
China Briefs

U.S. Commerce Secretary Urges Europe To Slow Chinese Innovation

U.S. Commerce Secretary Gina Raimondo didn't hide her objectives in an interview with CNBC Sept. 27, just prior to the first meeting of the newly constituted U.S.-Europe Transatlantic Trade and Technology Council (TTC) held in Pittsburgh Sept. 29. She said the U.S. needs to cooperate with its ally Europe in order to slow the "footsteps" of China in its innovation drive. "We have to work with our European allies to deny China the most advanced technology so that they can't catch up in critical areas like semiconductors," Raimondo stressed, saying that the Biden administration plans to deepen cooperation with Europe on export controls. "We want to work with Europe, to write the rules of the road for technology, whether it's TikTok or artificial intelligence or cyber."

The French, who had been very upset by the U.S. role in the secretive dealings leading up to the creation of AUKUS, initially were prepared to boycott the meeting, but in the end, agreed to let it go forward. Raimondi was accompanied by Secretary of State Tony Blinken and U.S. Trade Representative Katherine Tai. A 17-page joint [statement](#) was released in which the parties agreed to work together to lessen their reliance on Chinese technology (although China is not mentioned by name in the document).

The document outlines a collaborative approach focused loosely on investment screening, export controls, ar-

tificial intelligence, semiconductors, and resolving global trade challenges. It also calls for the formation of 10 working groups in specific areas, including 5G and advanced 6G networks, undersea cables, data centers, and cloud infrastructure. Another working group is charged with addressing the "misuse of technology threatening security and human rights," including unlawful online surveillance, foreign misinformation, and "addressing social scoring systems," apparently a reference to China's controversial social credit system. They clearly would like to squeeze China out of the high-tech market.

Senior European officials who spoke on background said the TCC did not mention China by name in part because the EU already has other discussions with the U.S. specifically focused on China, technology and trade. They added that mentioning China might also "confuse" issues. "The logic is not to be against somebody but to be for something and to try to push that agenda," one official claimed.

Chinese Foreign Ministry spokesperson Hua Chunying was asked to comment on the remarks of Commerce Secretary Raimondi. "The remarks of this U.S. official again expose the U.S. true intention to contain and block China's development by all means," Hua said. "This is quintessential autocracy and bullying," Hua said.

President Xi Calls for a Global Development Initiative

In his [speech](#) to the UN General Assembly on Sept. 21, Chinese

President Xi Jinping called for a Global Development Initiative: "Development holds the key to people's well-being. Facing the severe shocks of COVID-19, we need to work together to steer global development toward a new stage of balanced, coordinated and inclusive growth. To this end, I would like to propose a Global Development Initiative."

It would include, he said: putting development as a priority; staying committed to a people-centered approach; staying committed to benefits for all; staying committed to innovation-driven development; and staying committed to harmony between man and nature.

"We need to seize the historic opportunities created by the latest round of technological revolution and industrial transformation," Xi said, "redouble efforts to harness technological achievements to boost productivity, and foster an open, fair, equitable and non-discriminatory environment for the development of science and technology. We should foster new growth drivers in the post-COVID era and jointly achieve leapfrog development."

More than a simple proposal for a new program, the Chinese President envisions this as a cooperation platform that would bring together—around these basic principles—the various development programs that are already in motion, including China's Belt and Road Initiative, the Agenda 2063 plan of the African Union, and the New Partnership for Africa's Development.

Meng Wanzhou Returns to China from Canadian Arrest, to Great Jubilation

After nearly three years under house arrest (and after paying bail to get out of jail) in Canada, while fighting extradition to the United States on dubious charges, Meng Wanzhou—the chief financial officer of Huawei and the daughter of Huawei founder Ren Zhengfei—was at last allowed to return to China on Sept. 25 after reaching an agreement with U.S. authorities. Shortly after that, the two Canadians, Michael Kovrig and Michael Spavor, who had been apprehended by Chinese authorities on charges of espionage, were also released and allowed to return to Canada. Spavor had already been convicted by a Chinese court and Kovrig was awaiting trial. When he was arrested, Kovrig was working for the George Soros-funded International Crisis Group, which conducts all sorts of color revolution operations. Spavor was a private consultant working in Dandong on the border with North Korea. Spavor had numerous sports and other exchanges with the D.P.R.K.

The U.S. Justice Department's decision to let Meng go may be partly due to the flimsiness of the case against Meng (lying to HSBC!). The real target of the operation, however, was Huawei, which has become a leading force in telecommunications and was gaining traction in the international arena in marketing its advanced 5G technology. It may also be a U.S. signal of a more collaborative attitude toward China in certain areas.

Whatever the case, returning to her homeland practically on the eve of China's National Day, Oct. 1, Meng's release has created great joy among the Chinese people. She expressed her

great thanks for the efforts of the Motherland in securing her release. At the Shenzhen airport upon her arrival, Meng joined in with the crowd who came to greet her, singing a popular patriotic song, "Ode to the Motherland."

Power Outages Could Slow China's Moves Toward 'Decarbonization'

The sudden surge in production in China, caused by the increased demand for Chinese goods by countries emerging from the fight against COVID, has put great strain on China's power production. Since the spring, many districts have had to introduce temporary limits on power production. This has not proven sufficient, and more recently there have been sudden and often dramatic power outages in various parts of the country. Hardest hit has been the country's northeastern provinces. And as the near-Arctic winter begins to set in, there is great fear of many households losing their heating as a result of the outages, not to speak of the loss of industrial production.

The government is working overtime to ensure the supply of coal and natural gas in China for the coming winter. The National Energy Agency (NEA) has, in succession, held a special meeting on the intelligent construction of coal mines, accelerated the development of advanced production capacity, and held a special meeting on natural gas supply in the heating season, to expand coal and natural gas production and supply this winter and next spring. The meeting also made arrangements for the supervision of the supply guarantee, to ensure that the people live warmly through the winter.

This situation could seriously affect the pace of China's commitment to become "carbon free" by 2060. Chinese energy consumption is still 70% based on coal for fuel. And while President Xi announced at the UN General Assembly that China would no longer finance new coal plants overseas as a part of its Belt and Road Initiative, he also took time in a visit to the northern Shanxi province to visit a plant that extracts chemicals from coal. While some older coal plants have been shut down in China, this was often not simply an attempt to meet the "decarbonization" agenda, but often involved plants that were particularly hazardous or in which corruption cases had been brought against their owners. China has also been experimenting with "clean coal" technologies in order to reduce carbon emissions in coal production.

Nevertheless, China's present crisis will no doubt slow the pace of any domestic moves to reduce coal production. As economist Liu Zhiqun, an economist at the Chongyang Institute for Financial Studies at Renmin University, told CGTN, while carbon emission reduction is a national strategy, it is not "a hurried step." He said the strategy needs to be done in a rational, reasonable and well-planned manner, "not in a rush, not in one day, one night, to overcome carbon emissions."

China has promised to reach its "carbon peak" by 2030 by replacing fossil fuel production with new energy. While solar and wind energy have proven less viable as winter sets in and reduces the output of both, China also has an ambitious nuclear program. At present, nuclear only provides 5% of China's energy needs, but by 2030, China's National Energy Administration plans to have 40% of China's energy supplied by nuclear and non-renewables.