⁷⁹⁵	CCP propaganda outlet <i>Global Times</i> promotes Solomon Islands investment opportunities shortly after the switch and emphasizes opportunities in hospitality, solar energy, and more, touting China's "sustainable development."
October 2019	Tugali lease controversy	PRC-affiliated SAM Group signs a deal with the Premier of Central Province to lease the island of Tulagi, the seat of Central Province government and a potential deep-water port. Solomon Islands Attorney General John Muria Jr. cancels the deal.
October 2019	PRC announces plan to give soccer stadium to Solomon Islands ⁷⁹⁶	PRC commits to funding a new soccer stadium in Honiara – designated to host the 2023 Pacific Games – without a competitive tender process. Although not confirmed, speculation arises that the stadium is a direct gift from Beijing.
December 2019	"Look and learn" tour for Solomon Islands media	Selected Solomon Islands journalists participate in a CCP-funded tour of China. ⁷⁹⁷
January 2020	Solomon Islands students transfer to Chinese universities	103 Solomon Island students who were studying in Taiwan on scholarships are stranded after Solomon Island's diplomatic switch. Students are instead sent to Chinese universities despite wishing to study in the U.S., U.K., Australia, and Japan.
February 2020	\$100 billion loan offer considered ⁷⁹⁸	A leaked document ⁷⁹⁹ reveals Solomon Islands' finance minister, Harry Kuma, proceeded with a proposed \$100 billion loan from an individual Chinese financier named Terry Wong for use on any project the Solomons government chooses. This amount is approximately 60 times the country's GDP. ⁸⁰⁰ Experts warn that there is no way Solomon Islands could ever pay back this loan. ⁸⁰¹ There is no evidence that Prime Minister Sogavare, or any other cabinet level official, approved the deal, though it is made shortly after the diplomatic switch from Taiwan to Beijing. Nor is there evidence that the proposal was driven by any Chinese government official - only indication

⁷⁹⁵ "Solomon Islands could be the next investment hub with stronger Chinese ties." *The Global Times*, 19 Sept. 2019. Accessed via Web Archive, 1 Feb. 2022, <https://www.globaltimes.cn/content/1164875.shtml>.

⁷⁹⁶ Bjerkevoll, Ola. "China to gift stadium to the Solomons."

⁷⁹⁷ Wickham, Dorothy. "The lesson from my China trip? Solomon Islands is not ready to deal with this giant." *The Guardian*, 22 Dec. 2019, <https://www.theguardian.com/world/commentisfree/2019/dec/23/the-lesson-from-my-trip-to-china-solomon-islands-is-not-ready-to-deal-with-this-giant>.

⁷⁹⁸ Wasuka, Evan. "Solomon Islands discussed \$US100 billion loan from Chinese businessman, according to leaked letters." *Australian Broadcasting Corporation*, 21 Feb. 2020, <https://www.abc.net.au/news/2020-02-21/leaked-letters-solomon-islands-100billion-loan-chinese-business/11989270>.

⁷⁹⁹ The document was provided to the author of this report prior to its dissemination to the broader media community, which resulted in the government publicly distancing itself from the proposed agreement.

⁸⁰⁰ Barrett, Jonathan. "Solomon Islands seeks \$100 billion loan from Chinese interests-documents." *Reuters*, 21 Feb. 2020, <https://www.reuters.com/article/us-china-solomonislands-idUSKBN20F12L>.

⁸⁰¹ "USD \$100 Billion "Loan" Offer From Chinese Businessman." *Solomon Times*, 24 Feb. 2020, <https://www.solomontimes.com/news/usd100-billion-loan-offer-from-chinese-businessman/9579>.

		<p>that the offer was made by an individual business broker in exchange for 10% of the cut once the deal is signed.</p> <p>The signed deal is confirmed by multiple news agencies including Reuters and the Australian Broadcasting Corporation. The only official statement detailing how the money would be used describes that “surplus revenue generated from the investment plan will be injected into the Solomon Islands national budget annually.”⁸⁰² Mr. Wong notes in his letters to Solomon’s finance officials that they should sign promptly, because other nations are applying for the same finances.⁸⁰³ The opaqueness of this deal highlights new tactics the PRC is deploying for future economic influence activities.</p>
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While these events do not constitute the entirety of the nascent Solomon Islands-PRC relationship, they are illustrative of growing PRC influence in Solomon Islands’ political and economic affairs.

Influence in the Academic Space

The fate of 103 Solomon Islands students on Taiwanese-funded scholarships at the time of the diplomatic switch highlights the importance of international educational partnerships. Before 2019, Taiwan offered full scholarships to high-achieving Solomon Island students for study in Taiwan. When the switch occurred, the scholarships were cancelled, leaving students stranded and uncertain of how to complete their education. China matched Taiwan’s scholarships with offers for Chinese universities. Some students hoped to study in Australia, New Zealand, Japan, or the U.S. instead, but many remain in Taiwan, self-funding their degrees. Others returned to Solomon Islands and some accepted positions in mainland China universities.⁸⁰⁴ This episode offers an example of how Solomon Islands should work with its traditional partners to develop scholarship programs to ensure the next generation of Solomon Islands leaders are not educated in PRC universities, despite their preference to go elsewhere.

■ Solomon Islands’ Response

Although Solomon Islands has identifiable vulnerabilities in its local and national governments, there are also examples of resiliency within government, media, and civil society. Within government, legal officials and elected leaders at the national and local level haven spoken out to varying degrees in defense of Solomon Islands’ democracy. Independent Attorney General John Muria Jr. overrode the deal in Tulagi when the PRC attempted to side-step the national level processes, demonstrating resilience in the legal system. Malaita Premier Daniel Suidani has been a forceful advocate for resilience to PRC economic, political, and security influence and has been vocal about his concerns around PRC investment. In addition, Leader of the Opposition in Parliament, Matthew

⁸⁰² Barrett, Jonathan. “Solomon Islands seeks \$100 billion loan from Chinese interests-documents.” *Reuters*, 21 Feb. 2020, <https://www.reuters.com/article/us-china-solomonislands-idUSKBN20F12L>.

⁸⁰³ “USD \$100 Billion ‘Loan’ Offer From Chinese Businessman.” *Solomon Times*.

⁸⁰⁴ Cavanaugh, Edward. “100 Solomons’ students left high and dry by China deal. They need our help urgently.” *The Sydney Morning Herald*, 19 Dec. 2019, <https://www.smh.com.au/national/100-solomons-students-left-high-and-dry-by-china-deal-they-need-our-help-urgently-20191213-p53jr3.html>.

Wale, has expressed strong opposition to the security deal – and to the close relations with the PRC more broadly. In an interview with Australian news outlet, *The Strategist*, Wale noted, “It’s clear to me that the vast majority of Solomon islanders do not want a base here, or even this deal,” adding that among those opposed include members of the Sogavare government, and the opposition plans to make it an election issue.⁸⁰⁵

Journalists in Solomon Islands have played a large role in questioning deals made by both the opposition and the ruling party.

Beyond government, journalists in Solomon Islands have played a large role in questioning deals made by both the opposition and the ruling party. In the example of the Tulagi deal, it was leaked information to the media that allowed for the Attorney General to take action. While journalists have often publicly criticized the

Sogavare government, which can be seen as demonstrating democratic resilience, recent events have shown some concerning changes related to their freedom of press on PRC-relations. For example, in late April after the draft of the security agreement was leaked, journalists were told to leave while filming outside the parliament – which was a completely legal action for journalists to be doing. Since the agreement came out government secrecy from media has increased.⁸⁰⁶ When Wang Yi visited the country in late May, journalists were blocked from attending press events. Those who did get permission to attend said they were limited in their ability to ask any questions.⁸⁰⁷ Independent journalism is a critical form of resiliency to foreign authoritarian influence, and it appears that the ability of journalists to report on issues related to the PRC in Solomon Islands has drastically decreased over recent months.

Women leaders in particular have been a core part of the effort to expose and counter PRC influence and protect Solomon Islands fragile democracy. Solomon Islands National Council of Women (SINCW) - a non-governmental women’s organization committed to advancing women’s political participation and a representative body for women to the government – called for the termination of the security agreement with China.⁸⁰⁸ In a statement, SINCW noted, “Although the Prime Minister has repeatedly defended the said security pact to safeguard the people to do business here, no one can trust his words due to the fact that he is keeping this document a secret from his own responsible citizens. Safeguarding the people doing business here calls for transparency and good governance which are lacking in the present ruling government.”⁸⁰⁹ The CEO of Transparency Solomon Islands, Ruth Liloqula, similarly spoke out against the government and the decision, stating that the Sogavare government had given away Solomon Island’s sovereignty to the CCP.⁸¹⁰

In another form of resiliency, the government has played a key role in driving national-level reforms with support from other major partners including Australia, New Zealand, Japan, and - to a lesser extent - the U.S. However, despite constructive engagement and generosity from longstanding partners, including aid and technical assistance, many of these partners have not prioritized engagement on issues of governance and economic development - leaving Solomon Islands to question the sustainability of those relationships. The case of the

⁸⁰⁵ Nicholson, Brendan. “Opposition leader says Solomon Islanders don’t want deal with China.” *Australian Strategic Policy Institute*, 21 Apr. 2022, <https://www.aspistrategist.org.au/opposition-leader-says-solomon-islanders-dont-want-deal-with-china/>.

⁸⁰⁶ Wickham, Dorothy. “In 25 Years of Reporting from Solomon Islands, I’ve Never Seen the Secrecy of the Last Few Months.” *The Guardian*, 2 May 2022, <https://www.theguardian.com/world/2022/may/03/in-35-years-reporting-from-solomon-islands-i-have-never-seen-such-secrecy-as-the-last-few-months>.

⁸⁰⁷ Lyons, Kate. “Solomon Islands Journalists Shut Out of China Foreign Minister Visit, Raising Secrecy Concerns.” *The Guardian*, 24 May 2022. <https://www.theguardian.com/world/2022/may/25/secrecy-surrounding-pacific-grand-tour-by-chinas-foreign-minister-sparks-alarm>.

⁸⁰⁸ “SINCW continues to demand release of signed China/SIG security pact.” *Solomon Star*, 10 May 2022, <https://www.solomonstarnews.com/sincw-continues-to-demand-release-of-signed-china-sig-security-pact/>.

⁸⁰⁹ “SINCW continues to demand release of signed China/SIG security pact.” *Solomon Star*.

⁸¹⁰ Podokolo, Mavis. “Women leaders want security treaty cancelled.” *The Island Sun*, 22 Apr. 2022, <https://theislandsun.com.sb/women-leaders-want-security-treaty-cancelled/>.

students studying in Taiwan demonstrates traditional partners' inability to step up and intervene for presumably a low-stakes financial risk.

There are several other examples of missteps by Solomon Islands' international partners. Australia has failed to deliver on infrastructure promises for several years. In August 2018, Australian Prime Minister Scott Morrison announced an AU\$2 billion infrastructure plan to improve Australia's standing in the Pacific.⁸¹¹ The Australian Infrastructure Financing Facility for the Pacific (AIFFP) committed AU\$500 million in grants and AU\$1.5 billion in concessional finance for important infrastructure projects in the Pacific. This deal had the potential to demonstrate how partners, other than the PRC, can offer critical infrastructure investments.⁸¹² Although some commentators saw this as a hasty response to geostrategic competition in the region, few argued against financing infrastructure in the region. However, the project was not even fully signed until June 2021, and has yet to significantly materialize.⁸¹³

Japan and the U.S. have also demonstrated a lack of desire to aid Solomon Islands in areas that are of high concern for the national government. Solomon Islands were the scene of some of the most ferocious battles in World War II, which left a scarred landscape and tens of thousands of unexploded ordnances (UXO). This includes areas in Honiara, where four people have died since September 2020 after inadvertently detonating U.S.-made UXOs. These deaths angered the public, which has long called for the U.S. and Japan to identify and remove UXOs from the archipelago.⁸¹⁴

Furthermore, Solomon Islanders take great pride in freedom and democratic elections, but perceptions of corruption have risen since 2018.⁸¹⁵ Protests in late 2021 regarding the opacity of decision-making, particularly surrounding the PRC-Solomon Islands relationship and how it factors into local elections, corruption, and the potential to sway toward authoritarian models of governance, demonstrate public discontent with the government.⁸¹⁶ The government must work to build public confidence in its election systems, as provincial-level governance is critical issue which needs to be addressed.

Lastly, International partners such as Australia, New Zealand, the U.S., and Japan should gear development aid toward governance interventions, and the Solomon Islands government should focus heavily on capacity building for provincial-level government actors. The country's use of Constituency Development Funds (CDFs) – large amounts of money given directly to MPs to spend in their communities with little to no oversight – should continue to be questioned.⁸¹⁷ First funded by Taiwan and now funded by the PRC, CDFs were seen as an attempt to decentralize government services but today have been criticized as being used to unfairly buy votes and garner favor with supporters. Instead, the United States, Australia, and New Zealand should provide alternative forms of governance support – ones that go beyond cash offers to local MPs. Programs should include capacity building

⁸¹¹ Dziejdzic, Stephen. "Prime Minister Scott Morrison Pledges \$250 million for Solomon Islands Infrastructure." *ABC News*, 2 June 2019, [https://www.abc.net.au/news/2019-06-03/scott-morrison-pledges-\\$250-million-for-solomon-islands/11172062](https://www.abc.net.au/news/2019-06-03/scott-morrison-pledges-$250-million-for-solomon-islands/11172062).

⁸¹² "Budget 2021-22., Budget paper 1." *Commonwealth of Australia*, 2021, pp. 276, <https://budget.gov.au/2021-22/content/bp1/index.htm>.

⁸¹³ Iroga, Robert. 2021. "Australia's Ten-Year SBD 1.5 Billion Infrastructure Program Kicks Off." *SBM Online*, 25 June 2021. <https://sbm.sb/2021/06/25/australias-ten-year-sbd-1-5-billion-infrastructure-program-kicks-off/>.

⁸¹⁴ Kekea, Georgina and Kate Lyons. "More than 100 unexploded bombs found in Solomon Islands backyard." *The Guardian*, 18 May 2021, <https://www.theguardian.com/world/2021/may/19/more-than-100-unexploded-bombs-found-in-solomon-islands-back-yard-second-world-war>.

⁸¹⁵ "Solomon Islands drops two points in Corruptions Perceptions Index." *RNZ*, 24 Jan. 2020, <https://www.rnz.co.nz/international/pacific-news/408114/solomon-islands-drops-two-points-in-corruptions-perceptions-index>.

⁸¹⁶ Walden, Max et al. "Here's What's Behind the Violent Protests in the Solomon Islands Capital, Honiara." *ABC News*, 24 Nov. 2021, <https://www.abc.net.au/news/2021-11-25/solomon-islands-protests-explainer-china-taiwan/100648086>.

⁸¹⁷ Wiltshire, Colin, et al. "Constituency Development Funds and Electoral Politics in Solomon Islands." *Development Policy*, 7 Sept. 2020, <https://devpolicy.org/constituency-development-funds-and-electoral-politics-in-solomon-islands-part-one-20200907/#:~:text=CDFs%20are%20allocations%20of%20public%20development%20funds%20provided,individuals%2C%20group%20income%20generating%20projects%20or%20community%20projects%E2%80%99>.

trainings focused on anti-corruption, diversification of funding streams, strengthening civil society engagement, and increasing community oversight and inclusion in infrastructure projects. Strengthening financial literacy, raising awareness of unscrupulous foreign investment and entities, and developing more trusted country foreign direct investment opportunities will also o a long way toward institutional resiliency in Solomon Islands.

■ Conclusion

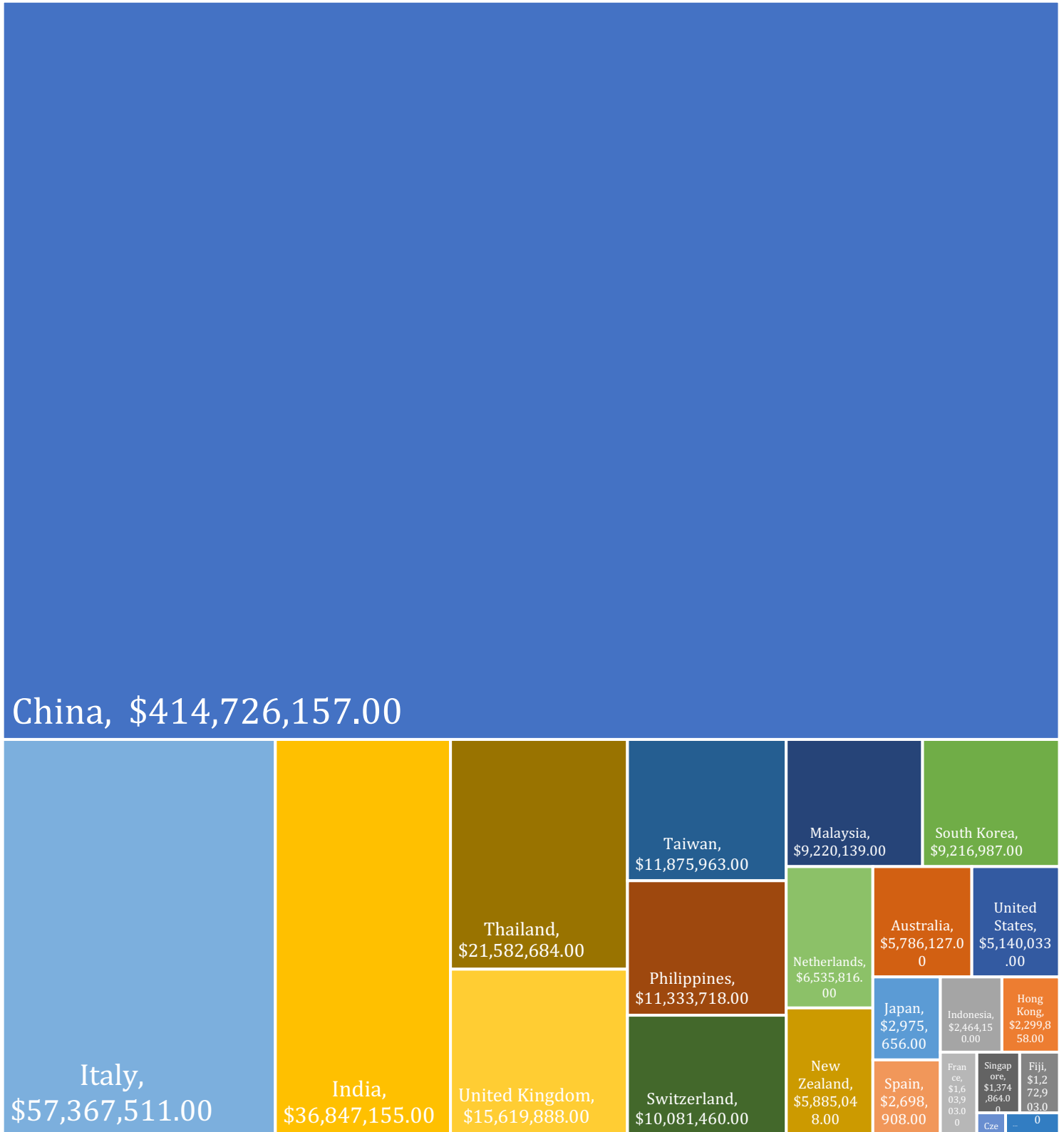
Solomon Islands' fledgling relationship with the PRC has created significant economic opportunities for the country. However, economic and institutional deficits in the country exposes it to risks of coercion that Solomon Islands and its international partners should work to ameliorate. This case study has examined the Solomon Islands-PRC relationship in the wake of Honiara's unexpected diplomatic recognition of Beijing in September 2019. While an overwhelming majority of countries recognize Beijing, the nature of Honiara's switch from Taipei to Beijing created concern that Honiara was subject to influence campaigns by economic and political PRC entities.

Not all PRC diplomatic and economic engagements in Solomon Islands are illustrative of coercive intent. However, this report documents key events in the two countries' relationship in which coercion might have played a role - which underscore institutional deficits which expose the country to foreign influence. Its poorly diversified economy and economic dependence on Chinese imports are of particular concern. Similarly, the inadequate state of governance, particularly at the provincial level, creates an unnecessary degree of risk. This report offers recommendations for both Solomon Islands and its international partners to protect the island nation from external coercive actions through diversify development funding streams, and democratic capacity building programs that support actors on the ground.

Honiara's embrace of Beijing has destabilized Solomon Islands' internal politics, with the largest province, Malaita, threatening to leverage popular anger toward Beijing to push for independence. Despite previous hopes that Solomon Islands would move back to recognizing Taipei under a different leader than Sogavare, this scenario remains very unlikely. One way to neutralize potential societal instability would be through concerted efforts by Solomon Islands' long-established partners to build governance capacity at subnational levels and improve financial literacy. Direct engagement from the United States, Australia, and Japan would be essential in this effort.

