

THE SUPCHINA **RED PAPER**

Q2 2019

The trends and stories that mattered in the second quarter of 2019



TABLE OF CONTENTS

I. UPDATES ON SCENARIO PLANNING FOR THE YEAR OF THE PIG

By Jeremy Goldkorn, SupChina Editor-in-Chief

II. YEAR TWO OF THE U.S.-CHINA TECHNO-TRADE WAR BEGINS

By Lucas Niewenhuis

III. MILLIONS OF HONG KONGERS PROTEST AN EXTRADITION BILL AND DECLINING FREEDOMS

By Lucas Niewenhuis

IV. OTHER SIGNIFICANT STORIES FROM Q2 2019

- Business and technology
- Science, health, and the environment
- Politics and current affairs
- Society and culture

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I. UPDATES ON SCENARIO PLANNING FOR THE YEAR OF THE PIG

BY JEREMY GOLDKORN, SUPCHINA EDITOR-IN-CHIEF

In March this year, we introduced our quarterly Red Paper with “10 scenarios that could either take place in China or be connected to China in the coming year.” They were intended as thought exercises rather than predictions, but did any of them come to pass?

THE CHINESE ECONOMY DRAMATICALLY OUTPERFORMS THE CONVENTIONAL WISDOM

Not enough time has passed to confirm this, but the economy certainly isn’t tanking even if growth is slowing.



TROUBLE AT TENCENT OR ALIBABA

We said: “America’s technology fears about China are currently laser-focused on Huawei and 5G. But two huge companies have so far escaped scrutiny and remain stock market darlings, despite their ambitious global expansion plans: Tencent and Alibaba.” Tencent has come under some scrutiny in Australia and the U.S., but nothing significant. Alibaba has not, but there is more and more talk about other Chinese tech companies, most recently drone maker DJI. In May, the Chinese owners of gay dating app Grindr “agreed” to sell it because of U.S. government security concerns.

Tencent and Alibaba themselves reported great

quarterly earnings, even as new economic data indicated that China’s economy continues to slow.

AN EPIZOOTIC, EPIDEMIC, OR MASS FOOD SAFETY CRISIS

The African swine fever epizootic is not yet under control: An executive at Cargill, the world’s largest trader of agricultural commodities, told Bloomberg that “official reports of a 24 percent decline for the nation’s [pig] herd are ‘conservative,’ and that China would feel the impact of the disease for a decade.”

Since the last Red Paper, the fall armyworm “has spread to 19 provinces, affecting about 333,000 hectares of crops,” according to the Ministry of Agriculture, which calls the situation “severe.” The armyworm is the crop-ravaging larva of the moth species *Spodoptera frugiperda*.

XINJIANG: TERRORIST ATTACK, AMERICAN GOVERNMENT ISSUES MAGNITSKY SANCTIONS

U.S. lawmakers have indeed called for Magnitsky sanctions against Chinese officials responsible for human rights abuses in Xinjiang. But none have been implemented, apparently because the White House does not want to further complicate trade talks with Beijing. The internment camps in Xinjiang are attracting much more mainstream attention in the U.S. now than half a year ago.

THE U.S. CAMPAIGN AGAINST HUAWEI DRAMATICALLY UNDERPERFORMS

This seems to be the reality: Although many countries have discussed restrictions to Huawei, Australia is the only country that seems to be fully committed to excluding Huawei from its 5G rollout.

In fact, the United Kingdom and Malaysia both rebuked the U.S. on Huawei. In April, the UK approved the use of Huawei equipment for at least some parts of its 5G data network, despite American pressure. In May, Prime Minister Mahathir Mohamad said that Malaysia would use Huawei technology “as much as possible.” Additionally, the EU declined to make a policy on Huawei, at least for now, and instead gave its member states until July 15 to write their own reports on risk assessments of 5G technology.

SERIOUS ESCALATION OF THE HUAWEI SPAT

The fight is still on, with no end in sight. Michael Spavor and Michael Kovrig, the two Canadians detained in retaliation for the arrest of Huawei CFO Mèng Wǎnzhōu 孟晚舟, are still locked up “in rooms where the lights are on 24 hours a day and they continue to face interrogations.” The jailers have also confiscated Kovrig’s reading glasses.

Meanwhile, Americans are also being detained at “the borders and at their hotels, and with the obvious intent to send a message to the Trump administration that they can engage in hostage diplomacy if push comes to shove,” a lawyer who works with American firms in China told the New York Times.



TERRORISM OR WAR IN PAKISTAN OR KASHMIR

The Baloch Liberation Army (BLA) attacked Chinese facilities in Pakistan on April 1, for the third time since August 2018, and claimed to have killed “several Chinese engineers and workers.” Gunmen from the BLA stormed a hotel in Gwadar, Pakistan, killing four hotel workers and a Pakistan “Navy soldier” in May. This was the BLA’s biggest attack expressing anger at the Chinese presence in Pakistan since its failed suicide bombing of the Chinese consulate in Karachi last November.

On July 2, to China’s and Pakistan’s delight, the U.S. designated the BLA as a terrorist group. It remains active and continues to threaten attacks against China on social media. In addition, China dropped its opposition to the United Nations listing Masood Azhar, the head of the Kashmir-based Jaish-e-Mohammed group, as a terrorist.



TAIWAN — A SERIOUS PUSHBACK AGAINST BEIJING

There has not been a watershed event, but support for Taiwan in Washington, D.C., is more noticeable than it has been for many years, while voter support for Taiwanese President Tsai Ing-wen (蔡英文 Cài Yīngwén) has been boosted by aggressive rhetoric from Beijing.

DID NOT HAPPEN

We sketched scenarios of China creating “a paradigm-changing technological breakthrough” and “a new weapon [that] changes the fundamental strategic calculus in the Pacific.” There’s still six months to go..

AN EASY PREDICTION

While we will not propose a new set of scenarios in our second-quarter Red Paper, we’re confident in making one prediction:

The deteriorating state of U.S.-China relations continued to be a major theme of our coverage over the last three months. It does not take a clairvoyant to know there will be no respite for the foreseeable future: During the first night of the U.S. Democratic presidential candidate debates in June, 4 of 10 hopefuls named China as the “greatest geopolitical threat to the United States right now.”



