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Chinese Checkmate

The 'Bully and Bilk' Road

by Steven J. Bolen, PRP: Professional Registered Parliamentarian, Congressional Advisor, and Author of "The Coming Dark Age"

For more than a millennium (roughly 206 BC to 907 AD), globalism was represented by two extensive road networks: the Roman Road and the Silk Road. The two road networks met along the Eurasia boundary, with Europe gaining access to innovations like silk, gunpowder, and paper while China received horses, precious metals, and fabrics from wool and cotton in return. The trade routes were the ancient equivalent of globalism, heavily influencing the development of cultures at either end of the route. As we have learned recently, disease can be traded as easily as goods, and plagues like the Black Death ended the flow of merchants.

In Fall 2013, Chinese President Xi Jinping presented his vision for "a project of the century," a recreation of the ancient trade networks consisting of a new arrangement of railways, energy pipelines, highways, and ports. In essence, the construction of a Silk Road 2.0. His vision encompasses three projects, an overland Silk Road Economic Belt, an ocean-going 21st Century Maritime Silk Road, and a Digital Silk Road. Together, these projects are now referred to as the Belt and Road Initiative.

A total of $1.2 trillion in funding by 2027 has been committed to the BRI project so that China can expand its strategic influence from the Pacific to the Atlantic, with the goal of dominating the Asian and African continents. China would expand its international influence by developing infrastructure across nations that lacked the funds and technology to do it independently.

According to the Belt and Road Forum website, where China keeps the world updated on its progress, $750 billion has been invested so far, and the program has attracted 149 nations and 32 international organizations, covering 70% of the world's population, including solid American allies such as South Korea, Israel, Poland, and Italy. The more than 2,600 announced projects include major structures such as the Maputo-Katembe bridge in Mozambique, the Addis Ababa-Dijbouti Railway in Ethiopia, Baku International Sea Trade (Azerbaijan) and Piraeus (Greece) Ports, and the Uzbekistan-Tajikistan-China Highway.

As a result of its four-decade-long One Child policy and its unbalanced international trade, China has an over-abundance of two things: cash and single men. The 46% national savings rate in China exceeds the global average in Government, Corporate, and Personal Savings. Additionally, as the nation habitually runs a trade surplus, the accumulating incoming currency, along with the life savings of 1.4 billion people, reflects significant funds which need to find an investment home, one not readily available domestically. Those savings rates are an unintended consequence of the One Child policy as those smaller families didn't incur the costs of additional children and the associated weddings and education.

Due to the preference for sons over daughters, China has become a nation that currently has nearly 35 million single men for which there are no brides. Additionally, career-oriented educated Chinese women are in no hurry to get married so nearly 1 in 4 marriage-eligible men are unable to find a suitable partner. These poli-

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cies lead to China having the money and men to send across the globe in support of its strategic initiatives.

The design of the BRI process intentionally advantages Chinese companies wishing to bid on various aspects of the projects. While the receiving nations can benefit from the investments, the largest beneficiaries are the Chinese companies, who can keep their order books full and workforce employed while not worrying about domestic economic problems. According to documents from the World Bank Group, more than 60% of the BRI-funded projects have gone to Chinese firms, as opposed to only 30% to non-Chinese institutions. While international procurement standards exist to enhance international trade, the majority of the underdeveloped nations participating in BRI are not signatories nor use those standards in their project processes. This, along with a lack of transparency, leaves many with the view that these construction bids may actually be rigged, having a predetermined outcome. Much of the loan funds never leave China, instead, the loans are converted into contracts for needed Chinese goods, sometimes at prices in excess of the going rate.

As China builds its Digital Silk Road across Central and South Asia, these nations may have to learn the very lessons America had to learn through the scandals of Huawei, ZTE, and TikTok, the security of any system is only as secure as the trustworthiness of the companies providing the hardware.

China's vision of international aid comes with heavy costs and strings, especially through BRI. While America's aid is most commonly in the form of grants with no expectation of repayment, assistance through BRI comes in the form of low-interest, long-term loans. Loans with conditions that favor specific solutions, technologies, and companies.

The glorious, altruistic promises of the Belt and Road Initiative have often come up short. Many projects sit abandoned in half-finished disrepair, while others never materialize. Recently, Malaysia, Kazakhstan, and Bolivia have all mothballed projects with concerns over debt sustainability. The completed projects tend to suffer from environmental destruction, wasteful spending, and debt levels that leave doubt that they can ever be repaid.

Forty-three nations, such as Pakistan, Sri Lanka, and Malaysia, already suffer from credit ratings typically classified as "junk" and have little prospect of repaying the massive loans. As a result, some countries find settling on concessions to be easier than finding the cash for the loan payments, for example, Sri Lanka gave China Merchant Port Holdings, a company 70% owned by China's national government, a 99-year lease of its Hambantota Port. To date, as much as 25% of China's overseas lending has required renegotiating, over $100 billion in unsustainable loans.