Figure 1:

Solomon Islands' Export Destinations, 2019





ZIMBABWE

■ Introduction

Once referred to as the breadbasket of Africa and beacon of liberation against colonial powers, Zimbabwe today is internationally isolated and increasingly dependent on authoritarian regimes for political and economic support.⁸¹⁸ The close ties between China and Zimbabwe have their roots in the 1970s, when the People's Republic of China (PRC) offered financial and humanitarian assistance to Robert Mugabe's Zimbabwe African National Union – Patriotic Front (ZANU-PF) during Zimbabwe's liberation struggle. The relationship deepened in the early 2000s when the PRC continued normal economic and political engagement with Mugabe's government despite his growing international isolation.⁸¹⁹

Former President Mugabe and current President Emmerson Mnangagwa have been central to the relationship between China and Zimbabwe, which continues to expand.⁸²⁰ The presidents have used their alliance with Beijing for material economic support, but also as a tool to demonstrate its legitimacy to the Zimbabwean people.⁸²¹ Following Mugabe's removal from power in 2017, Zimbabwe's adherence to democratic principles and values have not improved

In fact, Mnangagwa's government has attempted to further consolidate its relationship with authoritarian regimes, with a notable emphasis on greater cooperation between security services and the import and implementation of surveillance technologies.

under its new leader. In fact, Mnangagwa's government has attempted to further consolidate its relationship with authoritarian regimes, with a notable emphasis on greater cooperation between security services and the import and implementation of surveillance technologies.⁸²² Additionally, Zimbabwe's government has learned from the Chinese Communist Party's (CCP) so called party-army model, using it to consolidate power in political and social spaces. The prospect of a prosperous and democratic Zimbabwe looks less likely with each passing year, owing in part to the willingness of the CCP to meet the Zimbabwean government's demand for the tools and techniques of illiberal governance.

⁸¹⁸ In 2001 (and amended in 2018), the United States Congress passed the Zimbabwe Democracy and Economic Recovery Act (ZEDRA) in response to the Mugabe Administration undemocratic practices, human rights abuses and corruption. The bill, including targeted sanctions, remains in effect to this day, because progress on the aforementioned areas has not been sufficiently demonstrated. "U.S. relations with Zimbabwe." *United States Department of State*. Accessed 28 January 2022, <https://www.state.gov/u-s-relations-with-zimbabwe/#:~:text=Since%202003%2C%20the%20U.S.%20Department,righ%20abuses%2C%20or%20public%20corruption>.

⁸¹⁹ Tiezzi, Shannon. "China Renews 'All Weather Friendship' With Zimbabwe's New President." *The Diplomat*, 4 April 2018, <https://thediplomat.com/2018/04/china-renews-all-weather-friendship-with-zimbabwes-new-president/>; Osondu-Oti, Adaora. "China and Africa: Human Rights Perspective." *Africa Development*, vol. XLI, no. 1, 2016, pp. 49-80.

⁸²⁰ Ojakorotu, Victor and Kamidza, Rumbidzai. "Look East Policy: The Case of Zimbabwe–China Political and Economic Relations Since 2000." *India Quarterly*, vol. 74, no. 1, 2018, pp. 17–41. <https://doi.org/10.1177/0974928417749642>.

⁸²¹ Ojakorotu and Kamidza. "Look East Policy: The Case of Zimbabwe–China Political and Economic Relations Since 2000."

⁸²² "Zimbabwe: Freedom in the world 2022 country report." *Freedom House*. <https://freedomhouse.org/country/zimbabwe/freedom-world/2022>; Munoriyarwa, Allen. "The growth of military-driven surveillance in post-2000 Zimbabwe." *The Media and Democracy Project*, May 2021.

https://www.mediaanddemocracy.com/uploads/1/6/5/7/16577624/report_01_2021_military_driven_surveillance_zimbabwe_masters_et.pdf.

■ Economic Influence

Without access to Western financing, Zimbabwe has expanded investment and trade with China to support economic development and growth across most sectors of its economy.⁸²³ While other investors operate in the Zimbabwean market, the PRC occupies a unique role as a prominent investor and trade partner with shared historical and ideological ties. As the third largest investor, the PRC imports goods such as machinery, rubber, chemical products, and medical equipment.⁸²⁴ Trade between China and Zimbabwe has increased since 2005, while Zimbabwe's trade deficit with China has grown rapidly since 2010.⁸²⁵ PRC loans and investment terms and conditions are often withheld from the public's view. There are also frequent allegations of corruption in the procurement process, unjust judicial support from Zimbabwean courts, and financial mismanagement.

Loans, Foreign Direct Investment, and Debt

The PRC has provided “unconditional” loans and aid to address Zimbabwe's crumbling physical infrastructure, the result of its international isolation and the government's mismanagement of the economy.⁸²⁶ PRC loans are also used to support ailing Zimbabwean state-owned companies like TelOne, which received a concessional loan of \$98 million to improve its fiber optic network without proper parliamentary approval.⁸²⁷ Often, PRC loans to Zimbabwe include terms and conditions that require the purchase of project materials from China and the contracting of Chinese state-owned enterprises or private firms.⁸²⁸ The Zimbabwean government uses its national intelligence agency, the Central Intelligence Organisation (CIO), to manage the tendering process and ensure the loans' terms are satisfied.⁸²⁹ One example was the construction of the Zimbabwe Defense College, built by a state-owned company, using completely imported materials from China along with significant Chinese personnel at the expense of local labor and industry.⁸³⁰

Harare often prefers Beijing's foreign direct investment (FDI) because it frequently comes with access to low-cost capital without the human rights and good governance conditions from “Western” donors.⁸³¹ In 2013, however, President Mugabe briefly halted this flow of reliable capital from Beijing with his “indigenization” policies, aiming to shift ownership of foreign companies to local businesses and citizens.⁸³² Immediately after implementation, however, China began withdrawing its investments, telling Mugabe to sort out a succession strategy and to re-establish ties with the World Bank and International Monetary Fund.⁸³³

⁸²³ Tukić, Nusa and Tombindo, Felix. “Economic repercussions of the Look East Policy in Zimbabwe.” *Centre for Chinese Studies*, September 2016. <https://scholar.sun.ac.za/handle/10019.1/101548>.

⁸²⁴ “Zimbabwe Trade.” *The World Bank*, 2019. <https://wits.worldbank.org/countrysnapshot/en/ZWE>.

⁸²⁵ “Zimbabwe Trade.”

⁸²⁶ “Unconditional” in this instance refers to the lack of conditions that requires the Zimbabwe government to meet governance standards, as outlined by major international organizations such as the United Nations, World Bank and International Monetary Fund.

⁸²⁷ Chan, Kelvin. “China's deep ties to Zimbabwe could grow after Mugabe era.” *Associated Press*, 20 November 2017. <https://apnews.com/article/f75f5cc24f654016a60a7869fa4865d4>.

⁸²⁸ Mupanduki, Musafare. 2021. *On Redemption for Zimbabwe My Country*, Xlibris US, 2021.

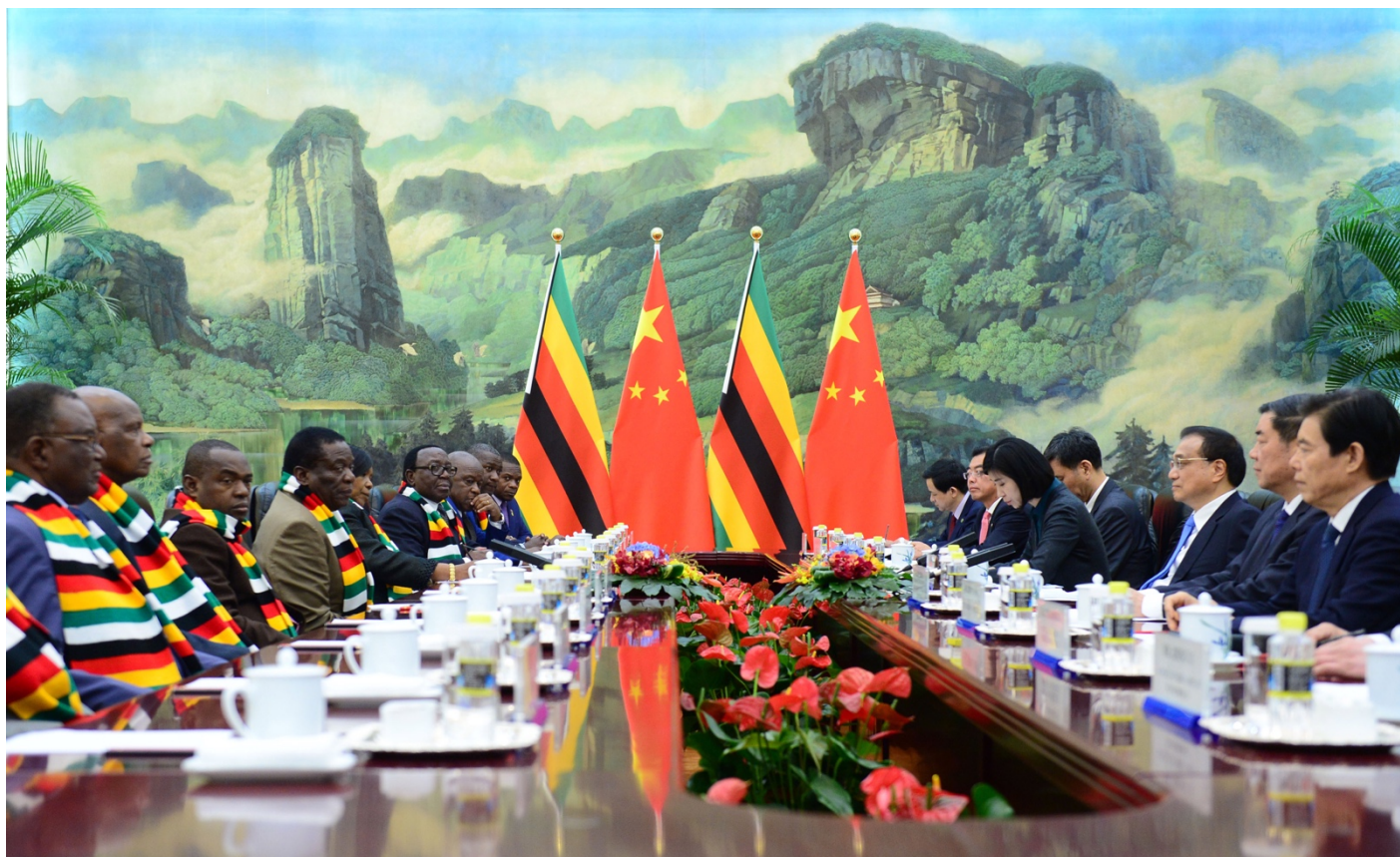
⁸²⁹ “Govt dithers over radar acquisition.” *Zimbabwe Independent*, 9 July 2021. <https://www.theindependent.co.zw/2021/07/09/govt-dithers-over-radar-acquisition/>.

⁸³⁰ Hodzi, Obert, Hartwell, Leon, and Nicola de Jager N. “‘Unconditional aid’: Assessing the impact of China's development assistance to Zimbabwe.” *South African Journal of International Affairs*, vol. 19, no. 1, 2012, pp. 79-103.

⁸³¹ Sun, Yun. “China and Africa's debt: Yes to relief, no to blanket forgiveness.” *The Brookings Institution*, 20 April 2020. <https://www.brookings.edu/blog/africa-in-focus/2020/04/20/china-and-africas-debt-yes-to-relief-no-to-blanket-forgiveness/>.

⁸³² Chikono, Melody. “Zimbabwe: ‘Overreliance On China to Derail Zimbabwe's Recovery’.” *Zimbabwe Independent*, 22 May 2020, <https://allafrica.com/stories/202005220140.html>.

⁸³³ Clover, Charles, Feng, Emily, and David Pilling. “Zimbabwe crisis turns spotlight on China's role in Africa.” *The Financial Times*, 21 November 2017. <https://www.ft.com/content/bbfb1cb8-ceb1-11e7-b781-794ce08b24dc>.



Zimbabwean President Emmerson Mnangagwa and Chinese Premier Li Keqiang during a meeting at the Great Hall of the People on April 4, 2018 in Beijing, China. (Photo by Parker Song-Pool/Getty Images).

The indigenization policy was arbitrarily applied and had notable loopholes. In an effort to stabilize the relationship, the PRC Embassy in Zimbabwe and Mugabe quietly leveraged those loopholes, along with its influence in the Zimbabwean legislature and courts, to reach a bilateral agreement on the encouragement and mutual safeguarding of investment ventures between China and Zimbabwe.⁸³⁴ This agreement, in effect, exempted Beijing from the “indigenization” law.

To bolster confidence between the two countries, then Vice-President Mnangagwa also pledged in a televised address to “create an environment where investors are happy to put their money because they will have a return.”⁸³⁵ Mnangagwa’s government kept this promise and officially amended the indigenization law to limit its application to the mining sector in 2020.⁸³⁶ By then, China accounted for 34 percent of Zimbabwe’s external debt.⁸³⁷

⁸³⁴ Sun, Yun. “China pains over Zimbabwe’s indigenization plan.” *The Brookings Institution*, 28 April 2016. <https://www.brookings.edu/blog/africa-in-focus/2016/04/26/chinas-pains-over-zimbabwes-indigenization-plan/>.

⁸³⁵ “China’s Deep Ties to Zimbabwe Could Grow After Mugabe Era.” *Associated Press*, 20 November 2017. <https://www.voanews.com/africa/chinas-deep-ties-zimbabwe-could-grow-after-mugabe-era>.

⁸³⁶ “Zimbabwe government officially amends indigenization law.” *Xinhua*, 19 March 2018. http://www.xinhuanet.com/english/2018-03/19/c_137050661.htm; Becker, Celia. “Amendments to Zimbabwe’s indigenisation laws to open economy to foreign investment.” *ENS Africa*, 17 April 2018. <https://www.lexology.com/library/detail.aspx?g=264798c1-24b0-4b7f-b7f9-6a2403345085>.

⁸³⁷ “Chinese loans to Africa database.” *SAIS China Africa Research Initiative*, 2020. <https://www.bu.edu/gdp/chinese-loans-to-africa-database/>.

Corruption and Legal Backsliding

Numerous instances of procurement violations and allegations of corruption and questionable business ethics are features of the relationship between the PRC and Zimbabwean government officials. The most notable example is Anjin, a mining company formed through a partnership with Chinese firm Anhui Foreign Economic Construction Group and the Zimbabwean Defense Forces (ZDF).⁸³⁸ Anjin faced allegations of human rights abuses, including the abuse of workers and failure to provide payment, as well as exploitation of minerals and failure to comply with local and federal environmental standards.⁸³⁹ In 2016, President Mugabe decertified the company. Despite its decertification and alleged violations of Zimbabwean law, Anjin has not yet faced legal repercussions. Following the removal of President Mugabe, Anjin was immediately granted authority to resume operation by President Mnangagwa.⁸⁴⁰

Allegations of illegality also surrounded the construction of the Zimbabwe National Defence College, a project financed and implemented by AFECC. The Public Works Ministry was supposed to conduct oversight of the project, which was run by the political opposition as part of a power-sharing agreement during the time of construction. However, the ministry claimed that the implementor was coordinating with the ruling party to skirt local labor, procurement, and safety regulations. Coordination between the Central Intelligence Office and the PRC company intentionally excluded the Public Works Ministry to receive operational certification, which would violate the Engineering Council Act.⁸⁴¹ As a result, questions from the Public Works Ministry regarding the building's safety remain unanswered and local Zimbabwean industry and labor were underutilized.

The leniency of Zimbabwean courts toward PRC-state owned companies accused of improper business practices has challenged Zimbabwe's already-limited judicial accountability. (The judiciary in Zimbabwe is often unable to act independently because of government interference such as the harassment of judges on politically sensitive cases).⁸⁴²

The leniency of Zimbabwean courts toward PRC-state owned companies accused of improper business practices has challenged Zimbabwe's already-limited judicial accountability.

⁸³⁸ Matimaire, Kenneth. "Zimbabwe: Army-linked Anjin grabs richest diamond claim." *Zimbabwe Independent*, 15 January 2021. <https://allafrica.com/stories/202101150292.html>.

⁸³⁹ Matasva, Felix. "Marange villagers still calling for government to halt Anjin from new mining operations in Chiadzwa due to its 'dark past' of human rights abuses." *Business & Human Rights Resource Centre*, 11 November 2021. <https://www.business-humanrights.org/en/latest-news/zimbabwe-marange-villagers-still-calling-for-government-to-halt-anjin-from-new-mining-operations-in-chiadzwa-due-to-its-dark-past-of-human-rights-abuses/>; Kudzai, Chimhangwa. "Expelled Chinese diamond mining firm quietly returns to Zimbabwe." *Global Voices*, 11 April 2019. <https://globalvoices.org/2019/04/11/expelled-chinese-diamond-mining-firm-quietly-returns-to-zimbabwe/>.

⁸⁴⁰ Chimhangwa, Kudzai. "Will Zimbabwe's diamonds be forever? A glimpse into a nation's resource rich curse." *OpenDemocracy*, 10 April 2020. <https://www.opendemocracy.net/en/oureconomy/will-zimbabwes-diamonds-be-forever-a-glimpse-into-a-nations-resource-rich-curse/>.

⁸⁴¹ "Construction of Chinese-built Zim defence college under scrutiny." *Mail and Guardian*, 8 February 2013. <https://mg.co.za/article/2013-02-08-construction-of-chinese-built-zim-defence-college-under-scrutiny/>.

⁸⁴² Mavhinga, Dewa. "Zimbabwe's Judges Under Fire: Mugabe's Comments Undermine Judicial Independence." *Human Rights Watch*, 6 September 2017. <https://www.hrw.org/news/2016/09/06/zimbabwes-judges-under-fire>; Samaita, Kevin. "Zimbabwe suspends judge who granted bail to Mnangagwa critic." *Business Day*, 13 October 2020. <https://www.businesslive.co.za/bd/world/africa/2020-10-13-zimbabwe-suspends-judge-who-granted-bail-to-mnangagwa-critic/>; Zenda, Cyril. "s Zimbabwe's new leader stifling judicial freedom?" *TRT World*, 27 June 2019. <https://www.trtworld.com/magazine/is-zimbabwe-s-new-leader-stifling-judicial-freedom-27854>.

Court cases involving PRC-funded investments are often dismissed to prevent corrective action and redress for aggrieved parties.⁸⁴³ As a result, there are a few avenues for holding PRC companies – and their Zimbabwean partners – accountable for corruption.

■ Influence in the Information Space

China's role in Zimbabwe's information space is difficult to discern because of the country's relatively closed media space.⁸⁴⁴ Also, the development of Zimbabwe's Information and Communications Technology (ICT) infrastructure remains an underreported topic in the news, leaving observers with only piecemeal facts regarding the extent to which PRC firms are involved.

As it does with many countries in the Global South, China has cultivated relationships with journalists and media executives in Zimbabwe to encourage a press environment more amenable to PRC interests and narratives.⁸⁴⁵ A 2016 survey of media practitioners conducted by Zhang, Wasserman, and Mano showed that paid press junkets to China are an exercise in indoctrinating journalists with Chinese propaganda. One anonymous participant said, "They are a way of whipping Zimbabwean journalists into line."⁸⁴⁶ The survey also showed that most news articles regarding the PRC published by Zimbabwe state-controlled media are positive, depicting China and its associated entities as partners in development. Private media outlets, however, were critical of the relationship, describing China as "exploitative."⁸⁴⁷ PRC state-owned media such as CGTN are key partners of Zimbabwean state-owned media outlets.⁸⁴⁸ Along with donating equipment, outlets have entered into content sharing agreements, which often results in state-curated propaganda running in the government-controlled media like the Zimbabwe Broadcast Channel.⁸⁴⁹

Surveillance Equipment and Capabilities

An increasingly important facet of the Zimbabwe-China relationship is the sharing of surveillance equipment and capabilities.⁸⁵⁰ The PRC supplied President Mugabe with equipment to jam radio frequencies, which was used to prevent opposition networks from broadcasting in Zimbabwe. This tactic first applied to SW Radio Africa (based

⁸⁴³ Kärkkäinen, Annina. "Does China have a geo-economic strategy towards Zimbabwe? The case of the Zimbabwean natural resource sector." *Asia Europe Journal*, vol. 14, no. 2, 2016, pp. 185-202.

⁸⁴⁴ In Zimbabwe, many media outlets are state-owned or controlled. A few private outlets exist but operate with significant state oversight and influence.

⁸⁴⁵ Kalathil, Shanthi. "Beyond the Great Firewall: How China Became a Global Information Power." *Center for International Media Assistance*, 7 March 2017. <https://www.cima.ned.org/publication/beyond-great-firewall-china-became-global-information-power/>; Green, Will, Nelson, Leyton, and Brittney Washington. "China's Engagement with Africa: Foundations for an Alternative Governance Regime." *U.S.-China Economic and Security Review Commission*, 1 May 2020. https://www.uscc.gov/sites/default/files/2020-05/Chinas_Engagement_Africa.pdf; Shullman, David O. "Protect the Party: China's growing influence in the developing world." *The Brookings Institution*, 22 January 2019. <https://www.brookings.edu/articles/protect-the-party-chinas-growing-influence-in-the-developing-world/>.

⁸⁴⁶ Zhang, Xiaoling, Wasserman, Herman, and Winston Mano. "China's expanding influence in Africa: projection, perception and prospects in Southern African countries." *South African Journal for Communication Theory and Research*, vol. 42, no.1, 2016, 42:1, 1-22. <https://doi.org/10.1080/02500167.2016.1143853>.