II. YEAR TWO OF THE U.S.-CHINA TECHNO-TRADE WAR BEGINS

BY LUCAS NIEWENHUIS

If this one is any indication, trade wars are not easy to win. The era of large-scale tariffs between the U.S. and China began on July 6, 2018, and has now entered its second year. The leadup to the first anniversary of the trade war — which now has more to do with technology than ever before — had some of the most dramatic twists yet, and prospects for a resolution are now as dim as ever. Here is a quick summary:

APRIL — A SPRING OF OPTIMISM: China announced on April 1 that it would expand restrictions on fentanyl export to all “fentanyl-related substances” starting on May 1, fulfilling a pledge made to Donald Trump in early December. The new regulations would, in theory, dramatically

slow down the transpacific trade of dangerous opioids. The Chinese side also reportedly proposed easing up some restrictions on foreign cloud-service providers, after pressure from U.S. Trade Representative Robert Lighthizer.

The Trump administration also appeared to be making significant concessions to reach a deal. Bloomberg reported that the Trump administration was considering making a major concession and allowing China nearly six years, or “by 2025,” to fulfill some of its pledges in the upcoming trade deal. Further reports indicated that the American side seemed to be softening some of its hardline demands on unilateral enforcement and state subsidy reduction. Furthering the perception that Trump was desperate for a deal, Axios even reported that the U.S. side would accept a

watered-down commitment on stopping cyber espionage from Beijing.

MAY — MORE TARIFFS AND A NEW LONG MARCH:

Trade talks break down. Although we cannot know for sure what happened, the Chinese side appeared to have overestimated Trump's desperation for a deal, and played hardball with a revision of the draft text on May 3 that took back previously offered legal changes relating to enforcement of provisions. Beijing's willingness to put a deal at risk likely caught the American side by surprise, if the constant comments about Chinese economic weakness by Trump and his sycophants are to be taken seriously.

China's apparent last-minute attempt at renegotiation caused Donald Trump to tweet on May 5 that tariffs would increase on \$200 billion worth of Chinese goods on May 10, and they did. The tweets did not kill the trade talks, as Chinese lead negotiator Liú Hè 刘鹤 came to Washington, D.C., on May 9 for the 11th round of negotiations since the trade war began.

Those talks went nowhere, and China retaliated against Trump's tariffs with tariffs of its own, with an announcement timed for maximum stock market impact at 9 a.m. New York time on May 13. The Dow dropped 600 points. There was a noticeable uptick in anti-American rhetoric in state media: A message during the CCTV 7 p.m. evening news broadcast on May 13 stated that China is "not afraid to fight," and a clip of the message was viewed billions of times on Chinese social media within hours. State media also prominently featured an editorial declaring a "people's war" against the United States. A week later, the People's Daily featured a commentary that accused "arrogant" Americans of "bullyism" (our best translation of 霸凌主义 *bàlíng zhǔyì*). By the end of the month, Zhāng Hànhuī 张汉晖, China's vice foreign minister, showed that it was now politically correct to call the American position in the trade and tech war "naked economic terrorism."

BUT BY THE END OF MAY, the whole game had already changed. May 15 was a dramatic, trajectory-changing day for the U.S. and China,

as the U.S. Commerce Department announced on that day that Huawei would be placed on its "entity list." This meant that no U.S. company would be allowed to sell components to Huawei or its affiliates, a move that represented an existential threat to the company, the Eurasia Group's Paul Triolo and Douglas Fuller of the City University of Hong Kong wrote on SupChina. Craig Allen, president of the U.S.-China Business Council, later said that the U.S. was trying to "murder" Huawei, rather than mitigate perceived national security risk from its technology.

"We are now embarking on a new Long March," Xi Jinping 习近平 declared on May 20, indicating that Beijing was preparing China for a long and wide-ranging techno-trade war. A visit by President Xi to a rare earth processing facility in Jiangxi was the first of several threats that Beijing made that it could cut off American access to the important minerals for technology components. By the end of May, China chose to retaliate against the United States government's ban on technology exports to Huawei by establishing an "unreliable entity list" of foreign companies that damage "the interests of Chinese enterprises."

JUNE — YET ANOTHER TWEETED TRUCE: The month of June started with China blaming the U.S. for trade talk breakdowns in a white paper published by the State Council Information Office, and the U.S. Trade Representative accused China of having chosen to "pursue a blame game misrepresenting the nature and history of trade negotiations." Chinese government departments then issued three warnings to Chinese citizens and students traveling to the U.S. in two days, raising fears that the U.S. and China would "weaponize talent."



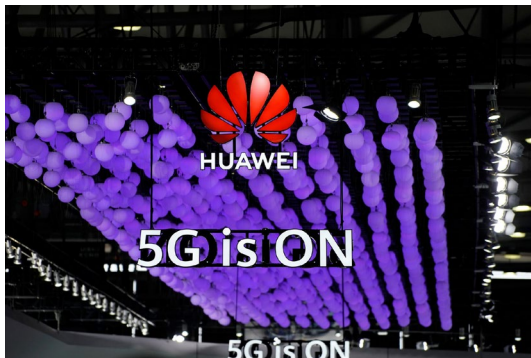
Trump and Xi then agreed to meet at the G20 in Japan on June 28-29, but ahead of the summit, Party messaging was not suggesting that Beijing was in the mood for any kind of climb down whatsoever. Trump came out of that meeting

by saying that negotiations were “right back on track,” but very few specifics of what had been achieved were revealed, and what little Trump did specify — that “China is going to be buying a tremendous amount of food and agricultural product, and they’re going to start that very soon, almost immediately” — has not happened.

But Huawei did get a limited reprieve from its Commerce Department death sentence, Secretary Wilbur Ross recently confirmed, in a major victory for President Xi.

Other notes related to the U.S.-China politics of trade, technology, and cross-border research:

- THERE IS A GROWING TREND OF SINOPHOBIA IN THE U.S.**, particularly when it comes to government suspicion of Chinese graduate students in science and technology. The current era of this trend began in February 2018, when FBI director Christopher Wray described Chinese espionage as a “whole-of-society” threat, and singled out Chinese students as dangerous. Suspicion was further fueled that the U.S. government was racially profiling Chinese people when a top official at the State Department said in April 2019, “It’s the first time that we will have a great power competitor that is not Caucasian.”
- BUILDING A DOMESTIC 5G NETWORK** is now an urgent national priority for China, one to be achieved by any means necessary, and possibly at great cost. The Ministry of Industry and Information Technology announced in early June that it has approved licenses for the commercial rollout of fifth-generation telecom technology to major state-owned mobile carriers. Meanwhile, China’s 5G leader, Huawei, reportedly has as many as 10,000 of its employees, some of them working nonstop for days, assigned to reducing the company’s reliance on American technology.
- THE MOST HIGH-PROFILE CASE OF A CHINESE SCIENTIST** being forced out of their position in the U.S. is that of Wú Xīfèng 吴息凤. Bloomberg Businessweek reported that Wu, a naturalized American citizen and “the top-ranked epidemiologist at the nation’s top-ranked cancer center,” MD Anderson Cancer Center in Texas, had lost her job after an FBI investigation. It hadn’t found her “stealing anyone’s ideas, but in effect she stood accused of secretly aiding and abetting cancer research in China, an un-American activity in today’s political climate.” Cases like this will likely continue: On June 28, NPR reported that the FBI is “encouraging American research universities to develop protocols for monitoring students and visiting scholars from Chinese state-affiliated research institutions, as U.S. suspicion toward China spreads to academia.”
- THE U.S. COMMERCE DEPARTMENT TARGETED** Chinese supercomputing firms such as Sugon, as well as Wuxi Jiangnan Institute of Computing Technology, in a move that will hurt the business of American companies, including Advanced Micro Devices (AMD), Intel, and Nvidia. It was also revealed by the Financial Times that Microsoft had collaborated with a Chinese military-run university on AI research, sparking outrage in Washington.



