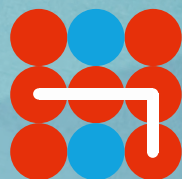


Hybrid CoE Research Report 1

JUNE 2021

China as a hybrid influencer: Non-state actors as state proxies

JUKKA AUKIA



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Hybrid CoE Research Reports are thorough, in-depth studies providing a deep understanding of hybrid threats and phenomena relating to them. Research Reports build on an original idea and follow academic research report standards, presenting new research findings. They provide either policy-relevant recommendations or practical conclusions.

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Executive summary

This Hybrid CoE Research Report applies the hybrid threat paradigm to study Chinese non-state actors (NSA). It explores underlying Chinese drivers, elements of strategic culture, and societal developments that support the use of proxy NSAs. It also discusses the hybrid threat activity of Chinese NSAs that function as state proxies, as well as various circumstances in which proxies are used to achieve China's policy goals.

As a hybrid influencer, China emphasizes asymmetric, indirect, and pre-emptive strategies, including the use of proxy NSAs, and China's strategic thinking favours realist approaches in international affairs. Given that regime preservation remains the primary objective of the ruling Communist Party (CCP), the CCP perceives foreign ideological influence and domestic instability as existential threats. China effectively challenges the current international order through political warfare, deception, and control over information.

The strategic culture in China is built on a combination of superiority, vulnerability and grievance, coalescing into a culture of rivalry. Due to vast resources, increasing international influence, and new technological tools, China is well placed to pose threats and insecurity to liberal democracies. Through co-opting NSAs, the CCP is able to exploit existing power hierarchies and seams in democratic societies. This gives China an asymmetric advantage over democratic states and allows the Party to advance its strategic agenda below the threshold of conflict escalation.



Rather than conscious policy choices, longstanding developments in China's political system and thinking dictate strong public-private cooperation. This whole-of-society approach is literally known as the

"united front" (*tongyi zhanxian*). Equating "love for the Party" with "love for the country", the united front builds ethnic-based nationalism that is produced top-down by party elites and bottom-up by active patriotic elements.

As a result of the united front approach, a large repertoire of NSAs as state proxies create opportunities and capabilities for the Party. While the united front structures are the framework through which these activities are carried out, successful domestic experiences provide the context for CCP overseas influence.

Under Xi Jinping, the political control of the Party has advanced in all non-state, non-party organizations. The CCP has effectively developed capacities to direct the non-state sector to support regime preservation. Constant interactions, and manipulative and coercive tactics, produce dynamic interrelationships between the Party and the non-state sector.

Given its prior domestic experience in ambiguous coercive tactics, the CCP is able to organize and sustain proxy NSAs in the international setting. The united front enables the Party to use the same influence tools domestically and internationally. As Chinese social and business organizations continue to internationalize, the blurring of state and non-state sectors extends beyond China's borders.

The practices created inside China effectively have an international impact. They guide the way Chinese entities behave for internal reasons and dictate the kinds of interactions they engage in with foreign actors. Chinese proxy NSAs are capable of manipulating the threshold of detectability and enhancing the problem of attribution and response activation for democratic states.

At the policy level, the CCP defines an extraterritorial ethnic-based nation-state (*zhonghua minzu*), including Taiwan and the diaspora, belonging under

China's control. If successful, this grants the CCP extraterritorial reach. At the operational level, the CCP co-opts members of the transnational ethnic communities to a common national cause defined by the Party and characterized by a shared sense of victimhood.

••

The interdependent relations and overlapping interests of Chinese state and non-state sectors complicate the identification of proxy NSAs. Even if the dilemma of attribution is resolved, an effective response is difficult to formulate. The use of proxy NSAs is likely a result of the development of China's domestic traditions as much as a current analysis of democratic weaknesses. Countermeasures should thus be considered within two frameworks: 1) the domestic experiences of the CCP, and 2) the vulnerabilities of democratic societies.

1) Given that the CCP utilizes its successful domestic experiences internationally, studying China's internal developments allows conclusions to be drawn on how it conducts itself abroad. This highlights the need for careful academic research and analysis. The united front strategy effectively informs China's hybrid threat activities. Consequently, gaining an understanding of them is vital when considering countermeasures. Studies should address developments in Chinese strategic culture,

as well as the ways in which these influence security-related behaviour and policies, both domestically and internationally.

2) Democratic societies should continue to raise awareness within the larger public and among state and non-state actors. Further development of investment screening mechanisms and stricter scrutiny of Party-backed cultural and academic initiatives should also continue. Demands for transparency (organizational/ financial), rule of law, and accountability should be further strengthened.

Democratic responses should also make use of civil society and the open civic culture as democratic force multipliers. In countering hybrid threats, the democratic non-state sector (press, academia, NGOs, social media companies) possesses capabilities to develop effective responses. When conflict escalation is a concern for state actors, civil society can be effectively utilized. Supporting an open and robust civil society, as well as coordination between state and non-state actors should be included in the democratic countermeasure toolbox.

Finally, analyses of NSAs, as well as response formulations, should take into consideration that not all Chinese NSAs are state proxies, or agents of the CCP. Democratic inclusion and "targeting" of the Chinese diaspora in democracy promotion is vital.

Introduction

The accelerating rivalry between China and the US indicates an increasing polarization of international affairs. While regime preservation remains the highest priority of the ruling Chinese Communist Party (CCP), the CCP regards domestic instability and conflict with foreign ideological influence, including liberal international norms, as an existential problem.

Along with other authoritarian hybrid aggressors, China's strategic rationale is to undermine democratic norms, and thus the authority of democratic states. In addition to international affairs, the target is often the domestic politics of liberal democracies, where existing power hierarchies and divisions are amplified.¹ A more assertive Chinese power projection duly creates threats and brings about insecurity for democratic states.

As Hybrid CoE Trend Report 5 notes, China creates "hybrid threats as force multipliers and coercion tactics to compensate for under-performing policies and strategies".² Be they territorial disputes or influencing a competing society, China actively includes non-state actors (NSA) in its hybrid strategies.

In creating hybrid threats, the use of non-armed NSAs is a key element. Proxies not only cause problems of attribution, they also complicate response activation; even if a proxy is identified, the response activation may be hindered by varying factors, such as domestic legislation or international norms. As a result, proxy NSAs are

particularly apt to exploit weaknesses in democratic societies.

In light of this, an understanding of China's NSA-related behaviour and the identification of NSA-related activity is vital for democratic states in countering hybrid threats. The aim of this Research Report is therefore twofold: 1) to provide an overview of the main NSAs associated with the Chinese state, and 2) to discuss the use of proxy NSAs by the Chinese state from the political system and strategic culture points of view.

Given the distinct socio-political characteristics of China, this Research Report explores underlying societal drivers in the country that influence the use of state proxy NSAs to meet particular policy goals. To achieve this, the Report takes stock of existing academic and policy literature, as well as Chinese language sources. This is timely as the demarcations between Chinese state and non-state actors are increasingly blurred – both in China and internationally.

The Report first discusses changes in China's overall strategic culture. It then identifies key social, political, and legal developments that assign the Party domestic control over NSAs. It goes on to provide an overview of various Chinese non-state actors abroad and their use from a strategic culture point of view. The paper concludes by discussing democratic responses to China's NSA-related hybrid activity.

1 Mikael Wigell, 'Democratic Deterrence: How to Dissuade Hybrid Interference', *The Washington Quarterly*, Vol. 44, Issue 1 (2021): 49–67.

2 Hybrid CoE, *Trends in China's Power Politics*, Hybrid CoE Trend Report 5, 10 July 2020, <https://www.hybridcoe.fi/publications/hybrid-coe-trend-report-5-trends-in-chinas-power-politics/>. Last accessed 26 May 2021.

China's strategic culture

Studies focusing on the strategic culture of China debate the uniqueness, number of different variations, as well as the most relevant cultural variety.³ The explanations for Chinese state behaviour have traditionally varied from the defensive tradition of Confucianism⁴ to offensive strategies of *realpolitik*.⁵

While the co-existence of these two dimensions (non-expansionist/expansionist) is commonly recognized in empirical studies, different emphases are usually proposed.⁶ In this Report, strategic culture is approached through mapping changes in cultural elements⁷ that allow the use of NSAs. Naturally, different elements of strategic culture do not exist in a vacuum but overlap and influence one another. Therefore, the deconstruction of strategic thinking into different elements potentially informs the overall logic and mechanics behind change.⁸

Hence, in the context of Chinese strategic thinking, this section discusses the top leadership's worldviews, threat perceptions in strategic language, ethnic exceptionalism, and emphases on indirect strategies within the Party. These cultural elements of China's strategic thinking have come to support, either directly or indirectly, asymmetric strategies and the use of NSAs.