⁸⁴⁷ Zhang et al. "China's expanding influence in Africa: projection, perception and prospects in Southern African countries."

⁸⁴⁸ Zhang et al. "China's expanding influence in Africa: projection, perception and prospects in Southern African countries."

⁸⁴⁹ Zhang et al. "China's expanding influence in Africa: projection, perception and prospects in Southern African countries."

⁸⁵⁰ De Hek, Koen. "China's export of surveillance technology supports authoritarian regimes throughout the world." *Jason Institute for Peace and Security Studies*, 16 February 2020. <https://jasoninstitute.com/chinas-export-of-surveillance-technology-supports-authoritarian-regimes-throughout-the-world/>.

in London) but was further applied to many other domestic outlets following the deployment of similar technology across the country.⁸⁵¹

The role of the state in Zimbabwe's information ecosystem has always been heavy-handed, but with the recently passed 2021 Data Protection Act (DPA), it is likely to be even more pronounced.⁸⁵² When drafting the legislation, lawmakers cited the need for "cyber sovereignty" – a term frequently used by officials to defend China's closed and regulated internet.⁸⁵³ The law has been criticized as an additional tool for the government to infringe on civil liberties and thwart democratic initiatives by allowing government authorities nearly unparalleled access to the communications of private citizens.⁸⁵⁴

The Zimbabwe Democracy Institute believes the government will increase its cooperation and dependence on the PRC for its technology and expertise to enact the most sweeping and controversial elements of the DPA.

The Zimbabwe Democracy Institute believes the government will increase its cooperation and dependence on the PRC for its technology and expertise to enact the most sweeping and controversial elements of the DPA.⁸⁵⁵ In previous years, under both Mugabe and Mnangagwa, Zimbabwe relied on Chinese technology

companies to usher in artificial intelligence security programs. For instance, CloudWalk Technology was contracted to provide a country-wide facial recognition program aimed at mimicking the surveillance infrastructure used in China.⁸⁵⁶

Beijing also funded the establishment of the Robert Mugabe National School of Intelligence — a surveillance and communications base which is allegedly operated in conjunction with elements of the People's Liberation Army.⁸⁵⁷ The extent to which PRC security services and Zimbabwe security services jointly operate and cooperate has led to allegations that Beijing is complicit in the many tragic human rights violations that have occurred in Zimbabwe. Additionally, the partnership between security service branches has led to allegations that the PRC supported the replacement of President Mugabe in 2017.⁸⁵⁸

⁸⁵¹ "Jamming of radio stations extended to VOA." *Reporters without Borders*, 6 July 2006 <https://prod.rsf.mis.ovh/en/news/jamming-radio-stations-extended-voa>; Farah, Douglas, and Andy Mosher. "Winds From the East: How the People's Republic of China Seeks to Influence the Media in Africa, Latin America, and Southeast Asia." *Center for International Media Assistance*, 8 September 2010. <https://www.cima.ned.org/resource/winds-from-the-east-how-the-peoples-republic-of-china-seeks-to-influence-the-media-in-africa-latin-america-and-southeast-asia-2/>.

⁸⁵² Karombo, Tawanda. "Zimbabwe is clamping down on social media use with a cybercrime bill set to become law." *Quartz Africa*, 9 October 2019. <https://qz.com/africa/1724542/zimbabwe-bill-clamps-down-on-social-media-porn-with-china-tech/>; "Analysis of the Data Protection Act." *MISA*, 6 December 2021. <https://zimbabwe.misa.org/2021/12/06/analysis-of-the-data-protection-act/>.

⁸⁵³ Olander, Eric. "Zimbabwe expected to lean on Chinese expertise and technology to enforce new Cyber Crime Law." *The China Global South Project*, 10 October 2019. <https://chinaglobalsouth.com/2019/10/10/zimbabwe-expected-to-lean-on-chinese-expertise-and-technology-to-enforce-new-cyber-crime-law/>.

⁸⁵⁴ Karombo, Tawanda. "Zimbabwe is clamping down on social media use with a cybercrime bill set to become law."; "Zimbabwe government controls over social media criticised." *BizCommunity*, 11 August 2016. <https://www.bizcommunity.co.zw/Article/238/669/149048.html>.

⁸⁵⁵ Karombo, Tawanda. "Zimbabwe is clamping down on social media use with a cybercrime bill set to become law."

⁸⁵⁶ Hawkins, Amy. "Beijing's Big Brother Tech Needs African Faces." *Foreign Policy*, 24 July 2018. <https://foreignpolicy.com/2018/07/24/beijings-big-brother-tech-needs-african-faces/>; Karombo, Tawanda. C. "Zimbabwe is trying to transform itself into a leading tech hub with China's help." *Quartz Africa*, 15 June 2018. <https://qz.com/africa/1306520/zimbabwe-needs-china-for-its-tech-and-ict-ambitions/>.

⁸⁵⁷ "Mugabe launches Robert Mugabe intelligence academy." *Reuters*, 26 October 2007. <https://www.reuters.com/article/us-zimbabwe-mugabe-intelligence-idUSL2629051220071026>; "Chinese building military base in Zimbabwe." *Nehanda Radio*, 21 September 2013. <https://nehandaradio.com/2011/03/03/chinese-building-military-base-in-zimbabwe/>; "China's Special Forces To Station In Zimbabwe, Build Secret Underground Military Base." *Zimbabwe News Live*, 2020. <https://www.thezimbabwenewslive.com/chinas-special-forces-to-station-in-zimbabwe-build-secret-underground-military-base/>.

⁸⁵⁸ "Diamond-Financed Defense College Deal Exposes Zimbabwe's China Ties." *Voice of America*, 16 June 2011. <https://www.voazimbabwe.com/a/zimbabwesi-bitu-seeks-to-renogiate-controversial-deal-with-china-124020184/1469474.html>; Banerjee, Vasabit., and Timothy S. "Diamonds and the Crocodile: China's Role in the Zimbabwe Coup." *The Diplomat*, 22 November 2017. <https://thediplomat.com/2017/11/diamonds-and-the-crocodile-chinas-role-in-the-zimbabwe-coup/>.

■ Influence with the Ruling Party



Zimbabwean President Emmerson Mnangagwa attends a handover ceremony of medical supplies donated by China at the State House in Harare, Zimbabwe, on July 21, 2020. China on Tuesday donated a consignment of medical supplies to Zimbabwe to help fight the COVID-19 pandemic. (Photo by Wanda/Xinhua via Getty) (Xinhua/ via Getty Images).

The CCP and ZANU-PF have a longstanding relationship dating back to Zimbabwe's war for independence in the 1970s. Through party-to-party exchanges, in which the CCP supports recipient parties to learn governance tactics and enact party longevity reforms, ZANU-PF has moved its platform, and country, away from the democratic roots from which it began following its victory in the war of liberation.

In particular, the so-called party-army model used by the CCP and PLA has shaped the development of ZANU-PF.

In particular, the so-called party-army model used by the CCP and PLA has shaped the development of ZANU-PF.⁸⁵⁹ The ZDF has inserted itself into central decision-making bodies of the party (and therefore many elements of the Zimbabwe government) to prevent power from fractioning within the party or shifting to other institutions. For instance, on November 16, 2017, Zimbabwe's Chief of Defense and now Vice President said, "It is pertinent to restate that the ZDF remains the major stakeholder in respect to the gains of the liberation struggle and, when these are threatened, we are obliged to take corrective measures!"⁸⁶⁰ The starkest example of this idea in practice is the ZDF's removal of President Mugabe amid a ZANU-PF power

⁸⁵⁹ Sun, Yun. "Political party training: China's ideological push in Africa?" *Brookings Institution*, 5 July 2016. <https://www.brookings.edu/blog/africa-in-focus/2016/07/05/political-party-training-chinas-ideological-push-in-africa/>; Kuo, Lily. "Beijing is cultivating the next generation of African elites by training them in China." *Quartz Africa*, 14 December 2017. <https://qz.com/africa/1119447/china-is-training-africas-next-generation-of-leaders/>; Nantulya, Paul. "China Promotes Its Party-Army Model in Africa." *Africa Center for Strategic Studies*, 28 July 2020. <https://africacenter.org/spotlight/china-promotes-its-party-army-model-in-africa/>.

⁸⁶⁰ Nantulya. "China Promotes Its Party-Army Model in Africa."

struggle.⁸⁶¹ In response, the former president accused the armed forces of betraying its founding Maoist principle of always adhering to party authorities.⁸⁶²

Following the removal of President Mugabe, the ruling party relationship has solidified. In 2019, after ZANU-PF's visit to the CCP's Party Ideological School, the CCP and ZANU-PF signed a memorandum of understanding (MOU) to promote political exchanges and cooperation between the two parties. Additionally, the CCP also helped construct ZANU-PF's ideological school and even offered campaign materials to ZANU-PF during the 2018 elections.⁸⁶³

Zimbabwe's parliament has further legitimized the role of ZANU-PF in the functioning of supposedly independent institutions.⁸⁶⁴ The current relationship between the CCP and ZANU-PF aligns with a 2013 parliamentary portfolio committee investigation led by ZANU-PF member of parliament, Chindori Chininga, which alleged that external mining and construction companies, such as Anhui Foreign Economic Construction Group, operate above the law.⁸⁶⁵ A *Mail & Guardian* story quoted an anonymous official at the Public Works Ministry who said their Chinese counterparts "are too powerful to control as they seem to have a network of powerful political connections".⁸⁶⁶ Chininga was criticized by some political elites in the government for disclosing corruption in Zimbabwe's diamond sector. Prior to his death in a mysterious car accident, he warned that the ZANU-PF could use "dirty and unorthodox measures against him."⁸⁶⁷

For their part, the CCP has provided ZANU-PF and the Zimbabwe government protection on the global stage. China has vetoed draft United Nations human rights sanctions against Zimbabwe and continues to supply Harare with arms and military equipment.⁸⁶⁸

■ Zimbabwe's Response

The relatively closed political, civic, and media spaces in Zimbabwe make it difficult to document the full extent of Chinese influence. There are, however, limited instances of pushback against the Zimbabwean government's opaque and dependence on the PRC. For instance, the Zimbabwe government allegedly fast-tracked the approval process of Covid vaccines from Chinese manufacturers. But public health officials, vaccine safety experts, and the public were dismayed by the lack of government transparency in the procurement process and demanded more.⁸⁶⁹ The group Zimbabwe Lawyers for Human Rights (ZLHR) also called on the Zimbabwe government to conduct clinical trials of the Chinese-made Sinopharm vaccine before administering the drug. Unfortunately,

⁸⁶¹ Nantulya. "China Promotes Its Party-Army Model in Africa."

⁸⁶² "Mugabe accuses military of plotting a coup, tells them 'stop interfering in politics.'" *News24*, 29 July 2017. <https://www.news24.com/News24/mugabe-accuses-military-of-plotting-a-coup-tells-them-stop-interfing-in-politics-20170729>.

⁸⁶³ "Mugabe T-shirts 'gathering dust at Zanu-PF headquarters' - report." *News24*, 10 July 2018. <https://www.news24.com/news24/Africa/Zimbabwe/mugabe-t-shirts-gathering-dust-at-zanu-pf-headquarters-report-20180710>.

⁸⁶⁴ Hughes, Tim. "Parliament: Zim opposition's last hope." *South African Institute of International Affairs*, 13 September 2004. <https://saiia.org.za/research/parliament-zim-oppositions-last-hope/>.

⁸⁶⁵ "Mining developments in Marange Haunt Government for ignoring Chindori Chininga findings." *Centre for Research and Development*, 1 January 2016. <https://www.africaportal.org/publications/mining-developments-in-marange-haunt-government-for-ignoring-chindori-chininga-findings/>.

⁸⁶⁶ Chivara, Inyasha. "Construction of Chinese Built Zim Defence College Under Scrutiny." *Mail and Guardian*, 8 February 2013. <https://mg.co.za/article/2013-02-08-construction-of-chinese-built-zim-defence-college-under-scrutiny/>.

⁸⁶⁷ "Secret insider warned Zanu-PF 'rebel' before his death." *Mail and Guardian*, 21 June 2013. <https://mg.co.za/article/2013-06-21-00-secret-insider-warned-zanu-pf-rebel-before-his-death/>; "MP is killed as Mugabe releases diamond dogs." *The Times UK*, 21 July 2013. <https://www.thetimes.co.uk/article/mp-is-killed-as-mugabe-releases-diamond-dogs-dxhln8kqk5h>.

⁸⁶⁸ Jeuck, Lukas. "Arms transfers to Zimbabwe: Implications for an arms trade treaty." *Stockholm International Peace Research Institute*, March 2011. <https://www.files.ethz.ch/isn/127951/SIPRI1103.pdf>.

⁸⁶⁹ Mundagowa, Paddington et al. "Assessment of COVID-19 vaccine hesitancy among Zimbabweans: A rapid national survey." *MedRxiv*, 21 April 2022. <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0266724>.

Harare's response was to accuse opposition leaders of inventing conspiracy theories against the Chinese vaccines.⁸⁷⁰

Opposition political leaders also serve as a check against ZANU-PF's lockstep partnership with the Chinese Communist Party. One Zimbabwean opposition leader, Nelson Chamisa, vowed to remove uncompliant PRC investors if he won the 2018 elections, telling the BBC that he would "call the Chinese and tell them the deals they signed are unacceptable and they should return to their country".⁸⁷¹ One last beacon of government accountability is the private media, even with its limited footprint. It is often these outlets that risk their operating status to unearth the unjust and likely illegal relationships between the Zimbabwean government and their Chinese counterparts.

Conclusion



Emmerson Mnangagwa, chairman and first secretary of the Zimbabwe African National Union Patriotic Front and Zimbabwean president, addresses the Communist Party of China CPC and World Political Parties Summit on July 6, 2021. The CPC and World Political Parties Summit was held via video link on Tuesday. (Photo by Cai Yang/Xinhua via Getty Images).

The version of the "China model" that Zimbabwe appears to be implementing has made the Zimbabwe government and its ruling party, ZANU-PF, extremely powerful and entrenched. While consolidating its powers, the government has become ineffective in delivering basic goods and services, promoting law and order, conducting transparent state tendering processes, and protecting human rights. These moves, combined with a weak economy that is heavily dependent on Chinese investment and trade and deep military-to-military ties between Harare and Beijing, have given China a foothold in Zimbabwe's economic and political spaces.

⁸⁷⁰ Moyo, Jeffrey. "COVID-19 vaccines face political haggling in Zimbabwe." *Andoulou Agency*, 1 April 2021. <https://www.aa.com.tr/en/africa/covid-19-vaccines-face-political-haggling-in-zimbabwe/2194770>; Mangwaya, Miriam. "Zimbabwe: Trials Before Vaccination – Lawyers." *Zimbabwe Independent*, 19 February 2021. <https://allafrica.com/stories/202102190709.html>.

⁸⁷¹ "Zimbabwe opposition MDC 'will expel Chinese investors'." *BBC*, 2 May 2018, <https://www.bbc.com/news/world-africa-43973908>.

China has supported Zimbabwe in the international arena by defending it from sanctions and condemnations at the UN and by providing FDI opportunities amid the economic isolation from the West. When other states make attempts to ensure that democratic practices are restored in Zimbabwe, China moves to block them – it even called for the removal of sanctions against Zimbabwe in 2020. The People’s Republic of China has benefitted economically at the expense of the Zimbabwean people, but this has been enabled by Zimbabwe’s ruling ZANU-PF elites. Chinese extraction of resources, exploitation of labor, abuse of workers, degradation of the environment, and unequal business practices continue to harm the Zimbabwean economy and Zimbabwe’s political system to this day regardless of who is in power.



■ Introduction

The key to understanding geopolitics in the Republic of Armenia is geography and history. The small, landlocked nation of 2.9 million people in the South Caucasus shares a border with Georgia, Turkey, Iran, and Azerbaijan. Armenian perceptions of security, justice and fairness are to a great degree shaped by the Genocide of Armenians in Ottoman Empire (1915-1917). Even when it gained independence in 1918, Armenia was sandwiched between two regional powers: the Bolshevik hammer and the Turkish anvil. The Soviet Union coerced Eastern part of Armenia into joining the USSR as the Armenian Soviet Socialist Republic while the Western parts were occupied by Turkey. Seventy years later, Armenia regained independence when the Soviet Union collapsed. It quickly joined the Russia-led Commonwealth of Independent States (CIS) and the Collective Security Treaty Organization (CSTO) in 1992 seeking protection from Turkey.⁸⁷² Turkey has kept the Armenian-Turkish border closed since 1993.

While Russia has – for historical and geopolitical reasons – remained a key foreign policy partner, Armenia does not only rely on Moscow. At the beginning of this century, it shaped its foreign policy to navigate longstanding regional influences and the need for economic growth by complementing and balancing its policy and planning relationships between the United States, European Union, Russia, and Iran.⁸⁷³ The 2007 National Security Strategy of Armenia detailed the importance of strategic relations with Russia, the adoption of a European way of development, mutually beneficial cooperation with the U.S. and Iran, continued membership in CIS and CSTO, and cooperation with NATO.⁸⁷⁴ In 2017, Armenia signed the Comprehensive and Enhanced Partnership Agreement (CEPA) with the European Union. The strategy also acknowledged the potential for increasing economic engagement with the People’s Republic of China (PRC), India, and Japan, and additional potential cooperation with other international organizations.

Armenia was historically well-positioned to deepen relations with China, as it was one of the first countries to recognize Armenia’s independence in 1991, formalizing what both sides viewed as an historic connection. Armenian territory had been a key location along the Great Silk Road that fostered economic, cultural, and civilizational ties between them.⁸⁷⁵ Since the establishment of bilateral relations in 1992, China and Armenia have consolidated ties. For China, Armenia is a potential entry point for expanding its interests in the South Caucasus and maintaining geopolitical balance.⁸⁷⁶ Armenia sits on the potential North-South route between the Black Sea and the Persian Gulf – a key corridor for the Belt and Road Initiative (BRI).⁸⁷⁷ China also invests in soft power in

⁸⁷² “Commonwealth of Independent States.” *Ministry of Foreign Affairs of the Republic of Armenia*, <https://www.mfa.am/en/international-organisations/2>. Accessed 19 March 2021.

⁸⁷³ “Armenia will continue to pursue a complementary policy.” *Hrayr Tamrazyan*, 22 December 2005, <https://www.azatutyun.am/a/1579809.html>.

⁸⁷⁴ Order of the President of the Republic of Armenia NH-37-N.. *National Security Strategy of the Republic of Armenia*, 7 February 2007, <https://www.arlis.am/DocumentView.aspx?docID=31189>. Note: Author translation.

⁸⁷⁵ Hovhannisyan, Andranik. “Armenia-Chinese relations.” *Orbeli Center*, 22 May 2019, <https://orbeli.am/en/post/214/2019-05-22/Armenian-Chinese+relations>.

⁸⁷⁶ Sanamyan, Emil. “China in the Caucasus.” *The Diplomat*, 6 February 2016, <https://thediplomat.com/2016/02/china-in-the-caucasus/>.

⁸⁷⁷ Inan, Feride and Diana Yayloyan. “New Economic Corridors in the South Caucasus and the Chinese One Belt One Road.” *The Economic Policy Research Foundation of Turkey*, 2018. <https://epfarmeria.am/sites/default/files/Document/New Economic Corridors in the South Caucasus and the Chinese One Belt One Road 2018.pdf>.

Armenia, including donation diplomacy as well as cultural and people-to-people ties. For Armenia, China offers a potential economic and political alternative to dependence on Russia. Since joining the BRI in 2015, Armenia has sought to deepen economic ties and court Chinese investment.

Nevertheless, China's economic and political influence remains limited and largely focused on soft power. It's true that China has made significant, symbolic investments in the country – from building its second largest Embassy in the former Soviet Union to establishing Confucius Institutes at Armenia's leading universities. Armenia, for its part, has long maintained a "One China" policy and has echoed China's talking points on human rights. However, in the 2020 war with Azerbaijan and after, China remained neutral, demonstrating the complexities of the relationship. The Armenian government (GoA) still relies primarily on Russia and joined the Eurasian Economic Union (EAEU) in 2015, despite not bordering any members of CSTO or EAEU, and its foreign relations remain heavily influenced by the Kremlin.