III. MILLIONS OF HONG KONGERS PROTEST AN EXTRADITION BILL AND DECLINING FREEDOMS



BY LUCAS NIEWENHUIS

The second quarter of 2019 saw tensions over the decline of autonomy for Hong Kong come to a head, in the largest-ever protests in the city's history, and a historic embarrassment for both the local government and Beijing.

In the lead-up to the massive June protests, on April 24, Hong Kong jailed four key leaders of the 2014 Umbrella Movement, with two democracy activists receiving

16-month sentences. This blow, along with previous legal actions against other Umbrella Movement leaders — the terminal decline in the city's press freedoms that began last year when a Financial Times editor was denied a visa after he moderated a discussion with a pro-independence activist — and many other hasty moves to suppress dissent or integrate with the mainland, had left many with little hope for another large-scale resistance movement.

But on June 9, as many as a million

Hong Kongers — including, participants noted, many who had previously avoided participating in marches in the city — united in the streets to protest an extradition bill that had been brought forward by the government of Carrie Lam (林鄭月娥 Lín Zhèng Yuè'é). The bill, according to a fear common among both activists and huge swaths of the general public, would have fractured Hong Kong's independent judiciary. It would do that by giving Beijing legal cover to do what it had already done several times extrajudicially — to scoop up anyone, from dissident publishers to businesspeople who have fallen out of favor, to face an opaque and arbitrary court system in the mainland.

At first, Lam vowed to push through the extradition bill, using patronizing language and arguments closely mirroring Chinese state media talking points. Lam characterized demonstrations on June 12 as “riots,” for instance, while Beijing blamed the protests on foreign agents from the U.S. and Europe, and characterized them as violent events that most Hong Kongers do not support. As the protests continued, police came out in riot gear and fired rubber bullets, tear gas, and water cannons to disperse the crowds.

Lam apologized, and agreed to shelve the bill, but that did not stop a much larger crowd of as many as 2 million Hong Kongers — the largest protest in Hong Kong's history — to come out on June 16. As Lam still did not permanently withdraw the bill even after these historic protests, some demonstrators then turned to more extreme measures — occupying government buildings, smashing windows, and even painting graffiti on the Legislative Council chamber walls — after which the government arrested over a dozen protestors.

The widespread dissent is a major embarrassment for the government of Carrie Lam, who admitted on July 9 that the handling of the bill had been a “complete failure.” But it is also an embarrassment for Xí Jìnpíng 习近平, who leads the government

that has failed to convince Hong Kongers to trust it more in the years since the 1997 handover of sovereignty from Britain. Now more than ever, the idea of a Hong-Kong-style “one country, two systems” formula for the eventual unification that Beijing wants with Taiwan is political poison on the island. After the protests, even the China-friendly opposition politician Han Kuo-yu (韓國瑜 Hán Guóyú) said that unification won't happen — unless “over my dead body.”

IV. OTHER SIGNIFICANT STORIES FROM Q2 2019

BUSINESS AND TECHNOLOGY:

CHINA'S ECONOMIC SLOWDOWN HAS SOFTENED, according to first-quarter economic data from the National Bureau of Statistics (NBS) that showed 6.4 percent year on year growth. No sentient person believes the numbers from the NBS without further confirmation, but the International Monetary Fund seemed to agree that China's economy was not in the doldrums. In its World Economic Outlook released on April 16, the IMF actually raised its 2019 GDP prediction for China from 6.2 percent to 6.3 percent.



FACIAL RECOGNITION IS PERHAPS THE MOST IMPORTANT EMERGING TECHNOLOGY in China — and China is where this technology will first become widespread and, eventually, highly effective. Face scanning for identification and for mobile payments is already common in China's major cities, and with a 3 billion yuan (\$448 million) investment announced by Alibaba affiliate Ant Financial's Alipay in April, face ID payments will soon be ubiquitous across the country.

RACIAL PROFILING IS ONE DARK SIDE TO FACIAL RECOGNITION TECHNOLOGY: In Xinjiang and in the security systems of increasing numbers

of cities throughout the country, the ability to quickly identify Uyghurs and other groups profiled as risky by authorities is being built in and tested on massive scales, the New York Times reported.



BYTEDANCE, AND ITS SHORT-VIDEO APP DOUYIN (抖音 dǒuyīn), known as TikTok overseas, continue to expand aggressively. TikTok now has more than 1 billion downloads, and has made a series of high-profile hires and publicity appearances, including at the Cannes Lions festival, as it seeks to take a larger bite of the global video advertising market currently dominated by Instagram, Snapchat, and YouTube. Also, ByteDance, which originally was known for its news app, Toutiao, now has more employees than Facebook.



ECOMMERCE GIANT JD.COM RESTRUCTURED and planned to lay off as many as 12,000 employees, or 8 percent of its total workforce

of 150,000, The Information reported in April. Bloomberg also reported that the company was “preparing deep cuts to its workforce,” but did not specify how deep. JD denied that the restructuring was an abnormal move, but there is no denying that the company has had a rough time since last September, when its founding CEO, Richard Liu (刘强东 Liú Qiángdōng) — who also controls nearly 80 percent of the company’s voting rights — was arrested on suspicion of rape in Minneapolis. Prosecutors later declined to file charges, but the company’s stock price never fully recovered. See the *Society and Culture* section below for more on the rape accusation against Richard Liu.

XIANGHUBAO, A HEALTH INSURANCE CO-OP made by Alibaba’s Ant Financial, has already amassed 50 million users since its launch last October, Ant Financial announced in early April. The company plans to reach 300 million users within two years, and is emphasizing that the service is aimed at the masses rather than the urban elites — but the company faces many risks and guaranteed regulatory scrutiny in its future.