Evolution of party suprema paradigms

The intellectual framework of the CCP is largely defined by the ruling Party suprema. In a similar

manner, the Party's position as the authority over state orthodoxy remains unquestionable.⁹ In effect, it is assumed here that changes in strategic thinking can be expected when the "cohort of elites" changes.¹⁰

From Maoism to the 'peaceful rise' of Hu

During the Mao era (1949-1976), the expectation was that the Party would destroy capitalism. Thus, in adopting Lenin's ideology, Mao treated international relations solely as the framework for understanding imperialist influences. For Mao, the struggle against "American imperialism" was therefore central. Mao even rejected the Soviet proposal for peaceful coexistence and never ceased to demand a war with the US.¹¹

Given Deng Xiaoping's (1978-1989) pragmatism, he distanced the Party from Maoism. The dilemma for Deng lay in striking a balance between economic opening up and suppressing foreign ideological influence. Thus, while Deng did not favour ideological politics per se, he maintained a tendency for authoritarian and repressive governance.¹² Regarding international affairs, Deng's ideas of "hiding one's capacity while biding one's time" and "not seeking to lead" characterized China as a passive actor.

The Tiananmen Square incident in 1989 and the subsequent collapse of communism in Eastern Europe had a major impact on the thinking of the

3 See Chih Yuan Woon, 'China's Contingencies: Critical Geopolitics, Chinese Exceptionalism and the Uses of History', *Geopolitics* Vol. 23 Issue 1 (2018): 67-95.

4 John Fairbank, 'China's Foreign Policy in Historical Perspective', *Foreign Affairs* 47 (1969): 449-463.

5 Alastair Johnston, *Cultural Realism. Strategic Culture and Grand Strategy in Chinese History* (Princeton: Princeton University Press, 1995).

6 Huiyun Feng and Kai He, 'A dynamic strategic culture model and China's behaviour in the South China Sea', *Cambridge Review of International Affairs* (2019), DOI: 10.1080/09557571.2019.1642301.

7 For an analysis of cultural elements or "subcultures", see for instance David Haglund, 'What Can Strategic Culture Contribute to Our Understanding of Security Policies in the Asia-Pacific Region?', *Contemporary Security Policy* Vol 35 Issue 2 (2014): 310-328.

8 For a methodological discussion, see for instance Andrea Ghiselli, 'Revising China's Strategic Culture: Contemporary Cherry-Picking of Ancient Strategic Thought', *The China Quarterly* 233 (2018): 166-185 (p. 167).

9 Lutgard Lams, 'Examining Strategic Narratives in Chinese Official Discourse under Xi Jinping', *Journal of Chinese Political Science* 23 (2018): 387-411 (p. 393).

10 Ghiselli, 'Revising China's Strategic Culture', 170.

11 Winberg Chai, 'The Ideological Paradigm Shifts of China's World Views: From Marxism-Leninism-Maoism to the Pragmatism-Multilateralism of the Deng-Jiang-Hu Era', *Asian Affairs: An American Review*, Vol. 30 Issue 3 (2003): 163-175 (pp. 165-166).

12 Lucien Pye, 'An Introductory Profile: Deng Xiaoping and China's Political Culture', *The China Quarterly*, Special Issue: Deng Xiaoping: An Assessment (1993): 412-443 (p. 402).

CCP leadership. These events effectively led to the securitization of domestic governance.¹³

Western sanctions, caused by the Tiananmen Square incident, risked isolating China internationally. According to Deng's thinking, a withdrawal to a defensive position would have hampered economic growth. As a solution, the CCP misled the international community with assurances of China's liberal development.¹⁴ This resulted in a positive international reaction, a lifting of the sanctions, and to continued economic opening up under Jiang Zemin (1989–2002). Hence, under Jiang, Chinese international affairs thinking was characterized by "gearing with the world". This was done, however, without any internal ideas of political reform.

Aided by the triumphant experience, in the 1990s the Party became more successful at influencing foreign perceptions of China. By cultivating "foreign friends" in the West, corporations and businesspeople were able to influence Western politicians, and "[...] on occasion, to manipulate them".¹⁵ In fact, the positive developments under Jiang helped to ease internal Party concerns over economic dependency and Western ideological influence. Thus, under Hu Jintao (2002–2012), the foreign policy narrative of China's "peaceful rise" was devised. The idea was to assure the international community of China's soft power, peaceful rise, and a resultant harmonious world.¹⁶

The assertive worldview of Xi

Under Hu, however, the Chinese economy became more import-dependent. Thus, the CCP began developing power projection capabilities for the People's Liberation Army (PLA). The aim was to secure resource imports and hence regime preservation. To this end, nationalism was increasingly instrumentalized as leverage against Japan and the West. In fact, towards the end of Hu's term, Party

interest in the peaceful rise rhetoric lost traction, and was deemed insignificant for China's international image.¹⁷

When Xi Jinping took over in 2012, he built on the emerging assertive approach. While ideology had been downplayed previously, Xi reintroduced the orthodoxies of Maoism.¹⁸ Fearing that liberal influences would threaten Party legitimacy, Xi devised the political concepts of "the China dream" and "the three confidences", urging confidence in socialism, China's current path, the political system, as well as China's glorious future under the leadership of the CCP.¹⁹

In addition to building on the Communist ideology, Xi considers that Western liberalism provides for an alternative to the Chinese national culture and thus poses a threat to Party legitimacy. Here, the view of the Party is that it is the sole representative of the Chinese nation, and hence the defining agent of national culture. This produces narrow, victimized, and xenophobic nationalism, where anti-Western and anti-Japanese sentiments prevail. As a result, the Party has come to consider global competition a zero-sum struggle over political norms, and/or strategically presents it as such.²⁰

Under Xi, the CCP has put in place ideological restoration within the Party, while strategically emphasizing the world as biased against China. More than a genuinely held view, this is a rhetorical tool to legitimize the present one-Party system. An external threat effectively rallies support, especially since the rhetoric taps into post-colonial mentalities of Chinese popular understanding of history.

At the same time, as a discursive practice, it has come to represent a widely accepted view inside China's policy elite.²¹ Various elements of China's foreign policy, finance and trade, and security governance have been tasked with advancing

13 Yuhua Wang and Carl Minzer, 'The Rise of the Chinese Security State', *The China Quarterly* 222 (2015): 339-359.

14 Aaron Friedberg, 'Globalisation and Chinese Grand Strategy', *Survival* Vol. 60, Issue 1 (2018): 7-40 (pp. 14-16).

15 Friedberg, 'Globalisation and Chinese Grand Strategy', 19.

16 Ingrid d'Hooghe, *The Rise of China's Public Diplomacy*, Clingendael Diplomacy Paper 12 (The Hague: Netherlands Institute of International Relations Clingendael, 2007).

17 See Yongnian Zheng and Sow Keat Tok, 'Harmonious society' and 'harmonious world': China's policy discourse under Hu Jintao, Briefing Series 265 (China Policy Institute, University of Nottingham, 2007).

18 Shaun Breslin and Zhongqi Pan, 'A Xi change in policy?', *The British Journal of Politics and International Relations*, Vol. 23, Issue 2 (2021).

<https://doi.org/10.1177/13691481211992492>.

19 Suisheng Zhao, 'Xi Jinping's Maoist Revival', *Journal of Democracy*, Vol. 27, Issue 3 (2016): 83-98 (pp. 83-85).

20 William Callahan, 'Identity and Security in China: The Negative Soft Power of the China Dream', *Politics*, Vol. 35, Issues 3-4 (2015): 216-229 (pp. 223-225).

21 See Jukka Aukia, 'Struggling for Recognition? Strategic Disrespect in China's Pursuit of Soft Power', *East Asia* 36 (2019): 305-320.

nationalism as defined by the Party.²² Under Xi, ideologues and populists have in effect gained more influence in China's strategic thinking. Their populist national grievances may in fact reproduce the very national humiliation that they are supposed to resolve, limiting Chinese security decision-making.²³

CCP strategic language

If in the domestic discourse the confrontational take of the ideologues is clearer, benevolent but vague ideas presented to the international audience paint China as a responsible great actor.