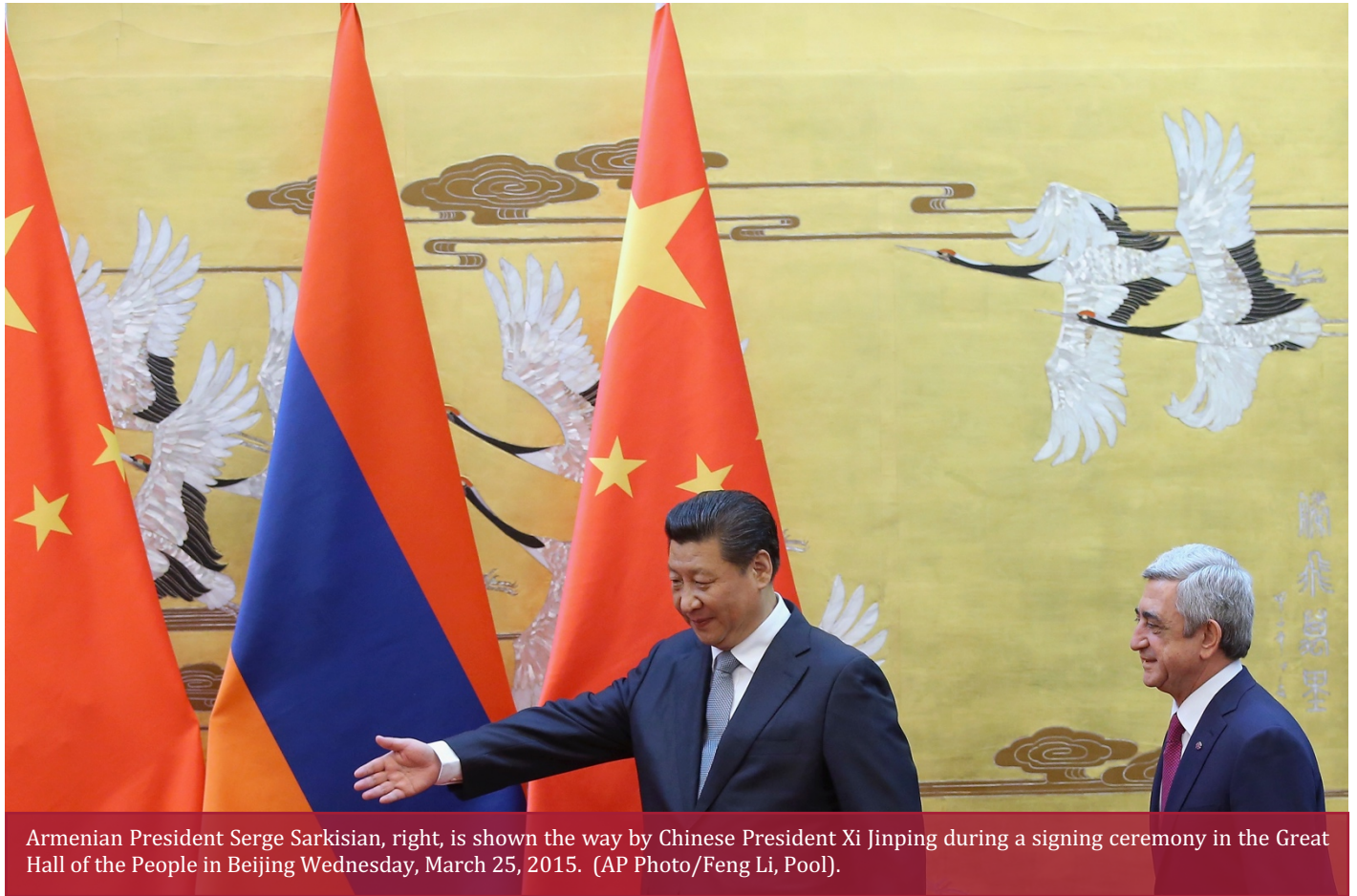
It's true that China has made significant, symbolic investments in the country – from building its second largest Embassy in the former Soviet Union to establishing Confucius Institutes at Armenia's leading universities. Armenia, for its part, has long maintained a "One China" policy and has echoed China's talking points on human rights.

Democratic gains in Armenia between 2018-2020⁸⁷⁸ in the aftermath of the April 2018 Velvet Revolution offered hope for the country's democratic future and ability to resist foreign authoritarian influence. The Velvet Revolution dramatically shifted the political landscape in the country. With significant support from the Armenian people, the new government has committed to implementing democratic reforms, combating corruption, building open and accountable political institutions, and generating economic growth. However, a 44-day war with its neighbor Azerbaijan, and the following political crisis, posed challenges for democratic progress in 2021.⁸⁷⁹ The defeat of Armenian forces in the conflict, the deployment of Russian "peacekeepers" in Nagorno-Karabakh and continuing escalations on the border have left little room for Armenian foreign policy to maneuver between Russia and the West. As a result, Armenia remains strategically allied with Russia while working actively with U.S. and EU partners to counterbalance peace talks with Azerbaijan and negotiations for normalizing relations with Turkey. Stronger ties between Russia and China present the potential for deeper investment – and influence – in Armenia. However, this has not yet materialized in the primary vectors of PRC influence globally: economic, political, or informational.

⁸⁷⁸ Two parliamentary elections since 2018 were assessed by OSCE and other international observers, local civil society, and all political parties as free, fair, competitive, and generally well-managed. In May 2020, Armenia registered the largest two-year democracy score improvement in the history of the Freedom House's Nations in Transit 2020 report. Similarly, earlier in 2020, Transparency International reported that Armenia has considerably improved its position in an annual survey of corruption perceptions around the world ranking 77 out of 180 countries, compared to its place as the 105th in the previous year.

⁸⁷⁹ According to Freedom House's Nations in Transit 2021 report, Armenia declined from 3.00 to 2.96 on a scale of one to seven (seven representing the highest level of democratic progress and one the lowest). In 2022, the same report indicated an improvement from 2.96 to 3.04. In addition, Transparency International's 2021 Corruption Perceptions Index (CPI) reported that Armenia's 2021 CPI score did not change compared to 2020 (49). Similar to the previous year, Armenia's score is higher, than the global average for CPI, which is equal to 43 with Armenia being 58th among 180 countries.

■ Economic Influence



Armenian President Serge Sarkisian, right, is shown the way by Chinese President Xi Jinping during a signing ceremony in the Great Hall of the People in Beijing Wednesday, March 25, 2015. (AP Photo/Feng Li, Pool).

Economic ties, while limited, have been foundational to the China-Armenia relationship. Armenia joined the BRI in 2015, seeking PRC investment and growth of trade ties.⁸⁸⁰ China, for its part, has expressed its commitment to invest in Armenia's development.⁸⁸¹ While still low in terms of dollar value, bilateral trade between the countries has grown significantly in the past two decades and China is now Armenia's second-largest trading partner behind Russia.⁸⁸² As of 2020, Armenian exports to China totaled \$289 million, with imports totaling \$663 million, up from \$30 million and \$402 million in 2010 respectively.⁸⁸³ Exports from Armenia to China lack diversity and almost exclusively relies on ore, slag, and ash, which comprised between 88.4% and 99.4% respectively between 2012 and 2019.⁸⁸⁴

In contrast to other countries in the region, Armenia lacks substantial PRC foreign direct investment (FDI) in its economy that could open more doors to economic coercion and manipulation. This is despite the Export-Import

⁸⁸⁰ Bergmann, Sofia. "Armenia in the Belt and Road Initiative." *EVN Report*, 16 December 2019, <https://evnreport.com/economy/armenia-in-the-belt-and-road-initiative/>.

⁸⁸¹ "Armenian-Chinese high-level negotiations take place in Beijing." *The President of the Republic of Armenia*, 25 March 2015, <https://www.president.am/en/press-release/item/2015/03/25/President-Serzh-Sargsyan-state-visit-to-China-day-1/>.

⁸⁸² Schulz, Dante. "China-Armenia Bilateral Relations." *Caspian Policy Center*, 26 January 2022. <https://www.caspianpolicy.org/research/security-and-politics-program-spp/china-armenia-bilateral-relations>.

⁸⁸³ Popkhadze, Miro. "China's Growing Influence in the South Caucasus." *Foreign Policy Research Institute*, 24 November 2021, <https://www.fpri.org/article/2021/11/chinas-growing-influence-in-the-south-caucasus/>.

⁸⁸⁴ "Armenia Exports: Ores, Slag and Ash." *Computer and Enterprise Investigations Conference*, <https://www.ceicdata.com/en/armenia/exports-by-commodity/exports-ores-slag-and-ash>.

Bank of China's concessional 20-year, \$25.3 million loan with a five-year grace period and 2% annual rate to upgrade Armenian customs' technical capabilities.⁸⁸⁵ This is in part due to efforts by Turkey, Kazakhstan, and Azerbaijan to exclude Armenia from the Trans-Caspian International Transport Route (TITR) project, which links the rail freight transport networks of China and the EU through Central Asia, the Caucasus, Turkey, and Eastern Europe.⁸⁸⁶ Armenia's lack of access to China through the TITR makes further investment by the PRC in Armenia more challenging.

This regional dynamic complicates deeper Armenian engagement in the BRI. While Armenia joined the BRI in 2015, its borders with Azerbaijan and Turkey remain closed, limiting access to BRI corridors and projects.⁸⁸⁷ Further Chinese investment in the country is likely contingent on the opening of those borders and improvement of relations within the region that would advance PRC interests in the South Caucasus. There is real potential for this, given the post-war negotiations currently being conducted with Turkey and Azerbaijan.

Russian SOEs are the main investors in Armenia and significantly influence the nation's economy. From 2009 to 2019, Russian-owned or controlled companies (mostly in energy, telecommunications, finance, and mining) directly or indirectly generated an average of approximately 15% of Armenia's economic output.⁸⁸⁸ In the past, Russian companies managed many key infrastructure projects and organizations such as the Armenian Nuclear Power Plant. In May 2022, Armenia signed a MOU with the U.S. on civil nuclear cooperation as part of the U.S.-Armenia Strategic Dialogue, a further sign of the government's intention to diversify foreign economic and political partnerships.⁸⁸⁹ - and despite efforts from Armenian prime ministers, deputy prime ministers, and ministers⁸⁹⁰ to meet with PRC companies to invest in the country, no major projects materialized⁸⁹¹ and PRC SOEs do not operate in the country. China's lack of engagement in the Armenian economy is in part due to Russia's strong role in the country as a security guarantor, particularly in the aftermath of the Nagorno-Karabakh war.⁸⁹²

Although Armenia is a member of the EAEU, it did not economically benefit from a 2018 agreement that envisaged cooperation between EAEU members and China.⁸⁹³ Additionally, Armenia was not a founding member of the China-led Asian Infrastructure Investment Bank (AIIB) and, as of December 2021, was still only a prospective member.⁸⁹⁴ As a result, at the end of 2019, PRC FDI in Armenia totaled only \$3.5 million, compared to more than \$2.16 billion from Russia, \$513 million from Cyprus, \$445 million from the United Kingdom, and \$218 million

⁸⁸⁵ "Protocol Decree No. 12." *Government of Armenia*, 9 March 2015.

⁸⁸⁶ Kenderdine, Tristan and Bucksy, P ter. "Middle Corridor—Policy Development and Trade Potential of the Trans-Caspian International Transport Route." *Asian Development Bank* Institute, No. 1268, May 2021, <https://www.adb.org/sites/default/files/publication/705226/adbi-wp1268.pdf>.

⁸⁸⁷ Schulz. "China-Armenia Bilateral Relations."

⁸⁸⁸ Kyurumyan, A. "Privatization and Foreign Investments in the Republic of Armenia over 1997-2020." *Transparency International*, 2020. <https://transparency.am/files/publications/1596280678-0-532054.pdf?v=4>.

⁸⁸⁹ "Secretary Antony J. Blinken and Armenian Foreign Minister Ararat Mirzoyan at a Signing Ceremony for a Memorandum of Understanding Concerning Civil Nuclear Cooperation." *United States Department of State*, 2 May 2022, <https://www.state.gov/secretary-antony-j-blinken-and-armenian-foreign-minister-ararat-mirzoyan-at-a-signing-ceremony-for-a-memorandum-of-understanding-concerning-strategic-civil-nuclear-cooperation/>.

⁸⁹⁰ Danielyan, Emil. "Chinese Firm Vows Massive Investments in Armenian Iron Mining." *Azattyun*, 24 February 2011, <https://www.azattyun.am/a/2318792.html>; "DPM Avinyan hosted delegation from Chinese firm AVIK Holding." *Government of Armenia*, 4 March 2019, <https://www.gov.am/am/news/item/13763/>.

⁸⁹¹ Badalian, Naira. "Chinese business intends to invest \$100 million in the creation of an industrial zone in Armenia." *Financial Portal Arm Info*, 28 February 2019, https://finport.am/full_news.php?id=37512&lang=3; "Minister Grigoryan was in China on a working visit." *Ministry of Energy Infrastructure and Natural Resources of the Republic of Armenia*, 30 July 2018, <http://www.minenergy.am/en/article/1346>.

⁸⁹² Popkhadze. "China's Growing Influence in the South Caucasus."

⁸⁹³ "Agreement signed on trade and economic cooperation between EAEU and PRC." *Eurasian Economic Commission*, 17 May 2018, <http://www.eurasiancommission.org/en/nae/news/Pages/17-05-2018-5.aspx>.

⁸⁹⁴ "Members and Prospective Members of the Bank." *Asian Infrastructure Investment Bank*, 13 October 2022, <https://www.aiib.org/en/about-aiib/governance/members-of-bank/index.html>.

from the United States. PRC investments in Armenia lagged behind the Netherlands (\$299.4 million), Latvia (\$23.4 million), Ireland (\$17.2 million), and Cuba (\$4.8 million). Some of these large investments are driven by the Armenian diaspora in the U.S. and France and large investors often receive honors from the president of Armenia.⁸⁹⁵

North-South Highway Project and Joint Ventures with China

The failure of the 556km-long North-South Highway Project designed to connect Iran with Georgia through Armenia offers one case study as to why PRC foreign development has largely failed in Armenia. Funded and supervised by the Asian Development Bank (ADB),⁸⁹⁶ the Chinese Sinogidro Corporation won the tender to construct two segments of the highway. However, by 2016, the Armenian Ministry of Transport expressed concerns about the efficacy of the road's construction.⁸⁹⁷ By 2017, when Armenian Minister of Transport, Communication and Information Technologies Vahan Martirosyan visited the road section Trenche 3: Talin-Lanjik and Lanjik-Gyumri of the "North-South Road Corridor," he expressed concern that the quality of work was not acceptable.⁸⁹⁸

This issue drew diplomatic scrutiny. In October 2017, the PRC ambassador to Armenia and the Armenian prime minister met with the vice president of Sinogidro to stress the need for taking all necessary steps to rectify the situation.⁸⁹⁹ In September 2020, Sinogidro resumed construction on the two segments of the North-South Highway.⁹⁰⁰ Instead of using concrete for these sections of road, which turned out to be of insufficient quality, Sinogidro entered an agreement with the Ministry of Territorial Administration and Infrastructure (MTAI) and constructed an asphalt producing factory in Armenia.

The Shanxi-Nairit joint venture is another example of a project that has not produced dividends. In 2001,⁹⁰¹ Armenia and Beijing established the Shanxi-Nairit joint venture to produce chloroprene rubber in China ⁹⁰² with CNY 280 million (\$41.8 million) in capital investments and 40% Armenian ownership in the venture. As part of the deal, the PRC built the factory in China and Armenia provided the expertise, technology, and equipment to operate the facility (dismantling equipment from the Nairit factory in Yerevan – a major industrial factory dating to Soviet times — and exporting it to China). The factory has operated at a loss since its establishment in 2010 and Armenia has failed to receive any profits from the project.⁹⁰³

⁸⁹⁵ "President hands Order of Homeland to philanthropist Eduardo Eurnekian." *The President of the Republic of Armenia*, 12 October 2017, <https://www.president.am/en/press-release/item/2017/10/12/President-Serzh-Sargsyan-honored-Eduardo-Ernekyan-with-highest-medal-of-Armenia/>.

⁸⁹⁶ "Armenia: N-S Road Corridor Development Program." *Asian Development Bank*, <https://www.adb.org/projects/42145-012/main#project-pds>. Accessed 19 Mar. 2021.

⁸⁹⁷ "North South Highway Construction Continues." *Construction.am*, 19 July 2018, <https://www.construction.am/news/716-north-south-highway-construction-in-armenia/>.

⁸⁹⁸ "North-South: The "Sinohidro Corporation" Ltd was given time for correcting the faults." *Ministry of High-Tech Industry of the Republic of Armenia*, 16 June 2017, https://hti.am/pages.php?lang=3&page_id=1&id=6721&page_name=news.

⁸⁹⁹ "Karen Karapetyan receives PRC Ambassador and Sinohydro Corporation Vice President." *The Government of the Republic of Armenia*, 24 October 2017, <https://www.gov.am/en/news/item/9148/>.

⁹⁰⁰ "Specialists of Chinese "Sinogidro Corporation" arrived in Armenia to build a section of North-South project." *Financial Portal Information Company*, 2 September 2020, https://finport.am/full_news.php?id=42864&lang=3.

⁹⁰¹ "Decree No. 972 regarding a joint venture with the People's Republic of China to produce chloroprene rubber [ՉԻՆԱՍՏԱՆԻ ԺՈՂՈՎՐԴԱԿԱՆ ՀԱՆՐԱՊԵՏՈՒԹՅՈՒՆՈՒՄ ԶԼՈՐՈՂՊՐԵՆԱՅԻՆ ԿԱՌՉՈՒԿՆԵՐԻ ԱՐՏԱԴՐՈՒԹՅԱՆ «ՉԻՆԱՐՄՊՐԵՆ» ՀԱՄԱՏԵՂ ԶԵՆԱՐԿՈՒԹՅԱՆ ԱՏԵՂՏՄԱՆ ՊԱՅՄԱՆԱԳՐԻ ՄԱՍԻՆ.]" *Government of Armenia* 10 October 2001, <https://www.arlis.am/DocumentView.aspx?docid=8937>.

⁹⁰² "Foreign Minister of China is Satisfied with Meetings in Armenia." *Radio Liberty*, 19 October 2004, <https://www.azatutyun.am/a/1574641.html>.

⁹⁰³ "Letter of the General Secretary of the MTAI No. HB/24.2/2040-2021." *Ministry of Territorial Administration and Infrastructure of the Government of Armenia*, 1 February 2021.

Growing, albeit limited, trade, minimal FDI, and ongoing geopolitical challenges in the region that leave Armenia isolated from regional trade routes have limited further expansion of PRC investment. This is despite renewed efforts from the Armenian government to deepen such economic investment. As Richard Giragosian, an Armenian-American academic, has noted, “Despite its potential, Armenia remains economically remote and marginal for China’s engagement.”⁹⁰⁴

■ Influence in the Information Space

PRC companies do not play a significant role in Armenia’s information space despite efforts by Huawei and other companies to enter the Armenian market. For example, in 2017, the Armenian Ministry of Transport, Communication, and Information Technologies hosted Huawei representatives and signed a memorandum of understanding on establishing a smart city pilot project in Armenia. But the project was scrapped when Huawei

Current China-centered programming focuses on improving perceptions of the PRC’s economic strength and development model, in addition to highlighting its material and cultural support to Armenia.

decided against fully funding the project at the request of the Armenian government.⁹⁰⁵ This occurred despite Armenian authorities’ apparent lack of concern for data privacy and security throughout the process.⁹⁰⁶ Had the deal gone through, Huawei could have run into other problems. One major telecommunications operator in Armenia, Telecom Armenia, said that Yerevan would have the fastest network for a capital city in the world in 2021. He argued that 4G+ would be sufficient for the Armenian market, thereby dissuading foreign investment for 5G deployment in the city.⁹⁰⁷ Additionally, even though young Armenians are quickly adopting the Chinese social media platform TikTok, there are no reports of PRC censorship on TikTok in Armenia.⁹⁰⁸ China’s engagement in digital infrastructure in Armenia is nevertheless expected to grow.⁹⁰⁹

At the consumer level, Armenians do not receive much information directly from PRC propaganda outlets, due in large part to Chinese news agencies’ lack of permanent representatives or correspondents in Armenia.⁹¹⁰ Most information about China and the BRI in Armenia comes through Russian media, internet sources, and Armenian translations of Russian programs.⁹¹¹ China has allegedly organized a tour to introduce some Armenian journalists to China and PRC media,⁹¹² but news of these efforts are not widely known within the Armenian media community. Current China-centered programming focuses on improving perceptions of the PRC’s economic strength and development model, in addition to highlighting its material and cultural support to Armenia.

⁹⁰⁴ Inan and Yayloyan. “New Economic Corridors in the South Caucasus and the Chinese One Belt One Road.”

⁹⁰⁵ “Armenia to cooperate with Huawei Technologies within Smart City pilot program.” *Armenpress*, 13 Feb. 2017, <https://armenpress.am/arm/news/878533/arm/>.

⁹⁰⁶ Atanesian, Grigor. “Armenia mulls Chinese surveillance tech.” *Eurasianet*, 20 February 2019, https://eurasianet.org/armenia-mulls-chinese-surveillance-tech?fbclid=IwAR1NMcl6FAtw6eRcgDKgCfajgH-hAcPA1lIQEzgy94vj_nVI_WiOGd16t0.

⁹⁰⁷ Harutyunyan, Sargis. “Next year Yerevan will become the capital with the fastest internet in the world.” *Hayk Yesayan*, 3 December 2020, <https://www.azatutyun.am/a/30981932.html>; Papyan, Arthur. “Armenian market is not ready for 5G network yet.” *Hayk Yesayan*, 7 October 2019, <https://www.azatutyun.am/a/30204162.html>.

⁹⁰⁸ “Tiktok social network is becoming more and more popular among young Armenians.” *Arka Telecom*, 21 February 2020, <http://telecom.arka.am/en/news/telecom/tiktok-social-network-is-becoming-more-and-more-popular-among-young-armenians/>.

⁹⁰⁹ Popkhadze. “China’s Growing Influence in the South Caucasus.”

⁹¹⁰ Author interview.

⁹¹¹ Author interview with individuals working for the protection of journalists and freedom of speech.

⁹¹² Author interview.