BAIDU REPORTED ITS FIRST-EVER QUARTERLY LOSS in May, leading to increased speculation that it may lose its spot in China’s “BAT” — the three historically most important Chinese tech companies, Baidu, Alibaba, and Tencent. Then in June, Baidu CEO Robin Li (李彦宏 Lǐ Yànhóng) was speaking at his company’s annual Create AI developer conference in Beijing, when a man stormed the stage and emptied a bottle of water on his head. Li calmly took a step back and uttered in English, “What’s your problem?”

AMAZON EXITED FROM MOST OF ITS ECOMMERCE BUSINESS IN CHINA, it was reported in April, after its market share in the country dwindled from 15 percent in 2008 to only 0.6 percent in 2018.

U.S. COMPUTER TECHNOLOGY GIANT ORACLE IS SHUTTING DOWN its entire China Research and Development Center (CDC). About 900 employees were laid off in May, and a second

round of over 700 job cuts is expected in July.

CHINA IS LIKELY TO PHASE OUT BITCOIN MINING, or at least bring an end to the cheap electricity and other factors that make the business viable in the People’s Republic, according to a revised list of industries to encourage, restrict, or eliminate released by the National Development and Reform Commission in early April.



CASH FOR LUCKIN COFFEE AS BAIDU LOSES MONEY: In first-quarter financial reports, Baidu posted its first loss in 14 years while Tencent and Alibaba continue to observe promising quarterly earnings. Meanwhile, Luckin Coffee made a highly successful Nasdaq debut on May 17 — despite the opinion of many people covering Chinese companies that Luckin is a scam.

ALIBABA IS REPORTEDLY CONSIDERING A SECOND LISTING in Hong Kong, multiple outlets reported in May. After the unexpected delisting announcement of Chinese chipmaker SMIC a few days earlier, the move raised suspicion that financial markets may become the next front in the U.S.-China trade war.

CANNABIS CULTIVATION IN CHINA IS BOOMING in the provinces of Yunnan and Heilongjiang, as the market for an extract from hemp — cannabidiol, or CBD — is soaring overseas and Chinese companies rush to meet demand.

THE USED-CAR MARKET IN AFRICA is about to be flooded with imports from China, after China’s Ministry of Commerce allowed

exports of used cars in May.

FEMALE WEALTH MANAGERS ARE BECOMING MORE COMMON at global banks, including UBS, JPMorgan Chase & Co., and HSBC Holding Plc, as there is a need to “make Chinese clients — and increasingly Chinese women clients — feel comfortable,” Bloomberg reported.

CHINA PLAYED A BIG ROLE IN THE 2019 EDITION OF MARY MEEKER'S INTERNET REPORT, released on June 11. In the highly respected publication, she notes Meituan and Pinduoduo as non-U.S. innovators; “direct financial services” such as mobile payments and digital wealth management products being pioneered in China; VIPKid, which connects American English teachers to students in China online as a model of future educational tech companies; and that short videos are driving internet usage in China.



THE RETURN OF MOUTAI: The famed firewater, whose share prices were in the doldrums in 2014 as the anti-corruption campaign decimated the boozy nightlife of Chinese officialdom, began reporting record-high share prices and very healthy quarterly revenues starting in the first quarter of 2019.

CHINA CONTROLS 61 PERCENT OF GLOBAL LI-ION BATTERY production capacity, according to numbers compiled by MacroPolo. Tesla, meanwhile, is “America’s only hope” to build supply chains for this essential technology, wrote Damien Ma and Neil Thomas in April. In May, the U.S. Senate’s Energy and Natural Resources Committee held a hearing about

this issue, and moved forward legislation intended to help the U.S. compete with China in electric vehicle supply chain sourcing and production.

TOMORROW HOLDING, one of China’s most secretive conglomerates, “has shed its stakes in more than 10 financial institutions, all of which are now managed by new shareholders, the country’s top banking regulator said, noting that the institutions are operating normally,” Caixin reported on June 10. The group’s founder, Xiào Jiànhuá 肖建华, was taken away from his apartment in January 2017 by Chinese security agents and spirited across the border to an unknown location in mainland China. His whereabouts are still unknown.

BAOSHANG BANK WAS TAKEN OVER BY THE GOVERNMENT IN LATE MAY, in the first such move in over 20 years. The seizing of Baoshang sent fear across China’s money markets, as analysts tried to guess which other indebted smaller banks might also be in trouble. Funding costs for companies increased. But media also reported that the contagion effect seemed to be limited, and that the motivation for taking over Baoshang might have had something to do with its connection with the above-mentioned Xiao Jianhua.

CHINA'S LUXURY CONSUMERS ARE ALIVE AND WELL and buying Birkins, the Hermès handbags that sell for \$10,000 to \$300,000 a pop. The French luxury house posted quarterly results that showed the fastest revenue growth in more than four years, much of it attributed to Chinese consumers.



SMALLER CITIES MAY BE SET FOR A REAL ESTATE BOOM, after China's powerful National Development and Reform Commission (NDRC) recommended loosening residency registration (户口 *hùkǒu*) requirements in early April.

THE ECOMMERCE SITE NETEASE KAOLA was taken to court in early June for counterfeit goods. One blogger has spent nearly a year amassing evidence that a bottle of cleansing oil sold on the website was a fake, and not an import from Japan as claimed. It is not the first time that NetEase Kaola has been accused of selling fakes.



SHENZHEN-BASED DJI, THE WORLD'S LEADING MANUFACTURER OF CONSUMER DRONES, announced that it plans to assemble some of its products in California and still hopes to sell them to some U.S. government agencies. But suspicion in Washington of these high-tech Chinese drones, which are essentially flying computers that transmit geodata and can be accessed remotely, is rising fast, so DJI had better make another backup plan.

FRENCH SUPERMARKET CHAIN CARREFOUR IS LEAVING CHINA, as it announced this week that it will sell a majority stake of its Chinese operations to Suning.com, the electronics and white goods retailer that has been trying to transform itself into a hybrid ecommerce and brick-and-mortar supershop. Reuters attributed the sale to the French company's need to focus on competition with Amazon.com in Europe, and "Carrefour's falling sales and operating losses in China."



UNMANNED CONVENIENCE STORES ARE NOT DEAD YET, though many have closed in China in recent months, due to problems such as the perishability of food and the untrustworthiness of customers. But the capitalist's dream of a shop with no pesky human labor is too appealing for the likes of Alibaba to be dissuaded by such petty problems. The ecommerce giant is puffing up the benefits of Sesame Credit, its affiliate social credit system, and its application to concepts like unmanned stores and on-demand rental kiosks.