International narrative

The main component in the CCP strategic narrative remains the idea of "one hundred years of humiliation". The perceived humiliation took place from the mid-1800s to the mid-1900s when China was under attack from Japan and the Western powers. According to Xi, China is one of the most powerful and peaceful countries in history, having never perpetrated aggression or colonialism.²⁴

On the contrary, the narrative claims that due to its peace-loving tradition, China has been able to win the trust of its neighbouring countries.²⁵ In the 17th century, only Western aggression and colonialism interrupted the East Asian *Pax Sinica*.²⁶ The narrative should "help" the international community to "understand" China.²⁷

That said, the Party appears to recognize an inherent contradiction in the narrative. The "understanding" of China undermines liberal norms and the current international normative order. Thus, the narrative explains China's pursuit of changing international norms with economic costs. Rather than individual rights, the CCP governance emphasizes collective well-being and

economic security. In the view of the Party, granting individuals and minorities rights limits the power of the state in its central mission to guide society to economic wellbeing.

Given that this underlines a normative difference between China and the liberal democracies, China runs the risk of violating international norms, and triggering financial penalties through sanctions.²⁸ As a result, the narrative portrays the CCP as the victim of international misunderstanding, not the perpetrator of human rights violations. Concurrently, Western democracies are seen to underline human rights only in the hypocritical context of dividing and weakening China.

Instead, the narrative casts China as a model state, superior to old-fashioned Western democracies. Thus, the narrative emphasizes the virtues of the CCP in lifting a record number of people out of poverty, while disregarding the self-inflicted nature of the Mao-era human catastrophes. In effect, the narrative stresses past humiliation and victimhood at the hands of the Japanese and Westerners. As a whole, the narrative functions as a counter-argument to the threat posed by liberal democracies to the authoritarian one-party governance.

Domestic discourse

Domestically, the humiliation narrative was promoted by the Party as a response to the 1989 Tiananmen Square events. At the time, the patriotic theme was reinforced to shift the focus away from domestic problems and towards the foreign Other.²⁹ This is still reflected in the current domestic discourse, which shows signs of Party motivation to challenge the current international system and the leading role of the US.³⁰

In a similar manner, the international narrative of a peaceful rise has been questioned inside China for some time. The view is that other countries,

22 Jean-Pierre Cabestan, 'China's Foreign- and Security-policy Decision-making Processes under Hu Jintao', *Journal of Current Chinese Affairs*, Vol. 38, Issue 3 (2009): 63–97.

23 See Christian Wirth, 'Emotions, international hierarchy, and the problem of solipsism in Sino-US South China Sea politics', *International Relations* Vol. 34, Issue 1 (2019): 25–45.

24 Xi Jinping, Speech at the College of Europe (2014), <http://www.chinamission.be/eng/jd/t1143591.htm>. Last accessed 26 May 2021.

25 Yu Bin, 'China's Harmonious World: Beyond Cultural Interpretations', in *China in Search of Harmonious Society*, edited by Guo Sujian and Guo Baogang (Lanham: Lexington Books 2008), 75–97.

26 Linus Hagström and Astrid Nordin, 'China's "Politics of Harmony" and the Quest for Soft Power in International Politics', *International Studies Review* 22 (2020): 507–525 (p. 512).

27 David Shambaugh, *China Goes Global: The Partial Power* (New York: Oxford University Press 2013), 11.

28 Yi Edward Yang, 'China's Strategic Narratives in Global Governance Reform under Xi Jinping', *Journal of Contemporary China* Vol. 30, Issue 128 (2021): 299–313 (p. 309).

29 Callahan, 'Identity and Security in China', 222–225.

30 Lams, 'Examining Strategic Narratives', 396.

particularly the US, are taking advantage of China's commitment to rise peacefully. In joining the World Trade Organization (WTO), for instance, the PLA was concerned about its negative impact on China's defensive industries.³¹ As a result, the peaceful rise narrative is seen as restricting China's use of hard power.³²

In the discourse, the West in general and the US in particular are painted as power-hungry and racist political systems.³³ As a result, the Othering of liberal democracies develops an enemy imaginary. Instead of harmonious win-win-speak, in the domestic discourse, China is often perceived as being threatened by 'Western cultural hegemony' (*xifang wenhua baquan*), the 'export of Western democracies' (*xifang minzhu shuchu*), and 'religious penetration' (*zongjiao shentou*).³⁴ Accordingly, globalization is often seen to proliferate 'foreign cultural hegemony' (*wailai wenhua baquan*), 'cultural colonialism' (*wenhua zhimin*), and 'general public Westernization' (*shehui dazhong xifang hua*).³⁵

In effect, the domestic discourse duly connects national security to culture. The securitized national culture has thus come to represent 'political cultural security' (*zhengzhi wenhua anquan*). This includes 'political values' (*zhengzhi jiazhi*) that need to be protected from foreign influence.³⁶ As a result, 'ideological security' (*yishi xingtai anquan*) has also come to be synonymous with 'political security' (*zhengzhi anquan*) in the discourse.

Hence, the domestic discourse highlights the need for Chinese cultural industries to protect domestic culture. This is often presented as being

'under attack by foreign cultures' (*zhongguo chuantong wenhua zai wailai wenhua chongji xia*), whereby US popular culture is seen as dominant, enabling the US to 'control the global cultural discourse' (*kongzhizhe quanqiu de wenhua huayu*).³⁷ The notion of 'cultural imperialism' (*wenhua diguozhuyi*) is used to express the fear that foreign culture may turn the Chinese towards American values (*meiguo de jiazhi guannian*). Thus, Chinese cultural industries are tasked with protecting China's national culture.³⁸

A related concept, and one often called for by Xi, is 'cultural confidence' (*wenhua zixin*). Here, the implication is that the Chinese nation has poor confidence in its current national culture and domestic politics, leaving room for contaminating foreign ideas such as democracy.³⁹ Since this poses an existential threat to the CCP, the PLA also promotes confidence in Chinese nationalism and national culture,⁴⁰ as defined and promoted by the Party.

Chinese exceptionalism

As a distinctive element of political thought, Chinese exceptionalism claims a unique past for China. In this view, China will also develop a unique future for itself and the world.⁴¹ What is more, Chinese exceptionalism has an ethnic dimension, which influences Chinese domestic and foreign policy thinking.

It was in fact Sun Yat-sen who first proposed a Chinese nation-race built on "common blood".⁴²

31 Ghiselli, 'Revising China's Strategic Culture', 176.

32 Jinghan Zeng, 'Is China committed to peaceful rise? Debating how to secure core interests in China', *International Politics* Vol. 54, Issue 4 (2017): 618–636 (pp. 620–621).

33 See e.g. People's Daily, 'Meiguo minzhong hai zai dengdai "zhongzhu gongzheng"' (Americans are still Waiting for "Racial Justice"), 2 February 2021, <http://cpc.people.com.cn/n1/2021/0202/c64387-32019580.html>. Last accessed 26 May 2021.

34 See e.g. Juan Su, 'Zhongguo yishi xingtai anquan mianlin de weixie yu zhanlue duice' (Threats to Chinese Ideology Security and Strategic Countermeasures), *Jiangnan shehui xueyuan xuebao* (Journal of Jiangnan Social University) Vol. 15, Issue 4 (2013): 10–15.

35 Xueli Wu, 'Quanqiu xing wenhua chuanbo zhong de wenhua shenfen' (Global transmission of cultural identity), *Shehui kexuejia*, (Social Scientist) 8 (2011): 111–114.

36 Yihe Pan, 'Dangqian guojia tixi zhong de wenhua anquan wenti' (Cultural Security issues in the Current National System), *Zhejiang daxue xuebao (renwen shehui kexue ban)* (Journal of Zhejiang University (Humanities and Social Sciences)) Vol. 35, Issue 2 (2005): 13–20.

37 Jigao Li, 'Lun quanqiu hua yu jing xia de wenhua zijue, wenhua zixin he wenhua ziqiang' (Globalization and Cultural Consciousness, Cultural Confidence and Cultural Self-improvement), *Bei daxue xuebao (zhexue shehui kexue ban)* (Journal of Northwest University (Philosophy and Social Sciences Edition)) Vol. 43 Issue 5 (2013): 166–170.

