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DAILY
**CONVERSATIONS
IN CHINESE
MEDIA**



**ORGANISATION FOR RESEARCH ON
CHINA AND ASIA**

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I. Social Media Chatter in China

- **American companies continue the heavy investments in the Chinese market:** A new survey of the American Chamber of Commerce in Shanghai took more than 300 American companies operating in China and reported growth in investment.
- **Hong Kong investors get access to USD 8.9 billion in exchange-traded funds:** Marking the 25th anniversary of Hong Kong's handover to China and as an upgrade to the Stock Connect scheme, ETF Connect is being hailed as a "gift package" which would strengthen Hong Kong's role in the global financial system.
- **Chinese and Cambodian Foreign Ministers Meeting:** Foreign Ministers of China and Cambodia Wang Yi and Prak Sokhonn pledged to continue the cooperation between the Chinese BRI and Cambodian development strategy to boost economic and infrastructure progress. They further agreed to cooperate on multiple domains including technology, agriculture, environmental protection, anti-pandemic, and people-to-people exchanges.

II. News in China

- An earthquake of magnitude 6.2 occurred in the South-eastern region of Afghanistan on June 22 resulting in 1000 deaths and 2000 injured. China has provided humanitarian aid and is "willing to support the country to survive the disaster and achieve independent development". On 3 July 2022, the Red Cross Society of China (RCSC) donated relief materials in a handover ceremony attended by Wang Yu, Chinese Ambassador to Afghanistan, and Matiul Haq Khalis President of the Afghan Red Crescent Society. The batch of humanitarian aid reliefs included tents, sheets, and convertible beds. In response, Khalis expressed gratitude towards China for the relief effort and for the friendship of the Chinese people with hopes of maintaining relations between the Afghan Red Crescent Society and the Red Cross Society of China for support in other domains like the economy, and medical treatment, science, and technology, etc.
- Chinese digital economy quadruples in the past decade. According to the Ministry of Industry and Information Technology, the digital economic proportion of Chinese GDP increased from 21.6 percent to 39.8 percent in the past decade. This development is the result of speeding up the construction of digital infrastructure. China has the world's largest and most advanced network of facilities which covers prefecture-level cities with fiber-optic networks and has 1.7 million 5g network bases. The ministry added that in 2021, the major electronic information manufacturer's value-added output increased 15.7 percent every year which is a record high in the past decade. The revenue generated from software and information technology services and internet-related services also showed double-

digit growth.

- Due to the pandemic, China's economic growth was slowed down. As a result, the Chinese government seeks to upgrade its policies in economic growth to achieve the desired target of growth set at around 5.5 percent. The policy adjustment will be focused on supporting more infrastructure investment, preventive measures for containment of Covid-19, and lowering the market lending rates. All these measures are expected to increase the appeal of Chinese markets and assets dominated by the Chinese currency. According to David Chao, more fiscal and monetary support will accelerate Chinese economic activities in the second half of the year, and the interest of global investors in renminbi-dominated assets and equities will also continue to grow.
- According to the National Health Commission, due to the reports of human-to-human transmission of the monkeypox virus coming out of multiple countries where the number of cases was low, China has started screening people who have traveled internationally for potential infections of the monkeypox virus. The monitoring protocols include seven-day isolation, and checking for symptoms like rashes. Although the WHO on 25 June stated that monkeypox is not a global health emergency yet, the WHO regional director for Europe, Hans Henri Kluge released a statement that "urgent and coordinated action" must be taken to stop the spread of the virus.
- China's Ministry of Veterans Affairs stated that the remains of members of the Chinese People's Volunteers (CPV) will be returned to China who were killed in the Republic of Korea in the War to Resist US Aggression and Aid Korea. Following the signing of the handover agreement between China and ROK, this will be the ninth repatriation of the CPV martyrs. As per official figures, almost 200,00 CPV soldiers were killed in the war and the remains of 825 Chinese soldiers are back from the ROK to China. As of now, China and ROK have agreed on an arrangement where both nations will work together in managing the handover work and further needs.
- According to experts and business leaders in China, due to the highly self-sufficient production of staple grains like wheat, rice, and corn backed by new farming technologies, policies regarding practical imports of grains and 120 million hectares of agriculturally productive land, China's food security will not be disrupted due to the Russia-Ukraine conflict. The price fluctuations globally may push the prices of grains as well as the import costs for China, but it will have a limited effect on China's overall grain security.

III. India Watch

- Meeting of the NATO leaders on 28 June led to the leaders officially identifying China as a challenge for the first time. The meeting was also attended by four non-NATO members, namely, South Korea, New Zealand, Australia, and Japan who have

supported the move. This calls for a major policy shift from the western military alliance since NATO has so far focused only on Russia. This development where even the non-NATO members including Japan which is also a member of the Quad, puts India in a position where it needs to decide whether it shall support it or maintain a neutral stance. Time and again questions have been raised regarding NATO's relevance in the post-Cold War era with added accusations of the USA deliberately keeping the alliance alive for self-interests. It is likely that due to the concern regarding the growing Chinese influence globally gives NATO an imperative to continue the military alliance. On the other hand, the support from non-NATO members and a Quad member also raises the question of a possible expansion of NATO members.