SCIENCE, HEALTH, AND THE ENVIRONMENT:

AFRICAN SWINE FEVER IS A "NATIONAL CRISIS," the director of the China Animal Agriculture Association said in May. As of April, the incurable disease had spread to hog farms in all 31 provinces, directly controlled municipalities, and autonomous regions of mainland China, and over 1 million pigs have been culled to stop the spread of the virus. Some industry insiders told Reuters at the end of June that the true death toll of swine fever could be as much as twice the official numbers. Either way, China is due to double its pork imports, and food inflation is set to



rise dramatically later this year.

THE FALL ARMYWORM IS NOW MUNCHING ON CROPS ACROSS 19 PROVINCES, China's agriculture ministry announced in June. The pest outbreak began in January this year, and has spread across hundreds of thousands of hectares of farmland since then. Armyworms, along with swine fever, contributed to 6.1 percent year-on-year food inflation in April.

THE CHINA SPACE STATION (CSS) WILL BE OPERATIONAL in only a few years' time. China's Manned Space Agency has selected nine scientific experiments proposed by international teams to be conducted on the CSS. None of the experiments featured scientists from the U.S., though some did apply. The future of humans in space is being shaped now, and it's looking a lot less American.

THE GLOBAL MARKET FOR GENE-ALTERED MICE is "predicted to expand 7.5 percent a year to top \$1.59 billion by 2022," according to Bloomberg, which reported that one Chinese company is selling the animals for \$17,000 a pair.

A SPECIALIZED TRADITIONAL CHINESE MEDICINE (TCM) HOSPITAL, which is calling itself China's first "pure" TCM medical facility, opened in March in Shenzhen, Guangdong Province.

A HUGE WAVE OF SUBSIDY-FREE RENEWABLE ENERGY projects was approved by Beijing in May, signaling that the industry is maturing in China.

PLASTIC WASTE IS BUILDING UP in China's cities and rivers, as extraordinarily cheap food and drink delivery services provide convenience for urban Chinese. The Yangtze River now contains more plastic waste than any other river in the world.

CHINA SUCCESSFULLY TESTED A FLOATING SEA LAUNCH PLATFORM for rockets for space missions. The project is a collaboration

between the China Academy of Launch Vehicle Technology (CALT) and the Hong Kong-listed Great Wall Motors.

THERE ARE AT LEAST 15 PRIVATE ROCKET MANUFACTURERS BETTING on future demand for nanosatellites, which "weigh less than 10 kilogrammes (22 pounds) and are in some cases as small as a shoebox," according to a Reuters report in April.

LIFESTYLE DISEASES THAT AFFLICT WEALTHIER COUNTRIES have overtaken lung infections and neonatal disorders as the leading causes of premature death in China, according to a study published in the Lancet in June.

POLITICS AND CURRENT AFFAIRS:



THE 30TH ANNIVERSARY OF JUNE FOURTH was marked by a large number of reports, commentaries, and remembrances of the bloody crackdown. On SupChina, Anthony Tao published a list of 30 essential stories to read about June 4, 1989. The Chinese embassy in Washington responded to Secretary of State Mike Pompeo's criticism of Beijing on the anniversary with a statement asserting, "China's human rights are in the best period ever."

KIM JONG-UN WELCOMED XI JINPING 习近平 TO PYONGYANG for a historic two-day state visit on June 20-21. It was Xi's first trip to North Korea, and the first "state" visit between the two countries since they established diplomatic ties in 1949. The obvious motivation for the increased emphasis on



relations is that both leaders are locked in conflicts with the U.S. and seek to bolster their negotiating positions. Alternatively, China may be seeking to maintain the loyalty of North Korea, sensing danger from Trump's courtship of Kim. Xinhua called the visit a "major diplomatic action." Later, on June 27, Xi met with South Korean President Moon Jae-in, and urged Donald Trump and Kim Jong-un to have a third summit and "show flexibility and push for progress for dialogue." Trump then met Kim at the Demilitarized Zone for a handshake and photo-op on June 30, and agreed to continue talks.



Xǔ Zhāngrùn 许章润, a professor of law at Tsinghua University in Beijing and prominent critic of the political direction of China under Xi, was suspended and put under investigation on March 25, sparking widespread unease among liberal intellectuals in China. A parallel but opposite case of a not famous professor of Marxism at Tsinghua being denounced by students for imperfectly toeing the Xi Jinping line, and being placed under investigation, was reported by SupChina.

THERE IS NO EVIDENCE OF SYSTEMATIC "DEBT

TRAP DIPLOMACY" on China's Belt and Road, several independent American researchers found in April. But that didn't stop the U.S. State Department from releasing a video slamming China's "Belt and Road debt trap," without offering a clear alternative to China's massive infrastructure-building capacity, which is like bringing a knife to a war being fought with ballistic missiles.

THE SECOND BELT AND ROAD FORUM was held in Beijing on April 25-27, and attended by 37 senior foreign politicians. Beijing used the opportunity to push a message of more debt-sensitive, transparent, and green investment projects. Oddly, the forum itself appears to have been hastily put together, as the agenda of events was still blank hours before opening. Meanwhile, the Wall Street Journal highlighted numbers that showed, it said, "Japan's silent belt and road is beating China's."

ON HIS TRIP TO EUROPE IN LATE MARCH, Xi Jinping persuaded Italy to sign on to the Belt and Road, and then met with French President Emmanuel Macron. Macron was less keen on the Belt and Road, and shared the concerns about increasing Chinese influence of many European leaders, but nonetheless scored wins as France signed 15 business contracts with China, including a 300-plane order for Airbus worth 30 billion euros (\$33.94 billion).



THERE WERE MANY REPORTS ABOUT THE CRISIS IN XINJIANG, and new ways in which Beijing is fighting back against criticism of its campaign to crush Uyghur culture. The reports that SupChina highlighted, in roughly chronological order, are:

- The Organization of Islamic Cooperation (OIC), which calls itself "the collective

voice of the Muslim world," abandoned the Uyghurs in a statement in March that actually praised China for its treatment of Muslims.