38 Wang, Suya, 'Qian tan quanqiu hua bei jing xia zhongguo yingshi ye de minzu wenhua baohu yu chuanbo' (Globalization of Chinese film and television industry, protection and dissemination of national culture), *Hubei hanshou daxue xuebao* (Journal of Hubei Correspondence University) Vol. 26, Issue 2 (2013): 169–170.

39 See e.g. Qiushi, 'Wei wenhua zixin tigong jianshi zhicheng' (Provide support for cultural confidence), 30 November 2020, http://www.qstheory.cn/dukan/qs/2020-11/30/c_1126799130.htm. Last accessed 26 May 2021.

40 See e.g. People's Liberation Army Daily, 'Cong youhuan yishi bawo xin fazhan linian' (The New Development Concept through Suffering), 1 April 2021, http://www.81.cn/fjfbmap/content/2021-03/31/content_286091.htm. Last accessed 26 May 2021.

41 William Callahan, 'Sino-speak: Chinese Exceptionalism and the Politics of History', *Journal of Asian Studies* Vol. 71, Issue 1 (2012): 33–55.

42 Frank Dikötter, 'Culture, "race", and nation: The formation of national identity in twentieth century China', *Journal of International Affairs* Vol. 49, Issue 2 (1996): 590–605.

While the CCP also regarded ethnic minorities as “backwards”, officially the Mao-era rhetoric resisted ethnic-based classifications.⁴³ This official position was influenced by Soviet thinkers, who regarded ethnic classifications merely as an unnecessary step on the way to socialism. Coming to the 1990s, the more inclusive ‘ethnic fusion’ (*minzu ronghe*) replaced the ‘inter-ethnic struggle’ (*minzu jiān de douzheng*) in the Party rhetoric.⁴⁴ As a result, the present-day CCP officially disputes ethnic hierarchies and paints a picture of a unified Chinese nation-state, including all 56 ethnicities.⁴⁵

In tandem with China’s “rise”, however, Chinese nationalism has regressed into overt ethnic nationalism. This form of popular nationalism is known as ‘Han-centrism’ (*hanbenwei zhuyi*), referring to the majority ethnic group. It builds on Confucianism and nativism but is less ideological and more Sino-centric.⁴⁶

Here, two interrelated developments are relevant. Firstly, Han nationalists have strengthened the position of the Han as the majority ethnic group. Their view is that having a multi-ethnic nation as an official priority has denigrated the Han identity.⁴⁷ The criticism is seldom directed at the Party, however. Han-Chinese frustration targets ethnic minorities themselves.⁴⁸ Secondly, as a result of Han-centrism becoming more popular, the CCP has had to conform to ethnic nationalism. In part, this has shifted the Party away from its earlier pragmatism and towards a more assertive direction.

Han-centrism effectively taps into the humiliation narrative. This enables the Party to gather domestic support when facing international

pressure.⁴⁹ Han nationalists also support Party and PLA hardliners, and push for a more aggressive approach against foreign and domestic threats.⁵⁰ As a result, Han-centrism supports the strategic Othering in the Party narrative and reasserts Chinese exceptionalism in China’s foreign policy.

The ethnic foundations of Chinese exceptionalism build a geopolitical construct that transcends China’s current territorial sovereignty.⁵¹ This race-based extraterritorial sovereignty has increasingly been implemented under Xi.⁵² The security implication is that Chinese state power, including interventions using ambiguous and coercive tactics, is seen to extend not only to Hong Kong, but also to Taiwan, the South China Sea islands, and overseas diaspora communities.

Indirect warfare in strategic thinking

In the military doctrine of the PLA, Sun Tzu’s *The Art of War* (*Bingfa*) is elevated to a special status. Since Xi has taken over, increased attention has been paid to Sun Tzu. While PLA researchers also study other Chinese military classics, the latter are criticized for their excessive attention to moral issues and overemphasis on the defensive posture as a result.⁵³

The Art of War contains ideas supporting indirect means of warfare. Imperatives such as ‘subdue the enemy without fighting’, ‘know oneself and the enemy’, and ‘seize the initiative to impose your own will on the enemy’ embrace approaches known in China as “indirect methods” (*qi*).⁵⁴ These include an effective intelligence-gathering system, as well

43 Margaret Maurer-Fazio and Reza Hasmath, ‘The Contemporary Ethnic Minority in China: An Introduction’, *Eurasian Geography and Economics*, Vol. 56 Issue 1 (2015): 1–7.

44 James Leibold, ‘Han cybernationalism and state territorialization in the People’s Republic of China’, *China Information*, Vol. 30, Issue 1 (2016): 3–28 (p. 6).

45 See e.g. Xianjun Wu, ‘Zai wenhua jiaowang zhong zengqiang wenhua zixin – jiyu ha bei ma si jiaowang xingwei lilun shijiao’ (Boosting Cultural Confidence with Cultural Communication – Based on the Perspective of Habermas’s Communicative Action Theory), *Hunan gongcheng xueyuan xuebao* (Journal of Hunan Institute of Engineering) Vol. 24 Issue 2 (2014): 77–80.

46 Ming-yan Lai, *Nativism and Modernity: Cultural Contestations in China and Taiwan under Global Capitalism* (Albany: State University of New York Press, 2008).

47 Yi Wang, ‘Contesting the past on the Chinese Internet: Han-centrism and mnemonic practices’, *Memory Studies* (2019), doi:10.1177/1750698019875996.

48 Reza Hasmath and Solomon Kay-Reid, *The Operations of Contemporary Han Chinese Privilege*, Working Paper (2021), 6.

49 John Friend and Bradley Thayer, ‘The Rise of Han-Centrism and What It Means for International Politics’, *Studies in Ethnicity and Nationalism*, Vol. 17, Issue 1 (2017): 91–114 (pp. 105–107).

50 John Friend and Bradley Thayer, *How China Sees the World: Han-Centrism and the Balance of Power in International Politics* (Potomac Books 2018).

51 Ruben Gonzalez-Vicente, ‘The Empire Strikes Back? China’s New Racial Sovereignty’, *Political Geography* 59 (2016): 139–41 (p. 140).

52 James Leibold, ‘Beyond Xinjiang: Xi Jinping’s Ethnic Crackdown’, *The Diplomat*, 1 May 2021.

53 Ghiselli, ‘Revising China’s Strategic Culture’, 173.

54 For a discussion on *qi*, see also Friend and Thayer, *How China Sees the World*.

as the deployment of non-military means to target military as well as civilian targets.⁵⁵

In general, classical Chinese strategic thinking emphasizes the psychological condition of not only the opponent, but also oneself.⁵⁶ In the view of the Party, for instance, China provides the world with a better system of governance than liberal democracies. This view is in line with the Han-centric assumption of Chinese innate superiority. Concurrently, due to the increasing influence of *The Art of War*, Han-centrism leads to a perception whereby the Chinese appear more cunning than their adversaries. This again leads to a culture that favours manipulative, indirect, and asymmetric surprise strategies.⁵⁷

What is more, the CCP projects this assumption onto its adversaries. Thus, according to the CCP's perception, hostile actors are trying to overthrow the Party. Concurrently, their ideological impact on ethnic Han Chinese must be pre-emptively mitigated.⁵⁸ Xi himself often illustrates this point in stating that the Party's governance must be secured from internal and external threats through a "holistic" and "non-traditional" national security that "combats all acts of infiltration, subversion, and sabotage".⁵⁹

These assumptions are consistent with Party behaviour. Inside the Party-state, Xi has replaced a prior incentive-based system with a system based on fear.⁶⁰ The underlying thinking has been that when communism as an ideology retreats, the security state has to rely on coercion rather than ideology alone.⁶¹ This behaviour can be observed in Hong Kong for instance. Following the strategic preferences of indirect and manipulative action, both central and local state authorities employ proxies to carry out coercive actions. This distances the Party from moral and legal responsibility,

while achieving control by provoking the least resistance.

For this reason, in China, Party officials often hire criminals to repress and coerce citizens.⁶² Softer tactics rely on family-related repression using emotional blackmail and feelings of affinity and guilt.⁶³ This approach has been extended internationally. A 'three warfares' (*san zhan*) strategy was officially adopted by the Central Military Commission (CMC) in 2003.⁶⁴ This is a tool used by the PLA to project influence abroad through 'legal warfare' (*falu zhan*), 'public opinion warfare' (*yulun zhan*), and 'psychological warfare' (*xinli zhan*).⁶⁵ According to reports, Chinese strategists also increasingly follow Russian military doctrine on hybrid and asymmetric warfare.⁶⁶

Conclusion

Taken together, the various elements inform a strategic culture that contains cultural inferiority and superiority, and a Leninist understanding of state-society relations. From the perspective of Chinese exceptionalism, China is superior, while other actors, to varying degrees, are inferior. The one hundred years of humiliation narrative produces grievances that further add to the elements of mythmaking in Chinese strategic thinking.