Donation Diplomacy

China has provided material and technical assistance to Armenia since 1999, and the favorable narrative around PRC aid has received extensive media coverage. Events held to mark donations are attended by high-ranking Armenian officials and praised in the press. Since 2012, the PRC has provided over \$50 million in aid,⁹¹³ with donations including buses for Yerevan,⁹¹⁴ an \$12 million Chinese school, scanners for Armenian customs authorities,⁹¹⁵ and \$9.6 million for an Armenian public television pavilion.⁹¹⁶ In addition, the PRC donation diplomacy campaign has included: gifts of computers, televisions, musical instruments, and other items to public schools; money to those schools to celebrate China's national day; personal protective equipment (PPE) during the COVID-19 pandemic; and vehicles for the Armenian police.⁹¹⁷ The extent of donation diplomacy has led the U.S. Agency for International Development (USAID) to note growing PRC influence in Armenia⁹¹⁸ in the cultural and educational domains.



A staff member in Chongqing, China checks medical supplies to be sent to Armenia. April 2, 2020. (Photo by Zhou Yi via Getty Images).

Academia

China is actively building cultural ties with young Armenians by promoting education projects and cooperating with educational institutions from the elementary school⁹¹⁹ to collegiate levels. The \$12 million Chinese-Armenia Friendship School opened in Yerevan in 2018. A Confucius Institute operates at Yerevan State University (YSU) – the first in the South Caucasus – as well as Brusov State University and Russian Armenian University (RAU).⁹²⁰ RAU's decade-old Chinese department has expanded to 20-25 annual student admissions and teaches subjects including Chinese language, literature, and history.⁹²¹ Yerevan State University also maintains a strong partnership with the Beijing University of Technology.⁹²² In 2021, the PRC Ministry of Education, Science, Culture, and Sports (MESCS) offered six scholarships to Armenian students to study at Chinese universities.⁹²³ This expanded on cross-cultural educational engagement that included YSU hosting a BRI conference with the Chinese

⁹¹³ Bergmann, Sofia. "Armenia in the Belt and Road Initiative." *EVN Report*, 16 December 2019, <https://evnreport.com/economy/armenia-in-the-belt-and-road-initiative/>.

⁹¹⁴ "Forty of the buses donated by China have not yet been included in the Yerevan transport network." *News.am*, 20 December 2012, <https://news.am/arm/news/133157.html>.

⁹¹⁵ "Armenian, Chinese Prime Ministers Meet: China To Provide Armenia USD 16mn Grant." *The Government of the Republic of Armenia*, 10 September 2013, <https://www.gov.am/en/in-the-focus/item/6904/>.

⁹¹⁶ "Decree №260-A." *Government of Armenia*, 19 March 2015, <https://www.arlis.am/DocumentView.aspx?DocID=96488>.

⁹¹⁷ "Decree №190-A." *Government of Armenia*, 20 February 2020, <https://www.arlis.am/DocumentView.aspx?DocID=139534>.

⁹¹⁸ "Country Development Cooperation Strategy (CDCS) September 24, 2020 – September 24, 2025." *USAID Armenia*, 28 August 2018, <https://www.usaid.gov/sites/default/files/documents/CDCS-Armenia-external-September-2025-b.pdf>.

⁹¹⁹ "Armenian-Chinese Friendship School has been inaugurated." *Yerkir Media – News*, 22 August 2018. <https://www.youtube.com/watch?v=knhZFJPNLAM>.

⁹²⁰ "Confucius Institute at YSLU after V.Brusov." *Facebook*, <https://www.facebook.com/CIYerevan/>. Accessed 5 January 2022.

⁹²¹ "Chinese new that Armenians bring benefits to the country they live." *Russian-Armenian University*, 17 April 2020. <https://rau.am/am/event/Չիևաղիւտող-գիտելիւ-ոք#>.

⁹²² Bergmann. "Armenia in the Belt and Road Initiative."

⁹²³ "Competition to study in higher educational institutions of PRC during 2021-2022 school year." *MESCS*, 21 January 2021, <https://escs.am/am/news/7759>.

Academy of Social Sciences,⁹²⁴ exhibiting a wallpaper entitled “Silk Road: Armenia,”⁹²⁵ hosting China experts for a lecture on BRI projects in 2019, and sending a delegation from YSU to China in 2017.⁹²⁶

The PRC has also cultivated ties with think tanks. In cooperation with the Armenian government-linked Noravank Foundation, the PRC embassy organized a scientific conference in 2018 entitled, “40 Years of Reforms and Open Policy of China: Development and Opportunities.”⁹²⁷ At the conference, a former Armenian prime minister, vice chairwoman of the National Assembly of Armenia, and former deputy minister of foreign affairs attended and delivered speeches praising China’s economic success.⁹²⁸ The inclusion of three high-level Armenian political figures signified the importance the PRC attributes to its growing relations with Armenia.

In April 2022, the China-Eurasia Council for Political and Strategic Research launched the *Armenia and China Forum* as a platform where Armenian and Chinese scholars and diplomats can share recommendations for improving bilateral relations.⁹²⁹ The Forum marked the launch at an event celebrating 30 years of diplomatic relations between the countries. Conducted in partnership with the World Socialism Institute and Renmin University in China – and with support from the PRC Embassy in Armenia – the event celebrated Armenian-China cooperation, including student exchanges and cooperation in the “educational, scientific, and technical spheres.”⁹³⁰

China and Armenia also maintain ties through the Ancient Civilization Forum and have used that platform to advance narratives around collaboration and cooperation. A September 2019 statement from the group, which also includes China, Bolivia, Egypt, Greece, Iran, Iraq, Italy, and Peru, encouraged dialogue, mutual respect, exchanges among civilizations, and commitment to upholding multilateralism with the United Nations as its core.⁹³¹

■ Political Influence

The current Armenian government has sought to balance its foreign policy between Russia and the West. Russia nevertheless remains very influential in Armenia, due in large part to historical political ties and geographic proximity. Beijing acknowledges these ties and considers Armenia an area of Russian interest, consulting with Moscow on all major issues regarding Armenia.⁹³² Russia is vocal about its perceptions of influence in Armenia – at times carelessly so. In 2004, the speaker of the lower house of the Russian parliament called Armenia “Russia’s outpost in South Caucasus,”⁹³³ humiliating Armenians⁹³⁴ and causing a national furor.⁹³⁵ While ties with Russia

⁹²⁴ “One Belt, One Road” Conference at YSU.” *Yerevan State University*, 7 November 2019. <http://ysu.am/news/en/Armenian-Chinese-conference-at-YSU>.

⁹²⁵ ““Silk Road: Armenia” Exhibition of posters at YSU.” *Yerevan State University*, 26 September 2019. <http://ysu.am/calendar/en/1569392670>.

⁹²⁶ “YSU Delegation Visits China.” *Yerevan State University*, 11 July 2017. <http://ysu.am/news/hy/YSU-delegation-visited-China>.

⁹²⁷ “40 Years of Reforms and Open Policy of China: Development and Opportunities.” *Yerevan*, 21 November 2018, http://www.noravank.am/upload/pdf/China_book.pdf.

⁹²⁸ “40 Years of Reforms and Open Policy of China: Development and Opportunities.”.

⁹²⁹ “Armenia-China Forum dedicated to the 30th Anniversary of Diplomatic Relations.” *Modern Diplomacy*, 11 April 2022. <https://moderndiplomacy.eu/2022/04/11/armenia-china-forum-dedicated-to-the-30th-anniversary-of-diplomatic-relations/>.

⁹³⁰ “Armenia-China Forum dedicated to the 30th Anniversary of Diplomatic Relations.”.

⁹³¹ “Joint Press Statement of the Foreign Ministers’ Meeting of Ancient Civilizations Forum.” *Ministry of Foreign Affairs of the People’s Republic of China*, 26 September 2019, https://www.fmprc.gov.cn/mfa_eng/wjdt_665385/2649_665393/201909/t20190926_679589.html.

⁹³² Author interview.

⁹³³ “Boris Grizlov: Armenia is Russia’s Outpost in South Caucasus.” *Regnum*, 15 December 2004. <https://regnum.ru/news/376296.html>.

⁹³⁴ “Aliev Says Armenia too Dependent on Russia.” *Azattyun*, 17 December 2004. <https://www.azattyun.am/a/1575103.html>.

⁹³⁵ “Russian Official Chided for Calling Armenia ‘Outpost’.” *Azattyun*, 22 December 2004. <https://www.azattyun.am/a/1575154.html>.

remain complex due in part to such comments as well as increasing concerns around Russia's potential security threat to the country, Russia remains Armenia's most important political partner.

According to an International Republican Institute (IRI) poll conducted in December 2021, when asked about the country's most important political partners, 57% of respondents cited Russia, with France (50%), and the US (38%) coming second and third.⁹³⁶ Only 5% of respondents noted China, though 29% identified the PRC as Armenia's most important economic partner, behind Russia (61%) and Iran (40%). It is also noteworthy that 15% and 17% of Armenians regard Russia as the most important political and economic threat, respectively, after Azerbaijan and Turkey, which, given the recent conflict, is indicative of Armenians' complicated feelings about Russia. Some hope that growing PRC involvement in the South Caucasus will provide Armenia much needed flexibility in its foreign policy. But those hopes have yet to materialize⁹³⁷ despite a high level of mutual trust between Armenia's and China's leadership.⁹³⁸

Armenia and the China have been working to deepen strategic ties in the second half of the 21st century. Armenia's first three presidents had state visits to China in 1996, 2004, and 2015, respectively. During the 2015 encounter, both sides agreed to a joint declaration in which the PRC would encourage and support economic investments in Armenia for mutual commercial benefit and committed to make efforts towards implementation of the China-led silk Road Economic Belt Project (the Belt and Road Initiative).⁹³⁹ Armenia's entry into the BRI aimed to further deepen the partnership with the PRC politically and economically, building off prior accords to expand bilateral cooperation in the political, economic, and humanitarian fields.⁹⁴⁰ During the 2015 state visit, Armenia affirmed its support for the "One China policy... stating that Taiwan is an inalienable part of the People's Republic of China and the Taiwan issue is China's internal affairs."⁹⁴¹ Armenia's state readout of the visit also used classic PRC language on the concept of human rights, noting, "The protection of human rights at [the] international level should be firmly based on respect towards sovereignty of all countries, based on [the] principle of not interfering in the inner affairs of countries and stand against using state standards in human rights issues and their politicization."⁹⁴²

Successive Armenian presidents have upheld the "One China" policy and advanced similar narratives around friendly relations and mutual trust. In a July 2021 congratulatory note to Xi Jinping, then-President Armen Sarkissian praised the "effective reforms the Communist Party carried out in China under your leadership."⁹⁴³ In April 2022, in an exchange of messages on the 30th anniversary of relations between the two countries, Armenian President Vahagn Khachaturyan noted that Armenia "attaches great importance to China's development progress

⁹³⁶ "Public Opinion Survey: Residents of Armenia." *International Republican Institute*, 31 January 2022, <https://www.iri.org/resources/public-opinion-survey-residents-of-armenia/>.

⁹³⁷ "Relations with China May Help Armenia Reduce Dependence on Russia." *CivilNet*, 16 August 2017. <https://www.civilnet.am/news/2017/08/16/Relations-with-China-May-Help-Armenia-Reduce-Dependence-on-Russia/319774>.

⁹³⁸ "Ambassador of China to Armenia highly assesses relations between countries." *Armenpress*, 27 September 2019. <https://armenpress.am/eng/news/989739.html>.

⁹³⁹ "Armenian-Chinese high-level negotiations take place in Beijing." *The President of the Republic of Armenia*, 25 March 2015, <https://www.president.am/en/press-release/item/2015/03/25/President-Serzh-Sargsyan-state-visit-to-China-day-1/>.

⁹⁴⁰ "Armenian-Chinese high-level negotiations take place in Beijing."

⁹⁴¹ "Armenian-Chinese high-level negotiations take place in Beijing."

⁹⁴² "Armenian-Chinese high-level negotiations take place in Beijing."

⁹⁴³ "President Armen Sarkissian sent a congratulatory message to President of China Xi Jinping." *The President of the Republic of Armenia*, 16 June 2021, <https://www.president.am/en/press-release/item/2021/06/16/President-Armen-Sarkissian-sent-a-congratulation-letter-to-the-President-of-China/>.

and international role.”⁹⁴⁴ Xi praised the two countries’ traditional and friendly cooperation and deep political mutual trust.

The PRC maintains an active diplomatic presence online by chronicling Sino-Armenian relations,⁹⁴⁵ exemplified by the 40,000 square meter embassy compound it built in Yerevan.⁹⁴⁶ This complex is the second largest PRC embassy compound in the former Soviet Union and serves as a symbol of China’s growing interest in Armenia, even though recent actions show China may still have secondary interests in the region.⁹⁴⁷



Armenian Prime Minister Hovik Abrahamyan, right front, visits the Emperor Qinshihuang's Mausoleum Site Museum in Xi'an, capital of northwest China's Shaanxi Province, Sept. 23, 2015. (Li Yibo via Getty Images).

Security Relations

China and Armenia have also expanded security cooperation. Yerevan first purchased rocket systems from the PRC in 1999 – the first Chinese military sale in the South Caucasus.⁹⁴⁸ Beijing and Yerevan also signed an agreement on military and technical cooperation in January 2012 and Armenia acquired additional PRC rocket

⁹⁴⁴ “Xi Jinping Exchanges Messages of Congratulations with Armenian President Vahagn Khachaturyan on the 30th Anniversary of the Establishment of China-Armenia Diplomatic Relations.” *Foreign Ministry of the People’s Republic of China*, 6 April 2022, https://www.fmprc.gov.cn/mfa_eng/topics_665678/kjgzbdffyq/202204/t20220406_10664925.html.

⁹⁴⁵ Ministry of Foreign Affairs of the People’s Republic of China, https://www.fmprc.gov.cn/mfa_eng/wjw_663304/zjzg_663340/dozys_664276/gjlb_664280/3130_664282/3132_664286/. Accessed 7 May 2021.

⁹⁴⁶ Harutyunyan, Sargis. “China Building New Embassy Complex in Armenia [Ազատ Եվրոպա/Ազատություն]” *Ռադիոկայան*].” *Azattyun*, 9 August 2017, <https://www.azattyun.am/a/28667832.html>.

⁹⁴⁷ “China Opens New Embassy Complex In Armenia.” *Azattyun*, 23 September 2020, <https://www.azattyun.am/a/30854041.html>.

⁹⁴⁸ Schulz. “China-Armenia Bilateral Relations.”

systems in 2013.⁹⁴⁹ Later that year, Armenia agreed to an annual military assistance program from the PRC worth CNY 50 million (\$8 million),⁹⁵⁰ and in July 2019 the PRC donated additional military equipment to the Armenian military.⁹⁵¹

Support from China was nevertheless absent in the most recent escalation of the conflict in Nagorno-Karabakh – a disputed region between Armenia and Azerbaijan populated by Armenians. When Azerbaijan launched an offensive in the region in September 2020, China remained on the sidelines⁹⁵² The Minsk Group of the Organization of Security and Economic Cooperation in Europe (OSCE), led by France, Russia, and the United States, sought a diplomatic solution to the problem. While these countries' presidents and ministers of foreign affairs were involved in negotiations leading to a ceasefire, China was engaged only from afar. Beijing's involvement was limited to a meeting between its External Security Commissioner at the Foreign Ministry and the Armenian ambassador to China, during which he expressed China's readiness to "further strengthen counter-terrorism and security cooperation with Armenia, enrich the China-Armenia friendly and cooperative relations, and safeguard regional security and stability."⁹⁵³ Additionally, a November 2021 statement by the PRC Foreign Ministry affirmed that China would "work with Russia and other members of the international community and play a constructive role for regional peace and stability." Nevertheless, it clearly indicated that China considers the South Caucasus to lie within Russia's sphere of influence and is not inclined to insert itself into regional conflicts.⁹⁵⁴

■ Armenia's Response

While there is a relatively low level of PRC influence in Armenia at present, there is little democratic resilience in the country to potential future PRC influence. Armenia is growing increasingly reliant on Russia, especially after the Kremlin stepped in to negotiate the conclusion of the most recent Nagorno-Karabakh conflict.⁹⁵⁵ In doing so, Armenia's reliance on an outside, authoritarian partner has damaged its democratic integrity, which could expose it to increased PRC influence in future, especially as the relationship between the Kremlin and Beijing deepens.

While many of the foundations of Armenia's democracy and the level of support from society remain relatively strong, the recent war and its aftermath have also revived pre-existing political divisions. These include a new opening for the pre-revolution political elite sympathetic to Russia to regain levers of influence they had lost at the ballot box during the post-revolutionary parliamentary elections in 2018 and postwar snap elections in 2021. While the most recent opposition protests in the summer of 2022 failed to attract large public participation, the opposition parties' own significant resources to promote their pro-Russian and openly anti-human rights discourse may leave Armenia vulnerable to China's growing economic clout and efforts to promote its authoritarian governance model. In addition, the unchecked spread of disinformation in Armenia takes advantage

⁹⁴⁹ "New Chinese Rockets 'Acquired By Armenia'." *Azattyun*, 19 August 2013, <https://www.azattyun.am/a/25080110.html>.

⁹⁵⁰ "China to provide 50 million yuan military aid to Armenia." *Armenpress*, 26 December 2013, <https://armenpress.am/eng/news/745193/china-to-provide-50-million-yuan-military-aid-to-armenia.html>.

⁹⁵¹ "China Donated Equipment to Armenian Armed Forces." *Shant News*, 6 July 2019, <https://www.shantnews.am/news/view/421575.html>.

⁸³ Schulz. "China-Armenia Bilateral Relations."

⁹⁵³ "Security Commissioner of the Foreign Ministry Cheng Guoping Meets with Armenian Ambassador to China Sergey Manasaryan." *Ministry of Foreign Affairs for the People's Republic of China*, 21 October 2020, <https://www.mfa.gov.cn/ce/ceme//mon/wjbxw/t1826160.htm>.

⁹⁵⁴ "Foreign Ministry Spokesperson Wang Wenbin's Regular Press Conference on November 11, 2020." *Ministry of Foreign Affairs of the People's Republic of China*, 11 November 2020, https://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/202011/t20201111_693480.html.

⁹⁵⁵ Avdalani, Emil. "Democracy Wins in Armenia, for Now." *The Center for European Policy Analysis*, 2 July 2021, <https://cepa.org/democracy-wins-in-armenia-for-now/>.

of existing societal and political vulnerabilities and threatens the fragile process of democratic reforms. This vulnerability could create another opportunity for China to increase its influence in the country.

Notwithstanding these lacunae, Armenia's democracy has certain strengths. The nature of its 2018 democratic breakthrough, stemming from campaigns of nonviolent civil disobedience, has positioned it well for democratic consolidation. The Velvet Revolution's bottom-up civic movement drew upon broad and socioeconomically diverse communities in Armenia, giving each constituency a stake in what comes next and a certain level of resilience against interference by external actors like Russia and China. Importantly, such movements can be sustained beyond their initial leaders' tenure with a broader and more diverse range of stakeholders politically mobilized to push the reform agenda forward.⁹⁵⁶

■ Conclusion

Although the 2015 joint declaration between the Armenian and Chinese leaders encouraged PRC investment in Armenia, the volume of these investments in Armenia has remained low.⁹⁵⁷ Other geopolitical factors such as high transportation costs, distance from BRI projects, and lack of regional stability may also explain the low level of PRC investments in the country. Armenian conflicts and skirmishes with Turkey and Azerbaijan that have boiled into full-scale armed conflict have also discouraged PRC investment. In combination with Armenian authorities' desire for Russian endorsement of its relations with China, opportunities for new FDI investments remain sparse outside of multilateral organizations or through the Russians.

While Armenia's current situation is not very welcoming for Chinese investment, the PRC's economic success means that potential future avenues for economic influence remain open – and along with it, political influence. Some Armenian leaders regard the PRC's political system as effective and efficient in improving the wellbeing of the public. Such views could undermine attitudes in support of free market reforms across the economy, not to mention regard for liberal democratic values. Armenian authorities have been unable to utilize existing relations to garner PRC support to overcome Turkish and Azerbaijani efforts to exclude them from regional development and infrastructure projects over the past 25 years.

Regional isolation, an inability to break policy inertia, strong Russian influence, and Armenia's lack of involvement in China-led initiatives like the AIIB have limited opportunities for deeper collaboration between Beijing and Yerevan. Even so, generally poor economic conditions and nascent relations with the PRC could open the door to future influence and coercion in Armenia. Beyond economics, "normative" and material assistance programs highlight the potential for more complicated means of influence from the PRC.

⁹⁵⁶ Ohanyan, A. "Is Armenia's Democracy on Borrowed Time?" Carnegie Endowment for International Peace, 2021.

⁹⁵⁷ "Level of Chinese investments in Armenia low: Armenia's ambassador." *Aysor*, 12 June 2019, <https://www.aysor.am/en/news/2019/06/12/armenia-china/1574594>.