- In March, propaganda authorities let loose a cannonade of videos aimed at both domestic and foreign audiences. Some European ambassadors were also invited in March to visit Xinjiang, though the lack of further reporting on this indicates that they declined the offer.
- Pakistan Prime Minister Imran Khan does "not know much" about the internment camps in Xinjiang or China's treatment of Muslim minorities, he said in an interview with the Financial Times in March. Given Pakistan's financial dependence on China, it's unlikely that Khan will be motivated to learn any more about what is going on in Xinjiang.
- At least 35 ethnic Kyrgyz students are confirmed to have disappeared in Xinjiang upon returning from their studies at universities in Bishkek, the capital of Kyrgyzstan, the scholar Gene A. Bunin wrote in late March.
- Five Australian-Uyghur children are trapped in Xinjiang, and are separated from at least one of their parents, according to reporting from the Guardian in April.
- The Xinjiang panopticon tracking every detail of Uyghur life was exposed further by a Human Rights Watch report that reverse-engineered an app that police use to log data.
- Dozens of mosques and Islamic holy sites have been unceremoniously demolished in Xinjiang in recent years, a Guardian and Bellingcat investigation revealed in May.
- Beijing is trying to persuade Uyghur women to marry Han Chinese men through incentives and propaganda, according to an Agence France-Presse report in May.
- Two Arabic-language videos about Xinjiang by a YouTuber named Joe HaTTab went viral in late May and early June, giving exposure to a crisis that, in many parts of the Arabic-speaking world, has been ignored or censored.
- Scholar Adrian Zenz published a new paper on the internment camps in July,

which he says is "packed with strongly incriminating evidence on the nature and extent of the internment campaign," and based on detailed government sources. It's titled "Brainwashing, police guards and coercive internment: Evidence from Chinese government documents about the nature and extent of Xinjiang's 'vocational training internment camps.'"

- Beijing succeeded in pressuring Turkey to cease its criticism of its treatment of Uyghurs, according to a readout from a meeting between Chinese President Xi Jinping 习近平 and Turkish President Recep Tayyip Erdoğan, which was featured at the top of Chinese state media on July 2. The key sentence: "Turkey stays committed to the one-China policy, Erdogan said, stressing that residents of various ethnicities living happily in Xinjiang Uygur Autonomous Region thanks to China's prosperity is a hard fact." This was a flip-flop from the Turkish government's stated position in February, which called China's "systematic assimilation" of Uyghurs via internment camps a "great shame for humanity."

CHINA FINALLY AGREED TO CLASSIFY MASOOD AZHAR AS A TERRORIST.

Azhar is the founder of Jaish-e-Mohammed (JeM), an anti-Indian militant organization that has for years been coddled by the Pakistani state, and therefore — up until May 1 this year — also by its patron, China. Some additional theories about why China resisted the classification until now include that Beijing is worried about JeM's ties to the Taliban and didn't want to upset the prospects of brokering peace in Afghanistan, or that Beijing worries about security in Xinjiang, which borders Pakistan. But after Pakistani Prime Minister Imran Khan visited Beijing on April 25 for his second state visit as PM, the Pakistan government described it as a four-day tour to "take the all-weather strategic cooperative partnership to new heights." A deal was clearly made.

THE BALUCH LIBERATION ARMY (BLA) ATTACKED CHINESE FACILITIES IN PAKISTAN

on April 1, for the third time since August 2018. The

insurgent group claimed to have killed “several Chinese engineers and workers.” Gunmen from the BLA then stormed a hotel in Gwadar, Pakistan, killing four hotel workers and a Pakistan “Navy soldier” in May. This was the BLA’s biggest attack expressing anger at the Chinese presence in Pakistan since its failed suicide bombing of the Chinese consulate in Karachi last November. On July 2, Beijing won the cooperation of the U.S. State Department as it issued a terrorist designation on the BLA.

NEW ZEALAND PRIME MINISTER JACINDA ARDERN visited Beijing on April 1, and both sides largely made friendly noises — though Ardern also reportedly privately “raised her concerns” about the treatment of Uyghurs in Xinjiang. Ardern told Caixin in an interview “that Huawei is not banned from New Zealand, and that the country was looking forward to seeing how it can work with China on Belt and Road projects and on climate change. She also described her eagerness to further upgrade the China-New Zealand Free Trade Agreement.”



THE PHILIPPINES SCOLDED CHINA OVER ITS MARITIME ACTIVITY near Thitu Island (a.k.a. Pag-asa, a.k.a. 中业岛 zhōng yè dǎo), part of the disputed Spratly Islands in the South China Sea. The spokesperson for the Malacañan Palace — the equivalent of the White House — warned on April 14, “China should avoid performing acts that will place at risk the Filipino fishermen fishing in the disputed areas.” Earlier in April, Filipino President Duterte went off key from his normally harmonious tune toward Beijing, saying he would tell soldiers to “prepare for [a] suicide mission” if China did not “lay off

the Pagasa.”

TWO CHINESE AIR FORCE JETS CROSSED THE TAIWAN STRAIT median line on March 31, the first such maneuver in likely 20 years. American and Taiwanese officials strongly condemned the move. Earlier on March 24, a third U.S. Navy transit through the Taiwan Strait in three months happened, and a month later on April 28-29, two American ships sailed through the strait. France also sailed a warship through the Taiwan Strait on April 6. In other maritime news, the FT reported that back in January, the U.S. Navy chief warned China about gray zone naval ops that utilize coast guard or military-affiliated fishing boats to project power in the South China Sea.

WASHINGTON SIGNALLED ITS SUPPORT FOR TAIWAN in a number of ways besides Navy operations in the Taiwan Strait. Taiwan received unanimous support from the U.S. House of Representatives, as it voted on May 7 to unanimously pass the “Taiwan Assurance Act of 2019,” which urges the island’s government to increase defense spending and for the American government to support it. Also in May, for the first time since 1979, Taiwan’s National Security Council secretary-general met with his American counterpart. David Lee (李大維 Lǐ Dàwéi) traveled to Washington and met with John Bolton. Taiwan also changed the name of an organization that facilitates relations with Washington, from the Coordination Council for North American Affairs (CCNAA) to the Taiwan Council for U.S. Affairs (TCUSA). Then in early June, the U.S. Pacific Marine Corps released photos showing Taiwanese Major General Liu Erh-jung (劉爾榮 Liú Ěrróng) at the Pacific Amphibious Leaders Symposium in Hawaii.

THE MAR-A-LAGO TRESPASSER: A woman named Yujing Zhang was arrested at Donald Trump’s Florida golf club in early April. Reporting indicates that she was attracted to the club by the promotion of an associate of Cindy Yang, the massage parlor owner who was revealed in March to be selling Chinese executives access to Trump via Mar-a-Lago.

Zhang sounds as if she was up to no good — reports said that she was traveling with over \$8,000 in cash and a variety of electronic devices — and the FBI is now investigating Zhang, Yang, and other potential actors in Chinese intelligence operations at Mar-a-Lago. In June, it was reported that federal prosecutors are building a national security case against Zhang.



TAIWAN LEGALIZED SAME-SEX MARRIAGE:

Despite conservative opposition, Taiwan’s legislature voted 66-27 to pass a bill that gives same-sex couples full marriage rights on May 17, making Taiwan the first nation in Asia to legalize same-sex marriage.

LÓU JÌWĒI 楼继伟, the chairman of China’s national social security fund, was replaced in early April after his high-profile criticism of Made in China 2025, China’s flagship industrial policy. Nikkei Asian Review reported that these two events were connected.