The Mao era witnessed a need to undermine alternative centres of social influence and political power that were perceived to challenge the Party. This mentality can be seen as a precursor of present policies both domestically and internationally. This thinking justifies the undermining of all credible or imagined threats to Party legitimacy.

The strategic orientation of the CCP thus defines a constant state of conflict between China and liberal democracies. The parabellum culture

55 Ghiselli, 'Revising China's Strategic Culture', 175–177.

56 Johnston, *Cultural Realism*.

57 See Friend and Thayer, *How China Sees the World*.

58 Toshi Yoshihara, 'A profile of China's United Front Work Department', Center for Strategic and Budgetary Assessments, May 2018, 46–48.

59 E.g. Documents of the 19th National Congress of the Communist Party of China (Beijing: Foreign Languages Press), 29, 61.

60 Jonathan Tepperman, 'China's Great Leap Backward', *Foreign Policy*, 15 October 2018. foreignpolicy.com/2018/10/15/chinas-great-leap-backward-xi-jinping. Last accessed 26 May 2021.

61 Joshua Kurlantzick, 'The Dragon Still Has Teeth. How the West Winks at Chinese Repression', *World Policy Journal*, Spring (2003): 49–58.

62 Lynette Ong, 'Thugs and Outsourcing of State Repression in China', *The China Journal* 80 (2018): 94–110.

63 Yanhua Deng and Kevin O'Brien, 'Relational repression in China: Using social ties to demobilize protesters', *The China Quarterly* 215 (2013): 533–552 (pp. 534–540).

64 Michael Clarke, 'China's Application of the "Three Warfares" in the South China Sea and Xinjiang', *Orbis*, Vol. 63 Issue 2 (2019): 187–208.

65 Gill Bates and Benjamin Schreer, 'Countering China's "United Front"', *The Washington Quarterly*, Vol. 41, Issue 2 (2018): 155–170.

66 Ghiselli, 'Revising China's Strategic Culture', 177.

can also be explained by rational mitigation of the risks of economic opening up. However, while the CCP paints a picture of China as a benevolent actor, the various elements in the strategic think-

ing coalesce into a culture of rivalry. This justifies emphasizing pre-emptive strategies, as well as asymmetric and indirect approaches, including the use of NSAs.

China's domestic framework

The key characteristic of state governance in China is the overlapping structure of the Party and the state. This parallel structure is known as 'one organization, two brands' (*yige jigou liangkuai paizi*). It creates a complex and symbiotic relationship between the Party and the state, influencing state-society relations.⁶⁷

Overall, the 2013-launched Belt and Road Initiative (BRI) has been compared with China's 'going out' strategy of the 1990s.⁶⁸ Both have influenced the internationalization of the Chinese non-state sector. In addition to the BRI, this section explores key social, political, and legal developments in China that give the Party control over NSA objectives, decision-making, and actions. In this regard, this section discusses the importance of the united front approach, related key legislative events, and the Party's overall relations with civil society.

The Party and civil society

While prior to the founding of the People's Republic of China, civil society was recruited to fight against the Japanese and the nationalists, after 1949, the Party put repressive regulations in place. For civil organizations, official recognition could only be gained in the service of the Party.⁶⁹ While some civil organizations were co-opted to penetrate society, independent civil society effectively

ceased to exist.⁷⁰ Given that the socialist political order does not leave any room for independent actors outside of the system, the early utilization of civil society by the Party has relevance as a precursor to the later use of NSAs.

The market reform era witnessed the CCP briefly diminishing its role vis-à-vis civil society.⁷¹ During this time, security services targeted less openly perceived threats to Party rule. The strategy for repressing civil society was thus subtle and ambiguous.⁷² The Tiananmen Square events in 1989 caused a shift away from liberal tendencies. In order to restore political authority, the Party aimed at maximizing influence over civil society. This included adopting issue expertise from NGOs and economic strategies from corporations.⁷³

Another key development took place with Xi taking over. Increasingly, the CCP has considered civil society a threat to regime preservation, thus developing sophisticated and indirect regulatory tools, including negative incentives.⁷⁴ At the same time, political power has been directed from the state to the Party, whereby the loyalty of officials is emphasized more than professional performance.⁷⁵ In effect, under Xi, political control has become more centralized, in both Party-state and state-civil society contexts.⁷⁶

While the Party argues that a separation between the state and civil society is taking place,

67 Taotao Zhao and James Leibold, 'Ethnic Governance under Xi Jinping: The Centrality of the United Work Department & Its Implications', *Journal of Contemporary China*, Vol. 29, Issue 124 (2020): 487–502.

68 Jean-Pierre Cabestan, 'Beijing's 'Going Out' Strategy and Belt and Road Initiative in the Sahel: The Case of China's Growing Presence in Niger', *Journal of Contemporary China*, Vol. 28, Issue 118 (2018): 592–613.

69 Anthony Spires, Lin Tao, and Kin-Man Chan, 'Societal support for China's grass-roots NGOs: Evidence from Yunnan, Guangdong and Beijing', *The China Journal* 71 (2014): 65–90.

70 Hee-Jin Han, 'Legal governance of NGOs in China under Xi Jinping: Reinforcing divide and rule', *Asian Journal of Political Science*, Vol. 26, Issue 3 (2018): 390–409 (p. 391).

71 Yongjia Yang, Mick Wilkinson, and Xiongxiang Zhang, 'Beyond the abolition of dual administration: The challenges to NGO governance in 21st century China', *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, Vol. 27, Issue 5 (2016): 2292–2310 (p. 2299).

72 Joshua Kurlantzick, 'The Dragon Still Has Teeth'.

73 Lay Lee Tang, 'Rethinking power and rights-promoting NGOs in China', *Journal of Asian Public Policy*, Vol. 5, Issue 3 (2012): 343–351 (pp. 347–350).

74 Jessica Teets, 'Let many civil societies bloom: The rise of consultative authoritarianism in China', *The China Quarterly* 213 (2013): 19–38.

75 Gunter Schubert and Björn Alpermann, 'Studying the Chinese policy process in the era of "top-level design": The contribution of "political steering" theory', *Journal of Chinese Political Science*, Vol. 2, Issue 24 (2019): 199–224.

76 Carl Minzner, *End of an era: How China's authoritarian revival is undermining its rise* (Oxford: Oxford University Press, 2018).

under Xi, Party control has been reasserted.⁷⁷ The Party has actively sought to “enter, grow from within, influence, and work through social organizations [...]”.⁷⁸ At the same time, the importance of the state recognizing civil society organizations as legitimate has increased. Without official recognition by the state, the Party cannot build influence through social organizations.⁷⁹

The united front strategy

Stemming from the CCP’s domestic legacy, what is known as the ‘united front’ (*tongyi zhanxian*) is a central component of Party influence. The united front is at the same time part of Party ideology, a structural element of bureaucracy, and a key tactic for gaining influence at home and abroad.

The notion of a united front was adopted from Lenin (unite with lesser enemies to defeat greater ones) by the Party in the 1920s. In practice, it was first implemented in China during the Second Sino-Japanese War (1937–1945) in order to recruit civil society to the common anti-Japanese cause.

In the market reform era, united front work supported economic development. Key private sector people, mostly from the diaspora, were invited to invest in China.⁸⁰ While under Hu and Jiang, the united front work was mainly domestic, under Xi it has been developed into an overseas activity. In effect, the united front work has

become more active, and has gained in position and resources.⁸¹

The united front work has been called a guiding strategy, a political priority, and an important secret weapon of the Party to consolidate power.⁸² This has also been affirmed by Xi.⁸³ Due to successful experiences on the domestic scene, the united front tactics have since been carried over to present-day international influence work.⁸⁴

United front work is institutionalized under the Chinese People’s Political Consultative Conference (CPPCC). At the operational level, united front activities are coordinated by the United Front Work Department (UFWD).⁸⁵ The work is carried out by various Party and state organs, including the CCP Propaganda Department, the CCP International Liaison Department, and the State Council Overseas Chinese Affairs Office.⁸⁶

Led by the UFWD, the united front is a coalition of these entities. All related activities are defined as united front work. The notion extends to the wider political influence activities of China that guide, buy, or coerce abroad.⁸⁷ The united front also promotes and protects the Party’s image through monitoring and suppressing criticism,⁸⁸ and seeks to gain political and social support, as well as eliminate and manipulate opponents.⁸⁹

Through the united front, the communist programme is also expressed in nationalist terms, seeking to equate Chinese nationalism with the Party.⁹⁰ United front tactics thus identify and

77 Yongdong Shen, Jianxing Yu and Jun Zhou, ‘The Administration’s Retreat and the Party’s Advance in the New Era of Xi Jinping: the Politics of the Ruling Party, the Government, and Associations in China’, *Journal of Chinese Political Science* 25 (2020): 71–88.