KIRIBATI

■ Introduction

Scattered across three and a half a million square kilometers in the Pacific Ocean, the 33 islands of Kiribati are of great strategic significance, economically, militarily, and politically, to both the United States and China. Kiribati is geographically near U.S. territories and military bases, making it a potential battleground for U.S. and People's Republic of China (PRC) military⁹⁵⁸. Economically, more tuna is caught in Kiribati's territory than in any single other nation in the world and the entire Atlantic Ocean; as such, there is an extremely competitive environment for foreign fishing companies seeking access to Kiribati's waters. and the fishing industry has become a lifeline for the country.⁹⁵⁹ Kiribati is also at the forefront of political competition between the Republic of China (Taiwan), with which Kiribati had official diplomatic relations until 2019, and the People's Republic of China, which in recent years has intensified its efforts to lure Taipei's diplomatic allies. The Chinese Communist Party's (CCP) political influence in Kiribati is growing – due in part to increased PRC engagement across the Pacific and in part to leadership changes in the Kiribati government and a standing president who has prioritized engagement with the PRC above other partners. This has impacted the country's relations with other Pacific Island nations, its relationship with other Pacific allies such as Australia, New Zealand, and the United States, and its domestic decisions in the fishing, telecommunications, and infrastructure sectors. Kiribati's withdrawal from the Pacific Islands Forum in July 2022, ostensibly over a recent leadership transition, furthered speculations about the PRC's growing political influence.⁹⁶⁰

Kiribati reliance on foreign aid offers a pathway for foreign influence and a motivation for closer ties with the PRC. It is economically and socially vulnerable with high unemployment rates, particularly among youth, at seventeen percent as of 2015.⁹⁶¹ The nation's economic hardships are largely attributed to the fact that economic growth is highly dependent on public spending and its economy is reliant on fishing and tourism, which are prone to external shocks.⁹⁶² Pacific donors such as Australia and New Zealand have long provided development assistance to Kiribati to promote inclusive growth, and China and Taiwan have also competed as strong development partners in Kiribati. In recent years, foreign aid has become a bargaining chip for Kiribati's support for the "One China" policy. China has worked to cultivate a relationship with the current administration and offered millions of dollars in development support, ostensibly in exchange for Kiribati cutting ties with Taiwan – a policy that to date has been successful in ensuring Kiribati's diplomatic loyalty.

⁹⁵⁸ Dreaver, Barbara. "Fears over China's involvement in Kiribati's ditching of marine reserve." *1 News*, 11 November 2021. <https://www.1news.co.nz/2021/11/11/fears-over-chinas-involvement-in-kiribatis-ditching-of-marine-reserve/>.

⁹⁵⁹ Field, Michael. "Kiribati Deal Shocks Fishing World." *Stuff New Zealand: Business*, 10 October 2014. <https://www.stuff.co.nz/business/industries/10603447/Kiribati-deal-shocks-fishing-world#:~:text=Kiribati%20deal%20shocks%20fishing%20world%20A%20tiny%20South.is%20letting%20Chinese%20and%20Taiwanese%20boats%20take%20over.>

⁹⁶⁰ Dreaver, Barbara. "Exclusive: Pacific Islands Forum crisis as Kiribati withdraws." *1news*, 10 July 2022, <https://www.1news.co.nz/2022/07/10/exclusive-pacific-islands-forum-crisis-as-kiribati-withdraws/>.

⁹⁶¹ "Kiribati Country Profile." *International Labour Organization*, 2021. <https://ilostat.ilo.org/data/country-profiles/>.

⁹⁶² Politician A. Interview by phone, 4 April 2021; Politician B. Interview by WhatsApp audio, 6 April 2021.

■ Historical Background

In 1980, China and Kiribati established diplomatic relations and enjoyed close ties for 23 years. In 1996, China and Kiribati signed an agreement allowing China to construct a satellite tracking station on Tarawa Island.⁹⁶³ While the PRC insisted the tracking station served solely commercial purposes, from the start, observers in Kiribati and the U.S. alike raised concerns that the station could monitor U.S. missile tests in the Marshall Islands. This suspicion was based on several reports indicating the station's satellite dishes were toward U.S. military bases on Kwajalein.⁹⁶⁴ Moreover, secrecy surrounding the site and the deal with China fueled local speculation about its true purpose.⁹⁶⁵ The controversy surrounding this became a key issue in the February 2003 Presidential elections, pitting incumbent and China ally President Teburoro Tito against Taberannang Timeon.⁹⁶⁶ During the electoral campaign, opposition party member Anote Tong had called for a review of the land lease for Tarawa station and parliamentary member (and Anote's brother) Harry Tong had asked President Tito to release details on the agreement, which he refused to do.⁹⁶⁷ Although President Tito won the elections with 50.4 percent of the vote, he was removed in March 2003 via a no-confidence vote in Parliament over these concerns and speculations that Beijing had contributed to his election campaign.⁹⁶⁸ Kiribati held fresh elections in July 2003, in which Anote Tong defeated Harry Tong.

Immediately after President Tong came into office in 2003, Kiribati formally announced its recognition of the ROC (Taiwan) and the PRC severed ties with the nation.⁹⁶⁹ Kiribati continued to support Taiwan until shortly after current President Taneti Maamau was elected in 2016. In September 2019, under Maamau's leadership, Kiribati abruptly switched diplomatic ties from Taiwan to Beijing and affirmed support for the "One China" policy.⁹⁷⁰ There is widespread speculation that prior to Maamau's 2019 decision, the PRC made offers to counter the development and aid funding that Taiwan offered. This marked a pivotal moment for Kiribati as a nation, as well as for the geopolitical situation in the South Pacific.⁹⁷¹

Since the switch, China has used economic incentives as leverage for political influence⁹⁷² over the country to gain access to critical land across the islands – land that could potentially be used to encroach on U.S. military bases and waters that house the world's richest fisheries.⁹⁷³ From influencing presidential candidates to offering opaque development projects, the PRC has used Kiribati's economic and social vulnerabilities as a pathway for exerting corrosive influence. Several examples throughout this report highlight how the PRC has leveraged its economic power to influence Maamau's decision-making and potentially undermine democratic governance across Kiribati.

⁹⁶³ "Will facility monitor U.S. missile test flights?" *Inside Missile Defense*, 13 March 1998, <https://irp.fas.org/news/1998/05/980513-tarawa.htm>.

⁹⁶⁴ Pareli, Samisoni. 2004. "Why Kiribati's Switching Alliance: Economics Overriding Concern." *Pacific Magazine*, 1 January 2004. <https://archive.ph/20070927175508/http://www.pacificislands.cc/issue/2004/01/01/why-kiribatis-switching-alliance>.

⁹⁶⁵ Windybank, Sue. 2007. "Why China first wooed then jilted Kiribati." *The Canberra Times*, 29 January 2007. <https://www.cis.org.au/commentary/articles/why-china-first-wooed-then-jilted-kiribati/>.

⁹⁶⁶ "Freedom in the World – Kiribati." *Freedom House*, 18 December 2003, <https://www.refworld.org/docid/473c549d23.html>.

⁹⁶⁷ "Freedom in the World – Kiribati."

⁹⁶⁸ Pareli. 2004. "Why Kiribati's Switching Alliance: Economics Overriding Concern."

⁹⁶⁹ "South Tarawa Island, Republic of Kiribati." *Global Security*, <https://www.globalsecurity.org/space/world/china/kiribati.htm#:~:text=China%20closed%20the%20space-tracking%20station%20on%20the%20Pacific.stations%20within%20China%20territory%20from%205%20to%206>.

⁹⁷⁰ Pala, Christopher. "Boost for Beijing: Pro-China President Wins Re-Election in Kiribati." *The Guardian*, 22 June 2020. <https://www.theguardian.com/world/2020/jun/23/pro-china-president-wins-re-election-in-kiribati>.

⁹⁷¹ Pala. "Boost for Beijing: Pro-China President Wins Re-Election in Kiribati."

⁹⁷² Politician A. Interview by phone, 4 April 2021; Politician B. Interview by WhatsApp audio, 6 April 2021; Media personnel A. Interview by Facebook messenger, April 2021.; Media personnel B. Interview by phone, 8 April 2021; Academic/Specialist D. Interview by Facebook Messenger audio, 13 April 2021.

⁹⁷³ Dreaver, Barbara. 2021. "Fears over China's Involvement in Kiribati's Ditching of Marine Reserve." *One News*, 11 November 2021. <https://www.1news.co.nz/2021/11/11/fears-over-chinas-involvement-in-kiribatis-ditching-of-marine-reserve/>.

■ Economic Influence

Kiribati is in an economically vulnerable position and relies heavily on aid for its stability, similarly to many other countries in the Pacific Islands. As of 2017, 48 percent of the Kiribati government budget originated in foreign assistance.⁹⁷⁴ Kiribati's past economic growth has also been largely driven by government spending,⁹⁷⁵ raising concerns about sustainability and economic stability over the long-term, particularly as other key sectors such as tourism and fishing revenues are vulnerable to threats like climate change and COVID-19. In interviews, eight local specialists and political sources⁹⁷⁶ said they are concerned with how Kiribati's economic fragility given that so much of its budget is dependent on foreign aid.⁹⁷⁷ Much of the need for aid stems from the threat that climate change poses to the small island nation.

Traditional development donors have, accordingly, focused assistance on addressing Kiribati's most pressing economic challenges. Australia's development assistance plan for 2022-2023 provides an estimated \$24.2 million AUS (\$16.9 million USD) for health, education, and employment, with an overall objective to promote inclusive growth and economic recovery.⁹⁷⁸ New Zealand's 2021-2024 plan for Kiribati totals \$90.4 million NZD (\$56.6 million USD) and centers on supporting "Kiribati's vision of a healthy, wealthy, and peaceful Kiribati."⁹⁷⁹ New Zealand's assistance is aligned with the Maamau administration's 20 Year Vision 2016-2036 (KV20) and its four development pillars: wealth, peace and security, infrastructure, and governance.⁹⁸⁰

Despite the consistency of such aid, which also looks set to increase given concerns over increased PRC influence across the Pacific, economic considerations were certainly at the forefront of President Maamau's decision to switch diplomatic recognition from Taiwan to Beijing. President Maamau has been unequivocal in his intention to promote development on the island⁹⁸¹— and to access PRC funding to do so, whether through aid, concessional loans for infrastructure development to promote tourism, or opening protected waters to new fishing license revenue and tourism.⁹⁸² For China, deepened ties in Kiribati offered preferred access to Kiribati's rich fishing and proximity to U.S. waters.

⁹⁷⁴ Yates, Rodney, Suzanne Carrington, Jenna Gillett-Swan, Jenna, and Pillay Hitendra. "Foreign Aid and Inclusive Education in the Pacific Island Nation of Kiribati: A Question of Ownership." *International Journal of Inclusive Education*, 29 August 2018. <https://www.researchgate.net/publication/327328380> Foreign aid and inclusive education in the Pacific island nation of Kiribati a question of ownership.

⁹⁷⁵ Webb, James. "Kiribati's Unique Economic Structure." *Development Policy Blog*, 12 June 2019. <https://devpolicy.org/kiribatis-unique-economic-structure-20190612/>.

⁹⁷⁶ Politician A. Interview by phone, 4 April 2021; Politician B. Interview by WhatsApp audio, 6 April 2021; Academic/specialist A. Interview by phone, 9 April 2021; Academic/specialist B. Interview by Facebook messenger audio, 6 April 2021; Academic/specialist C. Interview by Signal, 1 May 2021; Academic D. Interview by Facebook Messenger audio, 13 April 2021; Media personnel B. Interview by phone 8 April 2021; Local B. Interview by Facebook Messenger audio, 22 March 2021.

⁹⁷⁷ Yates et al. "Foreign aid and inclusive education in the Pacific island nation of Kiribati: a question of ownership."

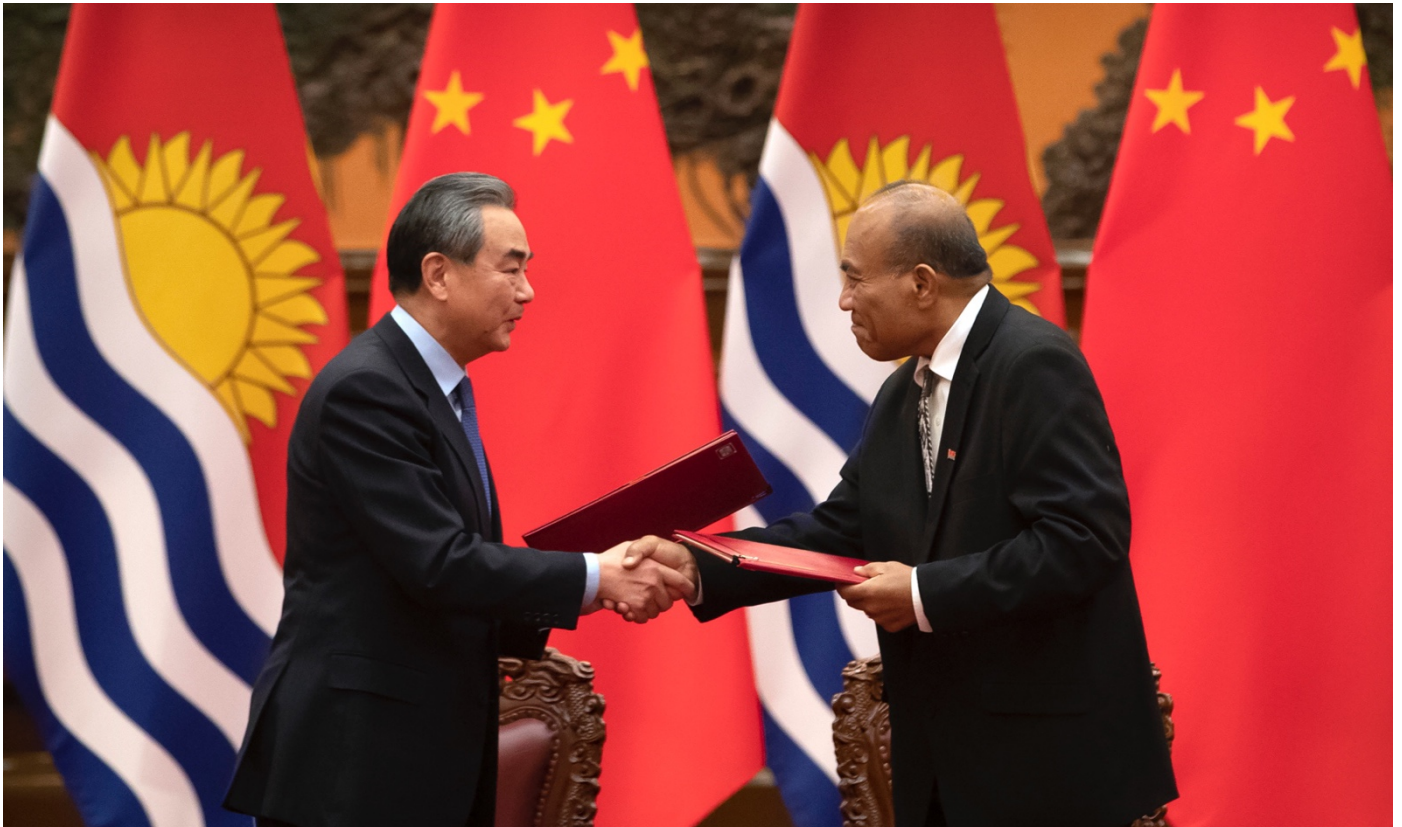
⁹⁷⁸ "Australia's aid program to Kiribati." *Australia Government Dept of Foreign Affairs and Trade*, 2021, <https://www.dfat.gov.au/geo/kiribati/development-assistance/development-assistance-in-kiribati>.

⁹⁷⁹ "Kiribati Four Year Plan." *New Zealand Ministry of Foreign Affairs and Trade*, October 2021, <https://www.mfat.govt.nz/assets/Aid/4YPs-2021-24/Kiribati-4YP.pdf>.

⁹⁸⁰ "Kiribati, 20 Year Vision 2016-36." *Ministry of Finance and Economic Development*, 2016. <https://www.mfed.gov.ki/sites/default/files/KIRIBATI%2020-YEAR%20VISION%202016-2036%20.pdf>.

⁹⁸¹ "Kiribati, 20 Year Vision 2016-36."

⁹⁸² Redondo, Raúl. "China's intrigue and the opening of its Embassy in Kiribati at the height of the pandemic." *Atalayar*, 10 July 2020, <https://atalayar.com/en/content/chinas-intrigue-and-opening-its-embassy-kiribati-height-pandemic>.



Chinese Foreign Minister Wang Yi, left, and Kiribatis President Taneti Maamau shake hands during a signing ceremony at the Great Hall of the People on January 6, 2020 in Beijing, China. (Mark Schiefelbein - Pool/Getty Images).

PRC Cash Promises

The increase in CCP political and economic support to Kiribati — and Kiribati’s cultivation of such support — directly coincides with the lead up to the 2019 de-recognition of the ROC (Taiwan) and embrace of the PRC. According to Taiwan diplomatic sources, pressure from Beijing intensified in 2018 and relied on influential individuals in Kiribati with already existing ties to the PRC.⁹⁸³ To finance his ambitious development plan, Maamau initially sought Taiwanese support to purchase two Embraer aircraft to connect the capital, Tarawa, with Kanton (Christmas Island), the cornerstone of his efforts to

The increase in CCP political and economic support to Kiribati — and Kiribati’s cultivation of such support — directly coincides with the lead up to the 2019 de-recognition of the ROC (Taiwan) and embrace of the PRC.

⁹⁸³ Hengyu, Jian. “Kiribati has already made good relations with China, and China’s decision not to buy a plane for 1 billion is the last straw [斷交內幕] 吉里巴斯總統早與中國交好 我國不給10億買飛機成最後一根稻草.” *Yahoo News (Taiwan)*, 20 September 2019, https://tw.news.yahoo.com/%E6%96%B7%E4%BA%A4%E5%85%A7%E5%B9%95-%E5%90%89%E9%87%8C%E5%B7%B4%E6%96%AF%E7%B8%BD%E7%B5%B1%E6%97%A9%E8%88%87%E4%B8%AD%E5%9C%8B%E4%BA%A4%E5%A5%BD-%E6%88%91%E5%9C%8B%E4%B8%8D%E7%B5%A610%E5%84%84%E8%B2%B7%E9%A3%9B%E6%A9%9F%E6%88%90%E6%9C%80%E5%BE%8C-%E6%A0%B9%E7%A8%BB%E8%8D%89-092111218.html?guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLmNvbS8&guce_referrer_sig=AQAAFIjsemiONmZZcDyK94FXnqUqluTYEmlQagOD_usd0g3hX-nLD98N8gM6y8dXzfzQHx8KL3bmrTujLvehI-Hw6f-GuRnpnrhzMhuFYbiDF11RVZpDN03RmeBdGGsVCvEof0VuQ7irYNte6B3B233PwFvP8gf2eWXE_eaMOKS-20I

expand tourism across Kiribati's atolls.⁹⁸⁴ After reportedly paying for one aircraft, Maamau asked Taiwan for a grant to buy the second one at a cost of \$60 million, which Taipei refused to do given the intended commercial purpose of the airplane. Taiwan instead offered a preferential commercial loan, which was rejected by Kiribati, whose leadership chose instead to turn to China.⁹⁸⁵

In exchange for cutting ties with Taiwan, China provided Kiribati with a \$66 million AUD (\$45.9 USD) grant,⁹⁸⁶ intended to fund the remaining costs of the Embraer aircraft, in addition to agriculture and economic livelihoods projects, a feasibility study for the restoration of the runway on Kanton Island, and small grants funds for social stability and disaster response.⁹⁸⁷ Kiribati and China also signed a memorandum of understanding (MoU) on the Belt and Road Initiative during Maamau's January 2020 visit to Beijing that prioritizes cooperation on climate change, fishing, and tourism, in addition to trade, investment, and infrastructure.⁹⁸⁸

Since the switch, President Maamau has been a vocal advocate for a strong relationship with the PRC. Despite some domestic opposition and geostrategic concerns from its traditional allies, Kiribati has prioritized the PRC as its top development partner. President Maamau's reelection in June 2020 offered the PRC and Kiribati the opportunity to consolidate ties.⁹⁸⁹ In the leadup to the elections, the PRC made financial promises to President Maamau intended to bolster his electoral prospects, providing \$4.2 million for livelihood projects.⁹⁹⁰ President Maamau's campaign also publicly promised increased government spending⁹⁹¹ – a promise made on the premise of increased PRC funding.⁹⁹²

For its part, by luring Kiribati, Beijing not only was increasing its influence in a geopolitically important part of the world amid competition with the U.S. and its allies in the region but was also scoring points in its battle with Taiwan by seeking to punish the incumbent Tsai Ing-wen government for its Taiwan-centric policies. Beijing was fully aware, furthermore, that Taipei had neither the desire nor the resources to engage in a checkbook diplomacy tussle with the PRC. Lastly, Beijing was also successfully exploiting anti-colonial perceptions of the West in the region and cultivating the view that the PRC is better attuned to, and more respectful of, local needs, culture, and traditions.

With a decisive victory in the June 2020 elections, President Maamau and the PRC worked to move from promises to reality. One project is a plan to raise its islands above sea-level, in part through dredging, and seek support from China to do so.⁹⁹³ Such projects have a high potential for operational and financial risk, given that Kiribati

⁹⁸⁴ Pala, Christopher. "China Could Be in Reach of Hawaii After Kiribati Elects Pro-Beijing President." *Foreign Policy*, 19 June 2020, <https://foreignpolicy.com/2020/06/19/kiribati-election-china-taiwan/>.