XI JINPING WANTS CHINA TO BE A “STRONG MARITIME NATION” (海洋强国 hǎiyáng qiángguó), and has made a focused effort to modernize the People’s Liberation Army Navy (PLAN). Meanwhile, a series of Reuters reports documented how “China is replacing America as Asia’s military titan.”

THERE WAS SPECULATION ABOUT AN INDIA-CHINA OIL BLOC — which would also buy liquified natural gas — after a high-level representative from China’s National Energy Administration visited India in late April, and a joint working group was set up. But a lack of coverage of the topic in Chinese media,

and a later editorial in the Hindustan Times, indicated that a deal remains a long way off.

WIKIPEDIA IS NOW COMPLETELY BLOCKED IN CHINA

in all languages, not just Chinese. The move slams shut one of the largest remaining gates in the Great Firewall, making China’s censorship structure closer to a hermetic seal than the mostly inconvenient Net Nanny that it was a decade or more ago.



ANOTHER SIX MARXIST STUDENT ACTIVISTS WERE DISAPPEARED

in the days before May 1, International Workers Day. This was grimly predictable: As Eric Fish wrote on SupChina, though Xí Jìnpíng 习近平 heads a party born out of a youth movement, he’s “now determined to stamp out anything that could threaten to replicate it.” Meanwhile, the Party, via state media, used a carefully curated and censored history of the May Fourth Movement to whip up nationalism.

TWO CHINESE CONSTRUCTION WORKERS IN NIGERIA

were kidnapped in April. It was the second kidnapping to happen of Chinese nationals in Nigeria in two years. China-Africa-watcher Eric Olander commented, “The security of Chinese nationals in Africa is going to become a fascinating issue to follow in the years ahead now that China has a forward military deployment on the continent but is also still publicly hamstrung by its doctrine of non-interference.”

THE CASE OF AN ETHIOPIAN ENGINEER DETAINED IN CHINA

was raised by Ethiopian PM Abiy Ahmed in a meeting with Xi on April 24. Nazrawit Abera is an Ethiopian engineer who is detained in Guangzhou Prison and potentially faces a life sentence for drug-

trafficking charges that she and her family believe are false. Hundreds of thousands in Ethiopia signed a petition urging the government to grant her clemency. As of late June, she had appeared in court and her case was still moving through China's legal system.

CHINESE DEFENSE MINISTER WÈI FÈNGHÉ 魏凤和 made an uncompromising speech in Singapore on June 2, at the annual Shangri-La Dialogue. He said that China has no intention to be “the boss of this world,” but defended Beijing's absolute right to do whatever it pleases in territory it controls or lays claims to — from Xinjiang to Taiwan to the South China Sea.

A PESTICIDE PLANT IN JIANGSU PROVINCE EXPLODED on March 21, killing 78 and injuring 617. The raging inferno at an industrial park in Xiangshui County took firefighters a whole night to subdue, and local residents were fearful that toxic fumes may have been released by the fire.

TANZANIA SUSPENDED A \$10 BILLION PORT development in Bagamoyo, which would have been operated by China Merchants Holding International as the largest of its kind in Africa. John Magufuli, the president of the East African nation, announced the decision to cancel the deal that his predecessor had struck, accusing the Chinese of “exploitative and awkward” terms and “tough conditions that can only be accepted by mad people.”

WÁNG LÍNGQING 王林清, THE SUPREME COURT JUDGE who in December made two whistle-blowing videos about judicial misconduct and on January 3 went incommunicado, is at the center of something fishy. In the first news about him since his forced TV “confession” in February, state media reported in May that he was accused of theft and fabrication, and he was now in the custody of Beijing city's anti-corruption agency. But the charges against him are not exactly clear or logical, so Ho Pin (何频 Hé Pín), the editor of overseas Chinese website Mingjing, commented that it makes people “even more skeptical that the authorities are trying to conceal the

insidious cronyism among the powerful.”

HUÁNG WǎN 黄婉, THE DAUGHTER-IN-LAW OF Zhōu Yǒngkāng 周永康, is subject to an exit ban in China. The American citizen, whose husband Zhōu Bīn 周滨 is the son of the former Politburo Standing Committee member now serving a life sentence for corruption, has been protesting her treatment at the hands of Chinese police via Twitter. She says she was detained, sometimes in a cell, for more than two years after police raided a family apartment in 2013.

HUMAN RIGHTS IN TIBET TOOK A DOWNWARD TURN IN 2018, according to a report in May 2019 from the Tibetan Centre for Human Rights and Democracy.



THE CHINESE BUSINESS CONNECTIONS OF THE U.S. TRANSPORTATION SECRETARY, Elaine L. Chao (趙小蘭 Zhào Xiǎolán), were explored in a massive New York Times investigation into her family's shipping business and connections. The Times found that the State Department had raised ethics questions about Chao's family connections, that her father's business has benefited from hundreds of millions in state-backed loans in China, and that her husband, Republican congressional leader Mitch McConnell, has benefited enormously from political and personal financial contributions from the Chao family.

U.S. TV NETWORK CBS CENSORED an eight-second animation critical of China from the popular streaming legal drama series *The Good Fight*, apparently out of fear of business repercussions in China.

SOCIETY AND CULTURE:

LIU JINGYAO, A STUDENT AT THE UNIVERSITY OF MINNESOTA, FILED A RAPE LAWSUIT against JD.com CEO Richard Liu (刘强东 Liú Qiángdōng) in April. This comes after prosecutors announced that they would not file charges in December, after an investigation that began in September.



BUT WECHAT'S CENSORS WERE NOT #HEREFORJINGYAO: The app purged public accounts that have voiced support for Liu Jingyao. On a related note, Tencent, WeChat's parent company, is JD.com's biggest investor.

IN A RARE VICTORY FOR CHINA'S #METOO MOVEMENT, Chinese smartphone manufacturer Xiaomi fired its vice president, Wāng Língmíng 汪凌鸣, on May 23 after sexual assault allegations.

CHINESE BILLIONAIRE WÁNG ZhènHuá 王振华, the chairman of real estate enterprise Future Land, was detained by Shanghai police on charges of child rape in early July. News of the case was largely censored on the Chinese internet, but that did not stop a 24 percent drop of the stock of Future Land Development Holdings Ltd. in Hong Kong, which wiped out roughly \$2 billion in value within minutes.

FÀn Bīngbīng 范冰冰 HAS RETURNED, but the internet mob does not want her. Six months after the superstar actress's tax evasion scandal, she made a surprise appearance at the ninth anniversary gala of iQiyi, one of China's most popular video-streaming

platforms. But after the event in April, one of the most upvoted comments on a posting about Fan's appearance read: "Get the f**k outta here."