Too often, countries find that while BRI constructs the project centerpieces, the nation subsequently finds itself ill-equipped to construct the mundane. So while BRI may complete a project, the host of supporting structures are often lacking and lead to the recipient nations incurring even more debt. Still, while many nations have expressed doubts and second thoughts regarding the Belt and Road Initiative, they return to the program expressing the idea that they "don't have many options better" than what China was offering.

There is a fundamental philosophical difference in how the two superpowers, America and China, approach the question of aid to the international community. America's non-military aid is managed by the United States Agency for International Development, whose mission statement declares that they "promote and demonstrate democratic values abroad and advance a free, peaceful and prosperous world." This is accomplished through "investments that save lives, reduce poverty, strengthen democratic governance, and help people emerge from humanitarian crises and progress beyond assistance." This American mission leads to investment in projects with a local focus that benefits individuals: wide-ranging projects to improve agricultural production, provide clean water, improve local education, and protect human rights. America's goal is to fund programs that, if successful, will allow the recipients to continue on their own. This stands in stark contrast to the aims of the Belt and Road Initiative, which is to provide government-to-government funding to build projects on a massive scale where China's assistance will be needed for years to come.

The Belt and Road Initiative has transformational potential, with the ability to change the power dynamic between China, its neighbors, and the international community. With such significant sums invested, the idea that our current world built on western "international standards" could someday become a world constructed along the lines of "China Standards 2035" is not unthinkable.

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IS TAIWAN SECURE?

by Marc Liebman, a retired Navy Captain and Naval Aviator as well as an award-winning author of 12 novels. https://marcliebman.com.

Many experts are speculating that it is not **if** the People's Republic of China will invade Taiwan, but **when**. Unless one is privy to Xi Jinping's conversations with members of the Chinese Communist Party's Politburo's Standing Committee, one cannot state with any certainty that the PRC will invade Taiwan. Rhetoric by political leaders is often directed at an internal audience and is not accurate on foreign policy actions.

The overriding goal and motivation of the CCP and its leader is to keep Xi Jinping in power. Any action that puts that goal in jeopardy is not tolerated. The CCP uses every lever it has available — print/electronic/social media, education, police, birth control, limits on personal and economic freedom — to control its population. Dissent against the CCP's policies is not tolerated and is dealt with harshly.

The Chinese Politburo could recommend an invasion of Taiwan to unite the two countries because the Ministry of State Security does not believe the PRC can gain control of the Taiwanese government by either the ballot box or a coup.

Increased Internal Unrest

Despite its efforts to portray the Chinese people as being 100% in support of the Communist government, widespread unrest is simmering beneath the surface. In early 1990, the CCP admitted there were 8,700 "mass protests." By 2010, Sun Liping, a member of the Chinese Academy of Social Scientists, estimated the number had grown to 190,000.

In 2021, we saw protests in Hong Kong and, in 2022, opposition to the PRC's policies to prevent the spread of Covid-19 forced the CCP to impose martial law in three provinces and confine its citizens to their apartments. An invasion could be the catalyst for opponents of the regime to act.

Collapse of the Economy

The PRC's economy is heavily dependent on exports: 17.1% to the U.S.; 5% to Japan; 4.5% to South Korea; and 4.2% to Vietnam. An invasion of Taiwan would cost the PRC 2% of its foreign currency earnings through exports when sales to Taiwan end.

One would hope that the PRC's other top 10 export customers, Australia, Germany, India, the Netherlands, and the U.K., would also curtail imports of Chinese manufactured goods. That leaves Russia as the PRC's only remaining large customer. Unlike Russia, which can export oil and gas to generate hard currency for nations not abiding by U.N. sanctions, the PRC does not have that option. Much of what is made in the PRC can be or is being made elsewhere.

The trickle-down from lost exports will be felt by the hundreds of thousands of entrepreneurs in the PRC's Special Economic Zones. Once the war begins, their revenue will drop significantly. Sanctions will affect business owners' ability to find new customers or worse, deny them access to the money they have salted away in banks outside the PRC.

The loss of exports will lead to a rise in unemployment and the PRC's citizens will be forced to use their savings to buy food. In short, an invasion will cause economic hardship.

If the West imposes sanctions like those placed on Russia, the PRC will be cut off from Western sources of money. Governments will have the option of seizing assets in their countries. PRC's government and its citizens will be cut off from the world's financial system.

The PRC imports billions of dollars in machinery, high-technology equipment, and raw materials. The PRC is the second largest consumer of oil in the world, and its internal production of crude is dropping.

At the end of 2022, the PRC was running a daily deficit of 7.88 billion barrels of oil. While its recent arrangement with Russia to pipe gas and oil in from Siberia will help, it will only be a fraction of the deficit. The rest comes by tankers from the Middle East, Malaysia, and Indonesia. Tankers are easy to interdict.