⁹⁸⁵ Lee, Yimou. "Taiwan says China lures Kiribati with airplanes after losing another ally." *Reuters*, 20 September 2019, <https://www.reuters.com/article/us-taiwan-diplomacy-kiribati/taiwan-says-china-lures-kiribati-with-airplanes-after-losing-another-ally-idUSKBN1W50DI>.

⁹⁸⁶ Goldenzeil, Jill. "Kiribati's Liaison With China Threatens Sushi And U.S. Security." *Forbes*, 22 July 2022, <https://www.forbes.com/sites/jillgoldenziel/2022/07/22/kiribatis-liaison-with-china-threatens-sushi-and-security/?sh=265a6ee06ec0>.

⁹⁸⁷ "Media Conference." *President Taneti Maamau*, 27 March 2021, <https://www.facebook.com/ob.gov.ki/videos/930863114407760> (response to question at 29:46 mark).

⁹⁸⁸ "China, Kiribati sign MOU on Belt and Road Initiative after restoring diplomatic ties." *CGTN*, 6 January 2020, <https://news.cgtn.com/news/2020-01-06/Xi-Jinping-meets-Kiribati-s-president-in-Beijing--N2gIPad7xe/index.html>.

⁹⁸⁹ Media personnel A. Interview by Facebook Messenger audio, 12 April 2021; Politician A. Interview by phone, 4 April 2021.

⁹⁹⁰ Deutsche Welle. 2020. "Kiribati: Pro-China President Taneti Maamau Wins Reelection Bid." *Deutsche Welle*, 23 June 2020. <https://www.dw.com/en/kiribati-pro-china-president-taneti-maamau-wins-reelection-bid/a-53903705>.

⁹⁹¹ Tahana, Jamie. "Taneti Maamau Re-Elected President of Kiribati, in blow for Taiwan." *RNZ*, 23 June 2020. <https://www.rnz.co.nz/international/pacific-news/419640/taneti-maamau-re-elected-president-of-kiribati-in-blow-for-taiwan>.

⁹⁹² Clarke, Melissa. "China's Pacific Push Reverberates as Kiribati's Pro-Beijing President Wins Re-election." *ABC News*, 25 June 2020. <https://www.abc.net.au/news/2020-06-26/china-pacific-push-kiribati-presidential-elections/12394358>.

⁹⁹³ Pala, Christopher. 2020. "Kiribati's President's plans to raise islands in fight against sea-level rise." *The Guardian*, 10 August 2020. <https://www.theguardian.com/world/2020/aug/10/kiribatis-presidents-plans-to-raise-islandsinfight-against-sea-level-rise>.

institutions have not previously attempted projects of this scale, and the country is already struggling to pay back loans on smaller projects.⁹⁹⁴

Case Study: Kanton Island

At Kiribati's request, China has also engaged in discussions to support the redevelopment of Kanton Island.⁹⁹⁵ Foundational to this initiative is the revitalization of an abandoned airstrip, which would allow commercial aircraft to land on the Island. The choice to develop Kanton over other islands has prompted confusion, as other islands are superior choices both for financial and environmental reasons.⁹⁹⁶ It has also raised questions about the PRC's true interest in its development and concerns over the opening of a marine reserve to commercial development.

Located approximately 1,600 miles southwest of Hawaii, Kanton is a part of the Phoenix Islands, an area known for its ecological diversity and fertile tuna fishing grounds. From the mid-2000s until November 2021, the Islands were part of the Phoenix Island Protected Area (PIPA) – one of the world's largest marine protected areas.⁹⁹⁷ Under this arrangement, PIPA remained closed to commercial fishing, and the PIPA trust compensated Kiribati for the lost revenue from fishing licenses. As the government pursued its scheme to develop Kanton, Kiribati politicians became concerned about the future of PIPA and the potential that it would be ended to provide PRC

access to fishing rights in the waters around Kanton.⁹⁹⁸ In late 2021, those concerns became a reality as the Kiribati government de-registered PIPA as a protected marine reserve, opening it up to commercial development.⁹⁹⁹ Justifying the decision, the government claimed a loss of 8% in decline in demand for fishing in Kiribati's exclusive economic zone (EEZ) that was not compensated by the trust and estimated that it would receive \$200 million in annual fishing license fees.¹⁰⁰⁰

Beyond concerns about the environmental impact, the proposed development of Kanton in collaboration with the PRC also threatened to undermine a longstanding arrangement between the United States and Kiribati. Under the U.S.-Kiribati Treaty of Friendship, signed in September 1979, Kiribati ceded sovereignty over a number of islands to the U.S., including Kanton.¹⁰⁰¹ The agreement stipulated that any military use of the islands by third parties must be agreed upon by the U.S. While subject to termination 10 years after going into effect, the two countries continue to reference it as a framework for bilateral

⁹⁹⁴ Webb, James. "Kiribati Economic Survey: Oceans of Opportunity." *Asia and the Pacific Policy Studies*, Australian National University, 12 February 2020, <https://onlinelibrary.wiley.com/doi/full/10.1002/app5.297>.

⁹⁹⁵ Goldenzeil. "Kiribati's Liaison With China Threatens Sushi And U.S. Security."

⁹⁹⁶ Degener, Otto and Edwin Gillaspay. "Canton Island, South Pacific." *Atoll Research Bulletin*, 1955, <https://repository.si.edu/handle/10088/4838>; Barrett, Jonathan. "Kiribati Says China-Backed Pacific Airstrip Project for Civilian Use." *Reuters*, 13 May 2021, <https://www.reuters.com/world/asia-pacific/kiribati-says-china-backed-pacific-airstrip-project-civilian-use-2021-05-13/>; "Kiribati, 20 Year Vision 2016-36."

⁹⁹⁷ Goldenzeil. "Kiribati's Liaison With China Threatens Sushi And U.S. Security."

⁹⁹⁸ Dreaver, Barbara. "Fears over China's involvement in Kiribati's ditching of marine reserve." *1 News*, 11 November 2021. <https://www.1news.co.nz/2021/11/11/fears-over-chinas-involvement-in-kiribatis-ditching-of-marine-reserve/>.

⁹⁹⁹ Dreaver. "Fears over China's involvement in Kiribati's ditching of marine reserve."

¹⁰⁰⁰ Goldenzeil. "Kiribati's Liaison With China Threatens Sushi And U.S. Security."

¹⁰⁰¹ "Treaty of Friendship Between the United States of America and the Republic of Kiribati." 20 September 1979, *United Nations Treaty Collection*, <http://www.derechos.org/intlaw/doc/kir6.html>.

relations.¹⁰⁰² Further, the treaty requires Kiribati to give six months' notice if it plans to permit third party use of the islands – a clause that remains in effect in spite of the agreement's phasing out in 1989. While Kiribati has denied that the airstrip would be used for military purposes “China has a history of building 'non-military' airstrips in the Pacific and militarizing them. On Kanton, it could install military and surveillance equipment perilously close to U.S. territory.”¹⁰⁰³ Concerns over the PRC's potential use of the island for military purposes were only reaffirmed by Foreign Minister Wang Yi's May 2022 visit¹⁰⁰⁴ and recent ambitious but unsuccessful attempts to draw Pacific Island nations into a collective security agreement.

Fishing

Beyond PIPA, renewed ties have also expanded China's presence in the fishing industry in Kiribati. Kiribati's economy relies heavily on fishing.¹⁰⁰⁵ Its waters are home to the most productive tuna fishing in the region and have long been sought after by countries with large fishing industries, from the United States to Australia and New Zealand.

Historically, Kiribati and other Pacific nations utilized the Pacific Island Forum Fisheries Agency to negotiate on their collective behalf over the governance of fishing resources in the region, enabling them to act with one Pacific voice and increasing their negotiating power. In 2014, however, Kiribati broke with other countries in the Pacific Island Forum Fisheries Agency, undermining a deal between the Agency and the United States that was set to govern tuna fishing in Pacific waters in 2015.¹⁰⁰⁶ Under the deal, the US agreed to pay \$90 million USD for the right to fish 8300 days in the region, with Kiribati expected to offer several thousand days of that. Without informing its partner countries, Kiribati instead sold most of its available days in secret to China and Taiwan, offering only 300 days to the deal and effectively forcing New Zealand and America's fleets out of Kiribati's 3.5 million square kilometer Exclusive Economic Zone (EEZ), as it was considered economically unviable for them to operate for so few days. Moreover, the deal broke regional consensus and historical precedent, as traditionally the Pacific Island nations tried to negotiate fishing deals as a collective bloc. Though this took place under a previous administration, it was a sign of developments to come.

Since then, the PRC has made significant investments in Kiribati's fishing industry. Kiribati Fish Ltd,¹⁰⁰⁷ the nation's predominant state-owned fishing organization, is now 60 percent owned by PRC interests – Shanghai Deep Sea Fishery and Golden Ocean Fish (controlled by private equity group Wanxiang Sannong which is owned by a PRC state agricultural conglomerate) are two of its subsidiaries.¹⁰⁰⁸ Golden Ocean Fish's managing director, Du Xuejun, has fought the U.S. Food and Drug Administration over manufacturing and health violations at a Golden

¹⁰⁰² McGann, Ambassador C. Steve. “The United States Should Strengthen Support to Kiribati.” *Center for Australian, New Zealand, and Pacific Studies (Georgetown University)*, 5 December 2019, <https://canzps.georgetown.edu/2019/12/05/the-united-states-should-strengthen-support-to-kiribati/>.

¹⁰⁰³ Goldenzeil. “Kiribati's Liaison With China Threatens Sushi And U.S. Security.”

¹⁰⁰⁴ McCarthy, Simone and Lizzy Yee. “China Plays for Influence in South Pacific with Security Proposal and Diplomatic Tour.” *CNN*, 27 May 2022. <https://www.cnn.com/2022/05/26/asia/china-pacific-islands-security-pact-wang-yi-tour-intl-hnk/index.html>.

¹⁰⁰⁵ In 2017, Kiribati received approximately 26 percent of its GDP from fishing licenses and fees from foreign countries. See: Webb, James. 2019. “Kiribati's Unique Economic Structure.” *Development Policy Blog*, 12 June 2019. <https://devpolicy.org/kiribatis-unique-economic-structure-20190612/>.

¹⁰⁰⁶ Field, Michael. 2014. “Kiribati Deal Shocks Fishing World.” *Stuff New Zealand: Business*, 10 October 2014. <https://www.stuff.co.nz/business/industries/10603447/Kiribati-deal-shocks-fishing-world#:~:text=Kiribati%20deal%20shocks%20fishing%20world%20A%20tiny%20South,is%20letting%20Chinese%20and%20Taiwanese%20boats%20take%20over>.

¹⁰⁰⁷ “Kiribati Ocean Fish.” <http://kiribatifishltd.com/>.

¹⁰⁰⁸ “Movers and Shakers.” *Islands Business*, 15 Feb 2017. <https://islandsbusiness.com/archives/2017/2017-february/movers-shakers/>.

Ocean Fish seafood processing facility in Fiji,¹⁰⁰⁹ while the company constructed an 8 million USD fish processing facility on Tarawa.¹⁰¹⁰ Later in 2017, Kiribati Fish Ltd invested another 2 million USD into its Tarawa facility with hopes of increasing production of yellowfin tuna.¹⁰¹¹ The lifting of restrictions on commercial fishing in PIPA may further consolidate PRC dominance of the fishing industry in the country, offering further pathways for political influence given the economic centrality of fishing to the Kiribati economy.

■ Political Influence



Prior to switching to the One China Policy, Kiribati had strong diplomatic ties to Taiwan. Pictured, Taiwan Foreign minister Eugene Chien holding the Republic of Kiribati flag at a news conference in Taipei in November 2003. Taiwan's relations with Kiribati at the beginning of the 21st century was a major victory in its battle for recognition. (Photo by Taiwan Out/Reuters/Stringer RC).

The debate over Kiribati's external political alignments and its stance on "One China" have long been at the heart of domestic politics in Kiribati. Many of the same conversations that took place in 2003 regarding the Tarawa satellite tracking station¹⁰¹² resurfaced during Maamau's first term, starting in 2016.¹⁰¹³ President Maamau maintained a strong relationship with Tito, who had remained a champion of Kiribati's engagement with China in the intervening years since his Presidency. Maamau appointed Tito as Kiribati's Permanent Representative to the United Nations in 2017 and Ambassador to the U.S. in 2018. Though his most recent posts have been outside of

¹⁰⁰⁹ "Letter to Mr. Xue Jun Du." *United States Department of Health and Human Services*, 11 January 2012. <https://www.fda.gov/media/114445/download>.

¹⁰¹⁰ "Kiribati Fish Ltd." *Kiribati Ministry of Fisheries & Marine Resources Development*, <https://www.mfmr.gov.ki/state-own-enterprise/kiribati-fish-ltd/>.

¹⁰¹¹ White, Cliff. 2016. "Pacifical Signs Agreement to Market Kiribati-caught and Processed Yellowfin Tuna." *SeafoodSource*, 28 December 2016, <https://www.seafoodsource.com/news/supply-trade/pacifical-signs-agreement-to-market-kiribati-caught-and-processed-yellowfin-tuna>.

¹⁰¹² Pareli, Samisoni. "Why Kiribati's Switching Alliance: Economics Overriding Concern."

¹⁰¹³ Pala, Christopher. "Boost for Beijing: Pro-China President Wins Re-Election in Kiribati."

the country, according to political and media sources¹⁰¹⁴ Tito is believed to be a driving force in the Kiribati government's current relationship with China.

The 2020 elections, the first to take place since the diplomatic switch and subsequent protests led by the opposition,¹⁰¹⁵ were seen as a referendum on the future of the Kiribati's relations with the PRC.¹⁰¹⁶ Maamau ran on an economic platform, promising to give government revenue from fishing windfalls directly to Kiribati and to deliver on Chinese trade, aid, and investment to increase public spending,¹⁰¹⁷ expected since the diplomatic switch and Kiribati's signing of the MOU on the Belt and Road Initiative during Maamau's January 2020 visit to Beijing.¹⁰¹⁸ Though Maamau had lost the parliamentary majority just two months prior to the elections, when multiple members left his government in protest over his decision to recognize the "One China policy,"¹⁰¹⁹ he was easily reelected over Banuera Berina, who had pledged to reverse the diplomatic switch.¹⁰²⁰ While there is no evidence of direct PRC interference in the elections, China certainly sought to bolster the fortunes of its preferred candidate, providing \$4.2 million for "livelihood projects" in the lead up to the vote,¹⁰²¹ and allegedly supporting Maamau's efforts to cultivate support in Parliament through PRC-funded pay raises and donations of laptops. China also opened an Embassy in Kiribati's capital Tarawa just before the elections, which, according to Kendrick Foster for the Harvard International Review was "a part of China's overall campaign to signify its growing diplomatic influence."¹⁰²² Moreover, the PRC Embassy worked alongside Maamau to cultivate ties with subnational leaders to advance their joint political prospects.

Local Community Engagement

Before the June 2020 election, opposition presidential candidate Berina claimed that China's ambassador to Kiribati, Tang Songgen, was involved in President Maamau's reelection campaign, particularly around efforts to gain favor among political leaders across the atolls.¹⁰²³ These reports, which were backed up by interviews with politicians and locals conducted for this report, claimed that Ambassador Tang campaigned openly for Maamau, handing out T-shirts and baseball caps in Tarawa, where the majority of the population lives.¹⁰²⁴ The reports also claim that in the midst of campaigning on Maiana atoll, the Tobwaan Kiribati party, President Maamau's party, told residents that China was willing to fund the construction of a new maneaba (a village meeting house) if they convinced their two parliamentary representatives to support Maamau in the upcoming election.¹⁰²⁵ Running on a pro-Taiwan platform, Berina certainly had motivations to overstate the PRC's role in the elections; however, it

¹⁰¹⁴ Politician A. Interview by phone, 4 April 2021; Politician B. Interview by WhatsApp audio, April 2021; Media personnel 1. Interview by Facebook Messenger audio, 12 April 2021.

¹⁰¹⁵ "Kiribati Opposition Organizes Anti-China Protest March." *Monitor: Tracking Civic Space*, 17 October 2019. <https://monitor.civicus.org/updates/2019/10/17/kiribati-opposition-organises-anti-china-protest-march/>.

¹⁰¹⁶ Pala, Christopher. "Boost for Beijing: Pro-China President Wins Re-Election in Kiribati."

¹⁰¹⁷ Clarke. "China's Pacific Push Reverberates as Kiribati's Pro-Beijing President Wins Re-election."

¹⁰¹⁸ Pala, Christopher. 2020. "Kiribati Re-Embraces China." *Asia & The Pacific Policy Society*, 17 August 2020. <https://www.policyforum.net/kiribati-re-embraces-china/>.

¹⁰¹⁹ Pala, Christopher. "Pro-China Kiribati president loses majority over switch from Taiwan." *The Guardian*, 23 April 2020. [https://www.theguardian.com/world/2020/apr/24/pro-china-kiribati-president-loses-majority-over-switch-from-taiwan](https://www.theguardian.com/world/2020/apr/24/pro-china-kiribati-president-loses-majority-over-switch-from-taiwan;); "Kiribati Opposition Organizes Anti-China Protest March."

¹⁰²⁰ Pala, Christopher. "Boost for Beijing: Pro-China President Wins Re-Election in Kiribati."

¹⁰²¹ "Kiribati: Pro-China President Taneti Maamau Wins Reelection Bid." *Deutsche Welle*, 23 June 2020. <https://www.dw.com/en/kiribati-pro-china-president-taneti-maamau-wins-reelection-bid/a-53903705>.

¹⁰²² Foster, Kendrick. "Modern Island Hopping: The Geopolitical Battle for the Pacific" *Harvard International Review*, 1 April 2021. <https://hir.harvard.edu/modern-island-hopping/>.

¹⁰²³ "Claims of Chinese interference hit upcoming Kiribati vote." *Island Times (Palau)*, 9 June 2020. <https://islandtimes.org/claims-of-chinese-interference-hit-upcoming-kiribati-vote/>; Politician A. Interview by phone, 4 April 2021; Politician B. Interview by WhatsApp audio, 6 April 2021; Politician C. Interview by Facebook Messenger audio, 21 March 2021; Politician D. Interview by WhatsApp audio, 20 March 2021; Local resident A. Interview via Facebook Messenger audio, 12 April 2021; Local resident B.

¹⁰²⁴ "Claims of Chinese interference hit upcoming Kiribati vote."

¹⁰²⁵ "Claims of Chinese interference hit upcoming Kiribati vote."

would not be unprecedented for China to openly prefer a pro-China candidate and bestow support in the pre-election period.

It was also in Maamau's interest to cultivate more pro-Beijing political leaders across the island atolls, and in the PRC's interest to develop subnational ties. In his own words, Ambassador Tang has visited "dozens of islands, dozens of schools and hundreds of communities...and told them the story of China's development."¹⁰²⁶ Among its donations to Kiribati in recent years are twenty school trucks to address transport needs on Kiribati's outer islands,¹⁰²⁷ medical equipment and supplies, tugboats and other transport vessels to improve connective among the islands, and equipment to improve local sanitation.¹⁰²⁸ Given Kiribati's development needs, such donations are greatly welcomed and contribute to the PRC's efforts to curry favor with local leaders.

Pacific Islands Forum

China has also sought to exert political influence in the Pacific Islands Forum (PIF) – the region's principal political and economic policy organization comprised of 18 Pacific Island members countries. The PIF works to foster collaboration among governments and offers a platform for members countries to discuss regional security, inclusive development, climate change, and other issues of relevance to the bloc. Projecting regional unity has long been a challenge for the Forum, given the diversity of issues the Pacific Islands face, but the debate over national allegiances with China and Taiwan — and concerns over external influences on the group — have been foremost among the challenges in recent years.¹⁰²⁹

China's increased outreach to Pacific Island nations to entice them to switch allegiances from Taiwan has certainly fractured internal cohesion within the group on this subject.¹⁰³⁰ For example, at the 2018 annual meeting, the host Nauru – one of the few countries that recognize Taiwan – refused to grant the PRC observer delegation the right to utilize diplomatic passports, as they would have been treated if the situation were reversed.¹⁰³¹ In 2019, China lobbied the forum to recognize the PRC as the sole government of China, of which (it claims) Taiwan is a mere province.¹⁰³² Following this, at the Micronesian Presidents' Summit in Palau, the leaders of Tuvalu, the Marshall Islands, Palau, Nauru, and Kiribati signed a joint communique encouraging the forum to establish a more respectful policy toward Taiwan's participation.¹⁰³³ China's May 2022 attempt to establish a wide-ranging security pact with ten Pacific Islands similarly backfired for lack of regional consensus.¹⁰³⁴

¹⁰²⁶ Yuwei, Hu and Bai Yunyi. "China-Kiribati cooperation includes neither political strings nor geopolitical motive: Chinese ambassador." *Global Times*, 26 May 2022. <https://www.globaltimes.cn/page/202205/1266651.shtml>.

¹⁰²⁷ "School trucks provided by China handed over to Kiribati." *Xinhua*, 1 May 2022. <https://english.news.cn/20220501/45ffe5db4bd547c2b0b81310edbd711d/c.html>.