78 Holly Snape and Weinan Wang, ‘Finding a place for the Party: debunking the “party-state” and rethinking the state-society relationship in China’s one-party system’, *Journal of Chinese Governance*, Vol. 5, Issue 4 (2020): 477–502 (p. 492).

79 Snape and Wang, ‘Finding a place for the Party’, 493.

80 Alex Joske, ‘The party speaks for you. Foreign interference and the Chinese Communist Party’s united front system’, Australian Strategic Policy Institute, Policy Brief 32 (2020), 5.

81 Gerry Groot, ‘The Expansion of the United Front Under Xi Jinping’, in *China Yearbook 2015*, eds. Gloria Davies et al., (Canberra: Australian National University Press, 2016), 168–177.

82 ‘Zhongguo gongchandang tongyi zhanxian gongzuo tiaoli (shixing)’ [‘Regulations (trial) for the CCP’s united front work’], Renmin Ribao, September 23 2015, <http://cpc.people.com.cn/n/2015/0923/c64107-27622040.html>. Last accessed 27 May 2021.

83 Xi Jinping, ‘Gonggu fazhan guangfande aiguo tongyi zhanxian’ (Consolidate the development of extensive patriotic united front), Xinhua, 20 May 2015, http://www.xinhuanet.com/politics/2015-05/20/c_1115351358.htm. Last accessed 27 May 2021.

84 Alexander Bowe, *China’s Overseas United Front Work. Background and Implications for the United States*. U.S.-China Economic and Security Review Commission, 24 August 2018.

85 Takashi Suzuki, ‘China’s United Front Work in the Xi Jinping era – institutional developments and activities’, *Journal of Contemporary East Asia Studies*, Vol. 8, Issue 1 (2019): 83–98.

86 Bowe, *China’s Overseas United Front Work*.

87 Anne-Marie Brady, *Magic Weapons: China’s Political Influence Activities under Xi Jinping* (Washington, D.C.: Woodrow Wilson Center, 2017); Gerry Groot, ‘The Expansion of the United Front Under Xi Jinping’, in *China Yearbook 2015*, eds. Gloria Davies et al. (Canberra: Australian National University Press), 168–177.

88 Gill Bates and Benjamin Schreer, ‘Countering China’s “United Front”’, *The Washington Quarterly* Vol. 41, Issue 2 (2018): 155–170 (p. 157).

89 Laura De Giorgi, ‘United Front’, in *Afterlives of the Chinese Communism: Political Concepts from Mao to Xi*, eds. Christian Sorace, Ivan Franceschini, and Nicholas Lougere (Acton: ANU Press 2019), 303–308 (p. 303).

90 Lyman Van Slyke, ‘The United Front in China’, *The Journal of Contemporary History*, Vol. 5, Issue 3 (1970): 119–135 (p. 126).

designate patriots that are willing to work for and promote the Party cause.⁹¹ The bureaucracy compiles person databases and talent banks of promising individuals.⁹²

The CCP now considers the united front to include:

- Members of China's other political parties
- Non-Party public figures/intellectuals
- Influential members of national minorities/religious leaders
- Businesspeople/private entrepreneurs/important members of new social strata
- Students abroad/returned students
- Citizens of Hong Kong/Macao/Taiwan and their relatives in Mainland China
- Chinese people living overseas/returned from overseas
- All other necessary individuals⁹³

In addition, Xi has specifically named opinion leaders in IT and new media as important targets of united front work.⁹⁴ The interest underlines the importance of new technologies for the Chinese security state. The united front tactics aim at mobilizing, manipulating and exploiting emotional and ideological sympathies for China. Financial incentives can also be provided. The growing relevance of the overseas agenda is evident through an increasing number of UFWD personnel in Chinese embassies.⁹⁵

Often, the united front work is covert or deceptive.⁹⁶ United front tactics include threats, intimidation, and bribery through proxy NSAs. Proxies facilitate illegal actions while maintaining a distance between the state and agents of enforcement. Most notably, these tactics have been used

in Hong Kong, Macao and Taiwan. Party control has been reinforced by seeking cooperation from social elites and by isolating potential adversaries.⁹⁷ The aim is to suppress independence movements, undermine local identity, and seek support for China's political system. The intimidation and apprehension of individuals who promote views hostile to the CCP agenda is also common.⁹⁸ Proxy NSAs are cultivated through an extensive network of alliances, utilizing elite resources and outsourced coercive actions. As a result, the united front apparatus forms an "ecology" for strengthening Party authority.⁹⁹

Previous reports, while few in number, have identified various general categories of non-state actors. In creating hybrid threats, the importance of criminal organizations, media/social media, and cyber tools as state proxies has been highlighted. In addition, the ability to influence critical infrastructure sectors through market entry using proxy financial actors has been noted.¹⁰⁰ In light of this, below are discussed developments in those specific domestic sectors that have come to support proxy NSAs in China.

State-controlled economy after 1995

In 1995, an enterprise reform was put in place in China. Informally called 'grasp the big and release the small' (*zhuada fangxiao*), it included the simultaneous privatization of small and medium-sized companies, and the formation of large corporate business groups (*qiye jituan*) from government entities. The latter duly developed into state-owned enterprises (SOE).¹⁰¹

In 2003, the State-Owned Assets Supervision and Administration Commission (SASAC) (*guoyou*

91 Edmund Cheng, 'United Front Work and Mechanisms of Countermobilization in Hong Kong', *The China Journal* 83 (2020): 1–32 (pp. 6–7).

92 John Dotson, 'The CCP's New Directives for United Front Work in Private Enterprises', *China Brief* Vol. 20, Issue 17 (2020): 1–6.

93 Suzuki, 'China's United Front Work'; De Giorgi, 'United Front'.

94 See Dongqin Wang, 'Xi Jinping tongzhi guanyu tongyi zhanxian de zhongyao jianghua jingshen ji qi shidai jiazhi' (On the spirit and present-day significance of comrade Xi Jinping's important speech on the united front), *Zhongyang shehui zhuyi xueyuan xuebao* (Journal of the Central Institute of Socialism), 4 (2016): 35–39.

95 Bowe, *China's Overseas United Front Work*.

96 Joske, 'The party speaks for you'.

97 De Giorgi, 'United Front', 305.

98 See James Kynge et al., 'Inside China's Secret 'Magic Weapon' for Worldwide Influence', *Financial Times*, 26 October 2017, <https://www.ft.com/content/fb2b3934-b004-11e7-beba-5521c713abf4>. Last accessed 2 June 2021.

99 Wai-man Lam and Kay Chi-yan Lam, 'China's United Front Work in Civil Society: The Case of Hong Kong', *International Journal of China Studies*, Vol. 4, Issue 3 (2013): 301–325; Edmund Cheng, 'United Front Work and Mechanisms of Countermobilization in Hong Kong', *The China Journal* 83 (2019): 1–33; Samson Yuen, 'Native-Place Networks and Political Mobilization: The Case of Post-Handover Hong Kong', *Modern China* (2020): 1–30.

100 See Magnus Normark, 'How states use non-state actors: A modus operandi for covert state subversion and malign networks', *Hybrid CoE Strategic Analysis* 15, 12 April 2019, <https://www.hybridcoe.fi/publications/hybrid-coe-strategic-analysis-15-how-states-use-non-state-actors-a-modus-operandi-for-covert-state-subversion-and-malign-networks/>. Last accessed 2 June 2021.