Difficult Amphibious Operation

The People's Liberation Army has not fought a war since it invaded Vietnam in 1979 and has never conducted an amphibious operation on the size and scale needed to invade Taiwan. Amphibious invasions require control of the air; on and below the surface of the ocean; and the capability to put enough men and material on land to secure a beachhead. Assuming a beachhead is established, sustaining it so the PLA can take over the island over 120 miles of open water will be a major challenge for the PLA's Navy. Surely, the Taiwanese will stoutly defend their island.

What Should the Free World Do?

To make the price of invading Taiwan unacceptable, we should train and equip the Taiwanese to defend themselves. The training the Ukrainians received during the Trump administration from the U.S. and our NATO allies paid dividends in the early stages of the war and has given Ukraine the upper hand.

If the Taiwanese continue to strengthen its military with modern Western weapons, it should give the PRC pause and may increase the price to more than the PRC wants to pay. The China lobby in Congress has prevented, or at least made difficult, providing modern weapons to the Taiwanese.

The benefits from a change in U.S. policy will make it harder for the PRC to contemplate an invasion. If it does, the added capabilities will give the Taiwanese the time needed to survive.

WHY IS CHINA BUYING TEXAS?

by Sid Miller, Texas Agriculture Commissioner

Our federal government has given the green light to allow a Chinese company, owned by a former communist government general, to purchase 180,000 acres of Texas land near the Rio Grande, just north of Laughlin Air Force Base, in order to build more wind turbines.

The project includes a 30,000-square-foot lodge and private runway, allowing the Chinese to move people and equipment free from federal oversight.

Experts warn the Chinese will be able to monitor and potentially interfere with air traffic at America's largest pilot training facility at Laughlin.

The project also gives the Chinese communists a foothold in the Texas power grid.

As retired Lt. Gen. Steven Kwast points out, if the power or water stops, Laughlin AFB stops working. "It triggered alarms the first time that we got evidence of Chinese money."

Former CIA operative and a former congressman for this area, Rep. Will Hurd asked, "Why this location and why this project? Why are we allowing a Chinese company to do that in the U.S.? A former U.S. general would not be able to do this kind of project in China."

Why does the federal government get to decide for Texas who and what kind of projects to approve on our sovereign soil?

This project is a money sink that will never be profitable, despite the fact that it will receive millions of dollars of American taxpayer subsidies.

Why should U.S. taxpayers pay for the Chinese communists to gain a foothold in Texas and our power system?

As I detail in my Texas P.O.W.E.R. Plan, we need more nuclear and hydro, not more unreliable green energy projects.

What is the Chinese communist government's REAL REASON for buying up a huge and strategically important part of our state?

After I sounded the alarm, we stopped the proposed wind farm, but the land is still in Chinese hands.

Only six states outright ban the foreign ownership of farmland. Texas has every right to regulate the conditions under which we permit foreign ownership.

It is unconscionable to me that some of our own Texas Republican officials are saying that the free market requires that we let the Chinese Communists buy whatever they want.

As Americans, we support property rights, but we must put patriotism above profits when national security is at stake. In China, there are no meaningful property rights or any other rights.

The free market is essential for free people. But it has to have rules and principles, or it isn't a free market, it's anarchy.

In anarchy, China can buy Texas land, even sensitive land near our military bases — because there is no one to stop them.

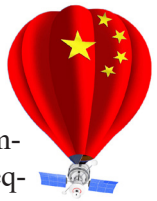
Texans must pass legislation to prevent China from buying the land that feeds our cities, houses our national defenses, and is our American birthright.

This issue has taken on a new urgency because the U.S. government is investigating cell towers with Huawei equipment that could be used to capture and send U.S. military communications to Beijing.

The Chinese Communists are our enemy. They want to be the world's only superpower. If the Biden administration does not stand up to them, then we must protect Texas sovereignty in order to ensure our critical food and energy supplies.

THE RED ZEPPELINS

by Anne Schlafly Cori, Chairman, Eagle Forum



The Chinese Communists are an existential threat to the security of the United States, but President Biden is blind to the clear and present danger. Alternatively, Biden is coddling China to cover up for his family's corruption. In either case, China smells our weakness and is testing our resolve by sending spy balloons over our sovereign territory.

Where is the U.S. military during this crisis? What has happened to our military intelligence that it took civilians in Montana to identify the Chinese balloon flying overhead? Perhaps the military is too busy implementing "diversity, equity, and inclusion" and too busy discharging the patriots who decline experimental medical treatment.

Americans should be angry over the feckless leadership that is NOT protecting our borders. The Chinese dictatorship wants to destroy the U.S. Yet, American business leaders continue to play footsie with Communists who happily take our investments and technology. Chinese exports are toxic and America should always consider "country of origin" when making purchases.