¹⁰²⁸ Yuwei and Yunyi. "China-Kiribati cooperation includes neither political strings nor geopolitical motive: Chinese ambassador."

¹⁰²⁹ Blades, Johnny. "Outgoing Pacific Forum head warn about external influences." *Radio NZ Pacific*, 31 May 2021.

www.rnz.co.nz/international/pacificnews/443728/outgoing-pacific-forum-head-warns-about-external-influences.

¹⁰³⁰ See, for example, efforts to encourage Tuvalu to switch diplomatic recognition: "Tuvalu: Pacific nation turns down Chinese islands and backs Taiwan." *BBC News*, 21 November 2019. www.bbc.com/news/world-asia-50501747.

¹⁰³¹ Dreaver, Barbara. "Leaders begin arriving at contentious Pacific Islands Forum in Nauru." *1News*, 3 September 2018, <https://www.1news.co.nz/2018/09/03/leaders-begin-arriving-at-contentious-pacific-islands-forum-in-nauru/>.

¹⁰³² Dziedzic, Stephen. 2019. "Beijing intensifies lobbying of Pacific nations to recognise Taiwan as part of One China" *Pacific Beat*, *ABC News*, 14 February 2019.

www.abc.net.au/news/2019-02-14/beijing-lobbying-pacific-nations-to-recognise-one-china-policy/10809412.

¹⁰³³ "19th Micronesian Presidents' Summit Palau Demul Communique." *Government of Palau*, 25 February 2019. <https://www.palau.gov.pw/documents/19th-micronesian-presidents-summit-palau-demul-communique/>.

¹⁰³⁴ Westcott, Ben. "Pacific Leader Blasts China's Botched Attempt to Strike Pact." *Bloomberg*, 14 July 2022, <https://www.bloomberg.com/news/articles/2022-07-15/pacific-leader-blasts-china-s-botched-attempt-to-strike-pact#xi4y7vzkg>.

In July 2022, however, Kiribati announced its withdrawal from the PIF, presenting a serious challenge to the integrity of the regional body.¹⁰³⁵ The decision dated back to at least 2021, when Kiribati and its four Micronesian neighbors had threatened to leave the Forum over a perceived violation of a “gentleman’s agreement” around the rotating leadership of the Forum – namely the appointment of a Cook Islander to the role of Secretary General despite it being Micronesia’s turn in the queue.¹⁰³⁶ In a leaked letter announcing Kiribati’s decision to leave the PIF, President Maamau cited this leadership snub, in addition to concerns over a reform package intended to restore political unity within the bloc (and entice the Micronesians into staying).¹⁰³⁷ In spite of these stated reasons, regional observers nevertheless suspect growing relations with China may be behind Kiribati’s decision to leave the PIF.¹⁰³⁸

Regional observers nevertheless suspect growing relations with China may be behind Kiribati’s decision to leave the PIF.

Former President Tong speculated that the withdrawal was part of a deal to grant exclusive access to Chinese vessels in the PIPA.¹⁰³⁹ Opposition leader Tessie Lambourne similarly blamed China for Kiribati’s decision to withdraw from the PIF and that “someone seems to be telling the Kiribati government that the country doesn’t need regional solidarity.”¹⁰⁴⁰ Certainly, division within the PIF undermine its ability to collectively advocate for Pacific Island countries shared interests on key issues such as COVID recovery, tourism development, and climate change,¹⁰⁴¹ and could potentially lead to increased PRC influence on bilateral relations with each of the bloc countries.

■ Other Forms of China’s Influence

Technology

PRC information and communication technology (ICT) companies are active in Kiribati. One of the most active is Ocean Links, a Kiribati-based subsidiary of PRC-based Acclinks, though this is not widely known.¹⁰⁴² Acclinks works closely with ZTE, a company that has been sanctioned by the U.S. government for its cooperation with Iran, and some analysts have expressed concern that its control of internet and phone networks in Kiribati and elsewhere in the Pacific Islands could be used to tap undersea data cables that service U.S. military bases, including a missile test range, in the region.¹⁰⁴³

The PRC also bid on the development of a World Bank-funded sub-marine cable network in the region, through a subsidiary of Huawei, another company that has faced scrutiny from U.S. intelligence services and others for its close association with the PRC. The subsidiary, HMN Technologies (formerly Huawei Marine) is also on the U.S.

¹⁰³⁵ Dreaver, Barbara. “Exclusive: Pacific Islands Forum crisis as Kiribati withdraws.” *1news*, 10 July 2022, <https://www.1news.co.nz/2022/07/10/exclusive-pacific-islands-forum-crisis-as-kiribati-withdraws/>.

¹⁰³⁶ Blades. “Outgoing Pacific Forum head warn about external influences.”

¹⁰³⁷ Dreaver. “Exclusive: Pacific Islands Forum crisis as Kiribati withdraws.”

¹⁰³⁸ Foon, Eleisha. “Kiribati ‘cooking something with China’ - former Kiribati president.” *Radio New Zealand Pacific*, 14 July 2022, <https://www.rnz.co.nz/international/pacific-news/470888/kiribati-cooking-something-with-china-former-kiribati-president>.

¹⁰³⁹ Foon, Eleisha. “Kiribati ‘cooking something with China’ - former Kiribati president.”

¹⁰⁴⁰ Foon, Eleisha. “Kiribati ‘cooking something with China’ - former Kiribati president.”

¹⁰⁴¹ Milne, Jonathan. “Pacific standoff creates space for China-US proxy war.” *Newsroom*, 16 February 2021. www.newsroom.co.nz/pacific-standoff-creates-space-for-china-us-proxywar.

¹⁰⁴² “Kiribati Rapid eTrade Readiness Assessment.” *United Nations*, 2019, https://unctad.org/system/files/official-document/dtlstict2019d15_en.pdf.

¹⁰⁴³ “Chinese role in Pacific communications prompts US concern.” *1News*, 10 June 2022, <https://www.1news.co.nz/2022/06/10/chinese-role-in-pacific-communications-prompts-us-concern/>.

Commerce Department's Entity List,¹⁰⁴⁴ a trade restriction list comprising certain people, entities, and governments. HMN Technologies' \$72.6 million dollar bid undercut the two other bids for the project by 20 percent.¹⁰⁴⁵ However, in 2021, bidding on the project was halted over security concerns raised by the U.S. and heeded by its allies in the Pacific, as the cable network was intended to connect to HANTRU-1, a cable used by the U.S. military on Guam.¹⁰⁴⁶

Media

Kiribati's media is underdeveloped and under-resourced. According to Freedom House, "while the market does not support a large and diverse media sector, there are no significant restrictions on the flow of news and information, which is often disseminated informally."¹⁰⁴⁷ Media professionals and politicians interviewed for this support, however, noted that independent media is not greatly valued by the government as an essential element of democracy.¹⁰⁴⁸

Among the country's few media private outlets are a weekly newspaper, a radio station, and TV station. There are plans to introduce a new video production and TV service in the coming years.¹⁰⁴⁹ Within this media environment, social media has grown to fill the void. Kiribati Newsroom, a popular Facebook group run by an independent journalist and former media advisor to President Anote Tong¹⁰⁵⁰ is one of the few channels to distribute news about the PRC's growing presence in Kiribati.

Local journalists have expressed concerns about the potential for government pressure or pressure for self-censorship when reporting news related to China.¹⁰⁵¹ Strict controls on state-run media can potentially limit objective coverage of government activities, and as the relationship between the PRC and the government expands, it can be expected that such controls will apply to coverage of the relationship. In interviews, two sources in media circles said they have been cautioned not to publish stories that would reflect poorly on the PRC. This was reflected in coverage of COVID-19 in state outlets, which did not mention the pandemic's origins in China, or the CCP's initial coverup of case numbers.¹⁰⁵²

The PRC embassy in Kiribati has also worked diligently to promote pro-China narratives in government and independent news alike. From one to three times a week, editors and journalists in Kiribati receive an email from the embassy sharing "news," which some have described as mostly propaganda aiming to discredit the U.S. The PRC embassy has also placed stories in state-run papers. Kiribati Newstar, a newspaper in Tarawa, rejected one such article about poverty alleviation attributed to the Chinese ambassador, arguing it was propaganda and should be treated as advertisement. The embassy subsequently paid for it to be placed in state media.¹⁰⁵³

¹⁰⁴⁴ Barrett, Jonathan. "US warns Pacific islands about Chinese bid for underwater cable project – sources." *Reuters*, 17 December 2020. www.reuters.com/article/us-china-pacificexclusive-idUKKBN28R0L2.

¹⁰⁴⁵ Barrett. "US warns Pacific islands about Chinese bid for underwater cable project – sources."

¹⁰⁴⁶ Barrett, Jonathan and Yew Lun Tian. "Exclusive: Pacific Undersea Cable Project Sinks After U.S. Warns Against Chinese Bid." *Reuters*, 17 June 2021. <https://www.reuters.com/world/asia-pacific/exclusive-pacific-undersea-cable-project-sinks-after-us-warns-against-chinese-2021-06-18/>.

¹⁰⁴⁷ "Kiribati – Freedom in the World 2022." *Freedom House*, 2022, <https://freedomhouse.org/country/kiribati/freedom-world/2022>.

¹⁰⁴⁸ Media personnel A. Interview by Facebook Messenger audio, 12 April 2021; Media personnel B. Interview by phone, 8 April 2021; Politician B. Interview by WhatsApp audio, 6 April 2021; Academic/specialist A. Interview by phone, 9 April 2021.

¹⁰⁴⁹ "Ministry Strategic Plan 2021-2024." *Ministry of Information, Communication, Transportation and Tourism Development and State-Owned Enterprises*, 18 March 2021, <https://www.mict.gov.ki/download/file/fid/304>.

¹⁰⁵⁰ "The Kiribati Newsroom." *Facebook*. www.facebook.com/groups/thekiribatineewsroom.

¹⁰⁵¹ Media personnel A. Interview via Facebook Messenger audio, 12 April 2021; Academic/Specialist B. Interview by Facebook Messenger audio, 6 April 2021. Academic/specialist C. Interview by signal, 1 May 2021.

¹⁰⁵² Media personnel A. Interview by Facebook Messenger audio, 12 April 2021; Media personnel B. Interview by phone, 8 April 2021.

¹⁰⁵³ Media personnel A. Interview by Facebook Messenger audio, 12 April 2021.

The embassy is also expanding its presence on social media and may be doing so in a way calculated to impact Kiribati's politics. An analysis of the embassy's Facebook posts from April 1, 2020, to April 30, 2021, revealed that 48 percent of the 130 posts on the embassy's page were published during May and June 2020, just prior to the presidential election on June 23, 2020. Nine of the posts featured i-Kiribati students in China explaining how much they admire the country and how well they are being looked after.¹⁰⁵⁴ When a media organization reached out to the students in the videos, the students said they were told the videos were for university projects, not for use on the Chinese embassy's Facebook page.¹⁰⁵⁵ Other posts featured the PRC ambassador talking about the country's dedication to freedom of religion – important, as 97 percent of Kiribati's population is Christian¹⁰⁵⁶ -- and disputing claims that China is luring countries into debt traps. After the election, videos published on the embassy's page became far less frequent, suggesting that the embassy utilized its Facebook page to positively influence local perceptions on China in the pre-election period. Additionally, until a month before the election, the embassy posted entirely in English, then it switched to Kiribati. Immediately after the election, it went back to English.

Systemic factors also contribute to the Kiribati media's potential susceptibility to PRC influence efforts. The government frequently responds with hostility to attempts by both domestic and international journalists to gather information in the country, denying requests for information that is routinely disclosed in other countries¹⁰⁵⁷ and limiting foreign reporters' physical access to the country.¹⁰⁵⁸ In 2019, for example, Australian journalists visiting to report on the government's decision to end relations with Taiwan were confined to their hotel, allegedly for not having the proper permits.¹⁰⁵⁹ Local journalists have expressed concerns that CCP influence could further close an already fraught space, making it even more difficult to hold the Maamau administration and government institutions accountable to their constituents for their dealings with the PRC.

■ Kiribati's Response

Kiribati's response to the PRC's influence mirrors the country's Taiwan-China divergence. The opposition has remained skeptical of political and economic engagement with the PRC and regularly speaks out on its concerns over deepening ties under President Maamau. For example, Kiribati's opposition leader Tessie Lambourne publicly stated concerns over potential security arrangements with China.¹⁰⁶⁰ Of the proposed May 2022 security pact, Lambourne stated, "We're next in China's plan to establish its military presence in strategic locations in our region," noting that the country's changing relationship with China was worrying locals.¹⁰⁶¹ Former President Tong has also remained a vocal critic of the direction of the country's relations with China.¹⁰⁶²

Kiribati's limited independent media have been a further source of resilience, publishing critical information on the country's deepening relationship with China and exposing the economic and political impact of such ties on Kiribati's future.

¹⁰⁵⁴ "Embassy of the People's Republic of China in Kiribati." *Facebook*, <https://www.facebook.com/your.ChineseEmbassyinKiribati>.

¹⁰⁵⁵ "Embassy of the People's Republic of China in Kiribati."

¹⁰⁵⁶ "Population and Housing Census 2015." *Kiribati National Statistics Office*, 1 June 2016. <https://nso.gov.ki/population/population-and-housing-census-2015/>.

¹⁰⁵⁷ Media personnel A. Interview by Facebook Messenger audio 12 April, 2021; Media personnel B. Interview by phone, 8 April 2021.

¹⁰⁵⁸ "Kiribati - Freedom in the World 2022."

¹⁰⁵⁹ "Kiribati - Freedom in the World 2022."

¹⁰⁶⁰ Hille, Kathrin, Demetri Sevastopulo, and Edward White. "China seeks more island security pacts to boost clout in Pacific." *Financial Times*, 20 May 2022, <https://www.ft.com/content/e2116b29-e58b-4fa0-8003-d28d18ddf06f>.

¹⁰⁶¹ Hille, Sevastopulo, and White. "China seeks more island security pacts to boost clout in Pacific."

¹⁰⁶² Foon. "Kiribati 'cooking something with China' - former Kiribati president."

■ Conclusion

The PRC's influence in Kiribati in the political, economic, and information space presents both immediate and long-term concerns for the small island nation. Economically, the Kiribati government has shown its willingness to overlook previous fishing agreements with the U.S. and other Pacific partners in favor of relations with China. The lifting of PIPA restrictions presents a real threat to local ecology and Kiribati's stated goals of increasing tourism as part of its sustainable development strategy. Politically, allegations about the PRC Ambassador's direct engagement in Maamau's reelection campaign – if true – raise serious questions about the extent of PRC political influence in the current administration and concerns about Kiribati's democratic future under Maamau's leadership.

The PRC's influence in Kiribati in the political, economic, and information space presents both immediate and long-term concerns for the small island nation.

In the information space, the PRC maintains widespread control over telecommunications infrastructure in the region. Kiribati's already low levels of internet penetration and access to media present a potential opening for the PRC. Control over internet accessibility on the islands could help China control public access to information. The current government does not show an interest in making information-sharing and reporting any easier.

Lastly, the collapse of the PIF and the PRC's role in conflicts between nations in the region demonstrates a new vulnerability. Before, the PIF served as a diplomatic platform for limiting external influence. A weak Pacific allegiance opens another window of opportunity for the PRC to become the region's number one partner in political, economic, and social development.

There are several things Kiribati can do to build resilience to China's influence over the country's democracy. Foremost, the country should strengthen the role of independent media by training journalists and forming partnerships with the Pacific Freedom Forum or the Pacific News Association. The media's role in disseminating information about the impact of the PRC's presence to local communities is critical. Additionally, Kiribati must strengthen local actors, such as island village councils, so they are not as vulnerable to the corrosive elements on PRC influence. The Chinese ambassador's tour of the islands was successful largely because he addressed unmet demands for much-needed community services.

External partners also play a role in developing Kiribati's capacity to respond to China. The United States, New Zealand, and Australia should focus on projects that strengthen democratic principles in government, such as programs that invite Members of Parliament and public servants to observe their legislatures at work. They must also improve their strategic communication over such projects to reduce perceptions that these are merely impositions of "Western" concepts and values which disregard local conditions - negative views that Beijing and its local partners have successfully exploited. Regional organizations such as the South Pacific Regional Environmental Program (SPREP) should partner with Kiribati to strengthen governance over protected areas, such as PIPA, to re-classify it as a protected World Heritage site, which would make it illegal to fish in the area. Economically, politically, and environmentally, Kiribati faces a precarious future. While China offers the promise of a short-term economic fix for issues that align with the current government's tourism plans, the political and environmental consequences of this partnership, in the long run, could pose an existential threat to the nation.

CONCLUSION

This latest iteration of the International Republican Institute's compendium of case studies details the Chinese Communist Party's (CCP) determination to grow its influence worldwide. Combining the attractiveness of its economy with a supposedly more efficient alternative to the prevailing Western-led liberal-democratic model of governance, Beijing has used its newfound clout to make inroads in countries as diverse as Brazil and Kyrgyzstan. While it is inevitable, and perfectly legitimate, for a rising power to seek to increase its influence abroad, these case studies demonstrate reasons for deep concern that the PRC should be doing so. The party-state apparatus in China is not a traditional power; it is a deeply ideological one that, under CCP General Secretary Xi Jinping, is more than ever eager to shape the international environment to make it more amenable to authoritarianism, undermining democracy and democratic norms in the process.

As the case studies in this compendium show, the systemic shifts wrought by the COVID-19 pandemic have created opportunities and challenges for the CCP. Beijing launched a major propaganda and disinformation campaign, often aided by friendly voices in targeted societies, to mock democracies' response to the pandemic as chaotic and inefficient, while casting its own response in a favorable light. In the early stages of the pandemic, Beijing also used vaccine diplomacy and the provision of protective equipment to position itself as a leader in the global response to the pandemic. While providing such things to societies in need is undoubtedly good, Beijing also threatened denial of that same assistance to governments that refused to toe Beijing's line on a variety of issues, including Taiwan's status, protests in Hong Kong, and China's genocidal treatment of Uyghurs and other Muslim minorities in Xinjiang.

Added to this was Beijing's support for Russia's brutal invasion of Ukraine in February 2022, growing existing fears that revisionist states like Russia and China may be deepening cooperation to transform the liberal-democratic order that has underpinned international relations since the end of World War II. If Xi and Putin are indeed doubling down on that assault, then China's success in undermining democratic institutions and encouraging authoritarians in countries large and small – from NATO members Turkey and Italy in Europe, to Solomon Islands in the strategically important Pacific – becomes all the more troubling. In the fight to preserve and expand the strength of democracies and democratically-minded actors, every piece of the puzzle counts.

Whether Beijing's support for Russia's aggression undermines China's ability to make inroads in other societies remains to be seen. Still, as the studies of this compendium demonstrate, the promise of money from the PRC for countries in need of infrastructure investment will continue to serve as a potent channel for influence, co-optation, and corruption. Despite bans by leading industrialized democracies, PRC telecommunications giants like Huawei and ZTE continue to make advances in many parts of the world; in some cases, the relationships and dependencies created by countries' reliance on these firms raise alarm about the potential for surveillance, control, and censorship.

Beijing's strategy of accessing other countries' elites through the promise of trade and investment with relatively few strings attached has proven powerful. But, as this compendium's case studies prove, it has not been uniformly successful. In many countries its return on investment has been rather limited, often due to the diligent and brave work of journalists, civil society, and opposition parties. It is also due to the fact that awareness is growing – albeit

often slowly – that the CCP’s desire to grow its influence can come at the direct expense of good governance, transparency, the environment, and human rights.

Recommendations

In addition to the recommendations proposed in previous compendiums, as well as those in the individual country case studies, IRI recommends the following efforts for countries seeking to minimize the potential for ties with the PRC to erode their democracy:

- **Strengthen and modernize investment screening mechanisms for FDI and foreign infrastructure investment** to ensure transparency, identify potential malignant actors, and reduce opportunities for corruption.
- **Where possible, deepen interactions and cooperation between civil society and its counterparts in government, including law enforcement and intelligence agencies**, to help address blind spots, shortcomings, and biases in how each actor analyzes, tracks, and seeks to counter malignant CCP influence in their countries.
- **Increase interactions at the parliamentary level** to create greater awareness among lawmakers, as well as greater unity of purpose and synergy among legislators in fighting back against authoritarian influence.
- **Provide more robust legal, financial, and moral assistance to journalists, academics, and members of civil society who are targeted for retaliatory action by the CCP or its proxies.** Such retaliation can take the form of legal action or the threat thereof, intimidation, coercion, censorship, or loss of employment resulting from pressure on an actor’s employer.
- **Accelerate efforts to identify areas of collaboration between the CCP and crime syndicates at the local, regional, and transnational level. Also, bring legal instruments up to date and ensure cooperation between law enforcement and intelligence agencies**, to counter CCP activity that occurs within the gray zone where criminal activity overlaps with or facilitates Beijing’s political work.
- **Implement better communication strategies, unity of effort, and funding for infrastructure investment and development assistance as a counter to China’s BRI and other investment opportunities which serve as conduits for authoritarian influence.** This collective strategy should also aim to reduce PRC influence within multinational organizations as well as at the UN General Assembly, where Beijing has used bloc voting to counter criticism and rewrite international rules of governance, from health to civil aviation to human rights.



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