101 Arthur Kroeber, *China's economy: what everyone needs to know* (New York: Oxford University Press, 2016).

zichan jiandu guanli weiyuanhui) was established. The purpose of SASAC is to oversee SOEs by holding them accountable for financial targets. While under Hu state-owned economic actors gained relative independence, under Xi, the CCP has again reasserted Party control.¹⁰² In SASAC-owned SOEs, control is maintained through top management appointments.¹⁰³

Since 2003, the importance of SOEs for the Party has been continuously stressed. In 2016, Xi himself declared that “Party leadership and building the role of the Party are ‘the root and soul’ for SOEs.”¹⁰⁴ More recently, Xinhua News Agency reported that the coordination mechanism for administrative data sharing would be optimized, and the ideological and political work of the SOEs enhanced and improved.¹⁰⁵

In 2020, the CCP Central Committee Office published new guidelines concerning united front work in the economy, increasing the control of both SOEs and private companies.¹⁰⁶ In accordance with the rest of the united front work, the new regulations place Party representatives above boards of directors in decision-making in SOEs.¹⁰⁷ Moreover, the Party has recently dissolved many so-called private clubs of influential businesspeople in seeking to “guide” and bring the private sector under Party control.¹⁰⁸ In addition to SOEs, privately owned large and medium-sized companies have internal Party cells.¹⁰⁹ Under Xi, the CCP has also strengthened the Party’s presence in Chinese joint ven-

tures with foreign companies, which are required by law to set up Party units.¹¹⁰

Hence, Party control should be regarded as an inseparable part not only of the Chinese state-related corporate governance structure, but also of the private sector. Moreover, China’s geostrategic and foreign policy agenda are furthered through the BRI and state-led development banking. Various conditions in contracts with Chinese development banks potentially allow for influencing debtors’ domestic and foreign policies.¹¹¹ In addition to the Taiwan issue and the One-China policy, other aims include the internationalization of China’s development-finance model.¹¹²

The parabellum mentality of the CCP is well illustrated in its approach to the economy. By adopting a “Leninist-mercantilist” approach, the Party places economic relations under a zero-sum calculus. In the view of the CCP, the pursuit of economic wealth is connected to the pursuit of political power.¹¹³

Media “going out” policies since 2009

The engineering of public perception is important for the CCP, not least because the Party is in a contest for the dominant interpretation of social reality.¹¹⁴ Assigning blame to the Western-dominated structure of the information flow, an increasingly dominant view within the CCP is that the international media stereotypes China as a negative oriental country. In 2009, this perception led to a media

102 Wendy Leutert, ‘Firm Control: Governing the State-owned Economy Under Xi Jinping’, *China Perspectives* 1–2 (2018): 27–36.

103 See Xinhua, ‘Economic Watch: China’s central SOEs report rising profits in 2020 amid reforms’, 19 January 2021, http://www.xinhuanet.com/english/2021-01/19/c_139680500.htm. Last accessed 27 May 2021.

104 See China Daily, ‘Xi stresses CPC leadership of state-owned enterprises’, 12 October 2016, https://www.chinadaily.com.cn/china/2016-10/12/content_27035822.htm. Last accessed 27 May 2021.

105 Xinhua, ‘Xi stresses making greater breakthroughs in reform at new development stage’, 31 December 2020, http://www.xinhuanet.com/english/2020-12/31/c_139630830.htm. Last accessed 27 May 2021.

106 John Dotson, ‘The CCP’s New Directives for United Front Work in Private Enterprises’, *China Brief*, 28 September 2020.

107 See Orange Wang and Zhou Xin, ‘China cements Communist Party’s role at top of its SOEs, should “execute the will of the party”’, *South China Morning Post*, 8 January 2020, <https://www.scmp.com/economy/china-economy/article/3045053/china-cements-communist-partys-role-top-its-soes-should>. Last accessed 27 May 2021.

108 See William Zheng, ‘Sun sets on China’s billionaire Taishan Club as Communist Party takes care of business’, *South China Morning Post*, February 2021, <https://www.scmp.com/news/china/politics/article/3121647/sun-sets-chinas-billionaire-taishan-club-communist-party-takes>. Last accessed 27 May 2021.

109 Zhang Lin, ‘Chinese Communist Party needs to curtail its presence in private businesses’, *South China Morning Post*, 25 November 2018, <https://www.scmp.com/economy/china-economy/article/2174811/chinese-communist-party-needs-curtail-its-presence-private>. Last accessed 27 May 2021.

110 Michael Martina, ‘In China, the Party’s push for influence inside foreign firms stirs fears’, *Reuters*, 24 August 2017, <https://www.reuters.com/article/us-china-congress-companies-idUSKCN1B40JU>. Last accessed 27 May 2021.

111 See Anna Gelpern, Sebastian Horn, Scott Morris, Brad Parks, and Christoph Trebesch, *How China Lends: A Rare Look into 100 Debt Contracts with Foreign Governments*, Peterson Institute for International Economics, Kiel Institute for the World Economy, Center for Global Development, and AidData at William & Mary (2021).

112 Muyahn Chen, ‘Beyond Donation: China’s Policy Banks and the Reshaping of Development Finance’, *Studies in Comparative International Development* 55 (2020): 436–459.

113 Charles Boustany Jr and Aaron Friedberg, ‘Answering China’s Economic Challenge: Preserving Power, Enhancing Prosperity’, National Bureau of Asian Research, Special Report no. 76, 20 February 2019, 79.

114 Yuezhi Zhao, *Communication in China: Political Economy, Power and Conflict* (Lanham: Rowman and Littlefield 2008); see also Lams, ‘Examining Strategic Narratives’, 399.

“going out” policy initiative aimed at building up China’s global voice.

With an estimated budget of 6 billion US dollars, the capabilities of Chinese media conglomerates were expanded.¹¹⁵ At the same time, CCP control over China’s international media was strengthened. The regulatory tasks of the State Administration of Press, Publication, Radio, Film and Television were transferred to the Party Propaganda Department.¹¹⁶ After Xi stated in 2013 that politicians should run newspapers,¹¹⁷ the Chinese media have been required to attend ideological training, including a Marxist understanding of journalism and Party slogans.¹¹⁸

In 2017, a massive government reorganization further strengthened the united front work, impacting China’s influence operations abroad.¹¹⁹ Under CCP supervision, Party propaganda and media networks were reinforced, and new well-resourced international media platforms were established, such as the China Global Television Network (CGTN). As a result, China’s international outreach has become more effective and more aligned with the CCP agenda.¹²⁰

The media “going out” policy has also faced internal criticism, however. According to Chinese media experts, foreign audiences are able to recognize state news as propaganda. Thus, starting in 2014, emphasis was placed on influence through mergers and acquisitions in the media sector.¹²¹ Since then, media-related united front tactics have increasingly worked through third-party proxies. This involves acquired international media: Chinese companies have either purchased or set up joint media ventures in several countries, including

Europe, Asia-Pacific, Africa, and the Middle East. Some companies have direct links to the state, while others act as proxies.¹²²

A recent Chinese Academy of Social Sciences publication effectively summarizes the current Party approach. It suggests tactics in preparation for a coming ‘media war’ (*yulun zhan*) with the West, ranging from 24-hour foreign press monitoring and strengthening of social media propaganda to the cultivation of China-friendly experts in the West.¹²³

The 2016 NGO reforms

If NGOs were previously considered a mere challenge to social harmony, under Xi, they have increasingly become an issue of national security. NGOs currently represent ideological and practical threats to political stability, and hence to regime preservation.¹²⁴

In 2016 new regulations were introduced regarding domestic and international NGOs. The *Overseas NGO Law* restricted the operation of international NGOs, while the so-called *Charity Law* streamlined and restricted the functioning of domestic NGOs.¹²⁵ Importantly, domestic NGOs were henceforth required by law to establish Party branches and not to endanger “national security” or “social morality”.¹²⁶ It is also compulsory for NGOs to disclose annual work plans, budgets, and staff information. While increasingly repressive, the 2016 law reform does include some NGOs in the administration. These officially recognized NGOs are, however, required to assist in enhancing governance capacity and thus Party legitimacy.¹²⁷

115 Zhengrong Hu and Deqiang Ji, ‘Ambiguities in communicating with the world: the “Going-out” policy of China’s media and its multilayered contexts’, *Chinese Journal of Communication*, Vol. 5, Issue 1 (2012): 32–37 (pp. 32–33).