NANA OU-YANG 欧阳娜娜, THE TEEN TAIWANESE ARTIST with 14 million followers on Weibo and over 2.2 million followers on Instagram, was lambasted by Chinese internet users in March due to her perceived ambiguous position on Taiwan's relationship with mainland China. To save her career, she went far out of her way to further to align herself with Beijing's views on Taiwan.



SOME CHINESE PARENTS WANT STUDENTS TO WEAR DYSTOPIAN BRAINWAVE-DETECTING HEADBANDS. An elite primary school in Hangzhou, Zhejiang Province, is making its students wear brainwave-reading headbands that can supposedly detect their attention levels in the classroom. The practice was exposed in a series of photos that went viral on the Chinese internet in early April.

SOME MUSIC PROFICIENCY EXAMS WERE SUSPENDED for unknown reasons in June, in the latest sign of progressively tightening restrictions on academic freedom and foreign

educational influence. Four cities canceled music exams administered by the London-based ABRSM. Earlier in June, the Ministry of Education ordered a suspension of history exams run by Advanced Placement (AP), “a U.S. non-profit for students seeking credit at American colleges, as the ruling Communist Party cracks down on educational material it deems unfriendly,” according to Reuters.

WOMEN NOW BUY MORE SUITS THAN MEN in China, at least according to data from Alibaba affiliate websites. The trend has been picking up steam for a while, but has recently been turbocharged by the streaming-TV series *All Is Well* (都挺好 *dōu tǐng hǎo*), in which the gender-bias-busting protagonist played by Yáo Chén 姚晨 wears a suit.



ON MAY 17, THE WORLD LOST A MAN WHOSE WORKS LITERALLY TOWER ABOVE US: the architect I. M. Pei (貝聿銘 *Bèi Yùmíng*), designer of the Louvre Pyramid, the Bank of China Tower in Hong Kong, and many other notable buildings.

CHINA'S INTERNET CENSORSHIP CAPITAL IS JINAN, Shandong Province. Despite being somewhat late to capitalize on the astronomical growth in the digital media business, the well-educated city located within two hours of Beijing now boasts over 5,000 internet censor jobs.

HAINAN ISLAND IS PURGING “FOREIGN” BUSINESS NAMES, or those that “sound feudal” or contain “deliberate exaggeration.” More than 84 buildings were targeted in a civil affairs office notice on June 11.

CHENGDU HAS SOLIDIFIED ITS REPUTATION

AS CHINA'S “GAY CAPITAL,” or “gay 都” (the Chinese character is pronounced “dū” and is both the second character of Chengdu and the word for “capital city”). Gay dating app Blued recently voted Chengdu the gay capital of China, although the city has had this reputation for some time. There were 140,500 gay men in Chengdu — a city of 16 million — according to a 2018 study by Tongle Health Counseling Service Center, though a UN study found that only 5 percent of China's LGBT population is open about their identity.

POOR WORKER CONDITIONS IN NANJING: Street cleaners in the city in Jiangsu Province were shown in a disturbing video in early April being forced to wear wristbands that track their precise locations and send warnings if they remain in one place for more than 20 minutes during working hours. A day after the program was made public, the company in charge backed down and disabled the movement reminder function.



POOR WORKER CONDITIONS IN QINGDAO: A migrant construction worker in the city in Shandong Province complained about low-quality helmets, making a viral video in April showing the differing quality of his helmet and a manager's. He claims he was fired and blacklisted from construction contractors for his complaint.

AN AMERICAN UNIVERSITY DEGREE DOES NOT BENEFIT Chinese seeking jobs back home, at least at the entry level, according to research by Mingyu Chen, a Ph.D. student at Princeton University. Employers — including foreign companies — in China prefer local university graduates, in part because they believe these employees are easier to retain.

SOHO CHINA WON A LIBEL CASE AGAINST A WECHAT BLOGGER who claimed that the real estate company's Wangjing SOHO complex in Beijing has bad feng shui. The WeChat public account that published the criticism now owes 200,000 yuan (\$30,000) and a public apology.

NO SHORT SKIRTS OR SLEEVELESS TOPS ARE ALLOWED at a college in Jilin, according to a dress code that went into effect in April. The rules sparked a heated debate online about whether the school went too far in regulating students' attire and whether the ban unfairly targets female students.

WOMEN IN CHINA'S MAJOR CITIES ARE BUYING HOMES at extraordinarily higher rates than a few years ago. One survey by Beike Zhaofang 贝壳找房 found that last year, about 46.7 percent of all homebuyers in a selection of 12 cities were women. This number has increased by a factor of at least nine since 2016, when women only accounted for 5 percent of all home purchases.

OVER 200 MILLION WEIBO POSTS WILL BE ARCHIVED by the National Library of China. No word on what the National Library will do with the many millions of Weibo posts that are censored each year.

THE ILLEGAL EGG DONATION INDUSTRY involving young women donors and aspiring parents battling with infertility issues was exposed in a Beijing Youth Daily investigation on May 12.



MICRO-INFLUENCERS FROM CHINA BOUGHT THEIR WAY ONTO THE RED CARPET of the 2019 Cannes Film Festival. A thriving black market of tickets to supposedly "invite-only" events

has developed in China, and wealthy status-seekers have eagerly ponied up tens of thousands of dollars for the chance to be seen next to A-list movie and fashion stars.

TONGZHOU DISTRICT IN BEIJING, the capital's subcenter that lies in the eastern suburbs near Hebei Province, has announced plans to offer rent reductions to those recognized as "talent" by the municipal government and who agree to work for a local employer for at least three years.

CHINESE WORKERS WHO BUILT THE FIRST AMERICAN TRANSCONTINENTAL RAILROAD were recognized by U.S. Secretary of Transportation Elaine L. Chao (趙小蘭 Zhào Xiǎolán) on the 150th anniversary of the Golden Spike Ceremony on May 13.

ARE ENGLISH SKILLS USELESS FOR CHINESE PEOPLE? A patriotic troll on the Chinese microblogging platform Weibo almost single-handedly set off a massive debate in March about the topic. Meanwhile, SupChina published an article by Frankie Huang discusses the worth of Chinese-language proficiency in the job market.

A SERIES OF RECENT CANCELLATIONS OF CHINESE MOVIES has sparked speculation that there is growing pressure on filmmakers from forces outside of SAPPRT.

A CRACKDOWN ON THE SPREAD OF "WEED CULTURE" is happening in China. In early July, China Youth Daily published an article titled Don't use "cannabis culture" to absolve yourself of law violations and crimes, warning Chinese young people — particularly those who had traveled abroad to North America, where cannabis is increasingly decriminalized — of the health risks and legal consequences of weed use.