116 Gill and Schreer, ‘Countering China’s “United Front”’, 159.

117 Quoted in Zhao, ‘Xi Jinping’s Maoist Revival’, 87.

118 Zhao, ‘Xi Jinping’s Maoist Revival’, 87.

119 Gerry Groot, ‘The Expansion of the United Front Under Xi Jinping’, in *China Yearbook 2015*, eds. Gloria Davies et al. (Canberra: Australian National University Press 2016), 168–177.

120 Gill and Schreer, ‘Countering China’s “United Front”’, 159.

121 Anne-Marie Brady, ‘Plus ça change?: Media Control Under Xi Jinping’, *Problems of Post-Communism*, Vol. 64, Issue 3/4 (2017): 128–140.

122 See International Federation of Journalists, *The China Story: Reshaping the World’s Media*, June 2020, https://www.ifj.org/fileadmin/user_upload/IFJ_Report_2020_-_The_China_Story.pdf. Last accessed 27 May 2021.

123 See Yeqin Lin, ‘Zhuoli tisheng yinying waibu dui hua yulun gongji nengli’ (Improving responses to external attacks on China), *Zhongguo shehui kexue bao* (Chinese Social Sciences Today), 2020, http://www.cssn.cn/zk/wjyya/202004/t20200424_5118468.shtml?COLLCC=1174146207&. Last accessed 27 May 2021.

124 Diana Fu and Greg Distelhorst, ‘Grassroots participation and repression under Hu Jintao and Xi Jinping’, *The China Journal*, Vol. 79, Issue 1 (2018): 100–122.

125 Carolyn Hsu, ‘How the ideology of “quality” protects civil society in Xi Jinping’s China’, *China Information*, Vol. 35, Issue 1 (2021): 25–45.

126 Hui Li, Carlos Lo, and Shui-Yan Tang, ‘Nonprofit policy advocacy under authoritarianism’, *Public Administration Review*, Vol. 77, Issue 1 (2017): 103–117.

127 Heejin Han, ‘Legal governance of NGOs in China under Xi Jinping: Reinforcing divide and rule’, *Asian Journal of Political Science*, Vol. 26, Issue 3 (2018): 390–409 (pp. 392–396).

Under Xi, so-called government-organized non-governmental organizations (GONGO) have become an important strategic tool. GONGOs play an increasingly significant role in China's overseas development activities. The control mechanisms are not limited to funding, and the interests of GONGOs are often administratively aligned with those of the Party.¹²⁸ GONGOs are also used as proxies for policy experimentation. When experiments go well, GONGOs are a credit to the state. In the event of failure, they provide distance from criticism.¹²⁹ In addition to NGOs and GONGOs, under Xi, the CCP has also tightened control over business associations. By law, these are required to have Party branches and to follow Party ideology.¹³⁰

National Intelligence Law of 2017

The National Intelligence Law of 2017 imposes a legal obligation for Chinese individuals and organizations to act as citizen spies in the name of national security.¹³¹ According to Chinese officials,¹³² not only citizens, but all social groups, enterprises and institutions have the obligation to prevent and stop espionage, and to maintain national security. In cooperation with the national security agencies, all civil organizations should educate, mobilize, and organize their personnel to prevent espionage activities.¹³³

This vague wording has raised questions as to whether the law is for defensive or offensive national security purposes.¹³⁴ At the very least, the law co-opts NSAs to the national security cause. Furthermore, the responsibility for maintaining national security is not limited to China's geographical borders. Thus, the law has raised concerns that

Chinese companies and individuals are required by law to act as state proxies internationally as well.¹³⁵ The 2017 law strengthens the key component of the united front work: the recruiting of individuals from the non-state sector.

Conclusion

Under Xi, the political control of the Party has advanced in all non-state, non-party organizations. The CCP has effectively developed capacities to direct the non-state sector to support regime preservation. Constant interactions, and manipulative and coercive tactics, produce dynamic interrelationships between the Party and the non-state sector.

The so-called military-civil fusion provides for an interesting aspect in the Party and non-state sector relations. It aims at transferring key technologies to the PLA and, according to reports, these efforts under Xi are increasingly ambitious relative to his predecessors.¹³⁶

As Chinese social and business organizations internationalize (encouraged by the BRI), the blurring of state and non-state sectors could continue and extend beyond China's borders. The practices created inside China duly have an international impact. They guide the way Chinese entities behave for internal reasons and dictate the kinds of interactions they engage in with foreign actors.

The united front strategy effectively informs China's hybrid threat activities, and united front structures are the framework through which these activities are carried out. Consequently, understanding them is vital when considering counter-measures.

128 Reza Hasmath and Jennifer Hsu, 'Rethinking Global Civil Society in an Era of Rising China', *China Review*, Vol. 21, Issue 3 (2021): 1–19 (p. 6).

129 Reza Hasmath, Timothy Hildebrandt, and Jennifer Hsu, 'Conceptualizing government-organized non-governmental organizations', *Journal of Civil Society*, Vol. 15, Issue 3 (2019): 267–284 (p. 271).

130 Yongdong Shen, Jiangxing Yu, and Jun Zhou, 'The Administration's Retreat and the Party's Advance in the New Era of Xi Jinping: the Politics of the Ruling Party, the Government, and Associations in China', *Journal of Chinese Political Science* 25 (2020): 71–88 (pp. 80–81).

131 See Oxford Analytica, 'China's new intelligence law codifies espionage', Expert Briefings 2017, <https://doi.org/10.1108/OXAN-DB223908>.

132 Wang Aili, Director-General of the Office of Criminal Laws of the Legislative Affairs Commission of NPC Standing Committee. See National People's Congress, 'Shenru guanche shishi "fan jian die fa" tigao fan jian die anquan fangfan fazhi hua shuiping' (In-depth implementation of the "Anti-espionage Law" to improve rule of law for anti-espionage security prevention), 1 November 2019, <http://www.npc.gov.cn/npc/c30834/201911/8a6ef46fe177453e9b6e-373f5bc557d0.shtml>. Last accessed 2 June 2021.

133 See Fazhi Ribao (Legal Daily), 'Shenru guanche shishi "fan jian die fa" tigao fan jian die anquan fangfan fazhi hua shuiping' (Implementation of the "Anti-espionage Law" to improve rule of law for anti-espionage security prevention), 1 November 2019.

134 See Bonnie Girard, 'The Real Danger of China's National Intelligence Law', *The Diplomat*, 23 February 2017, <https://thediplomat.com/2019/02/the-real-danger-of-chinas-national-intelligence-law/>. Last accessed 2 June 2021.

135 See Samantha Hoffman and Elsa Kania, 'Huawei and the ambiguity of China's intelligence and counter-espionage laws', *The Strategist*, 13 September 2018, <https://www.aspistrategist.org.au/huawei-and-the-ambiguity-of-chinas-intelligence-and-counter-espionage-laws/>. Last accessed 27 May 2021.

136 See Emily Weinstein, 'Don't Underestimate China's Military-Civil Fusion Efforts', *Foreign Policy*, 5 February 2021, <https://foreignpolicy.com/2021/02/05/dont-underestimate-chinas-military-civil-fusion-efforts/>. Last accessed 27 May 2021.

Non-state actors abroad

While not an exhaustive listing, this section provides an overview and examples of the main proxy NSAs of the Chinese state that are active internationally. It discusses united front-related actors, SOEs, GONGOs, as well as media- and academia-related actors and their activities abroad. In the broadest ideological sense, all actors and their activities discussed here can be considered part of the more wide-reaching united front work.

United front-related actors

Seeking hegemonic domination of the diaspora communities is the primary mission of the united front. Members of the Chinese diaspora are approached through manipulation and behaviour control.¹³⁷ This brand is known as *qiaowu* or Overseas Chinese Affairs work (*huaqiao shiwu gongzuo*).

The united front binds together the diaspora, returned Chinese, and their relatives. Given kinship ties, it is expected that members of the diaspora have psychological empathy for their ethnic homeland.¹³⁸ These ties are largely maintained through Native-Place Associations, connecting Chinese emigrants from the same area.¹³⁹ Academic conferences, economic forums, and visits to ancestral hometowns in Mainland China are also used.¹⁴⁰

In the 1990s, the diaspora, including refugees from the mainland, largely disapproved of the Party. In many cases, members of the diaspora now

have a more favourable view of the CCP, however. This is largely due to China's economic successes and re-found status as a major international country. United front propaganda taps into this sentiment in promoting "true" patriotism that equates love of one's country with love of the Party. This rhetoric labels diaspora members unpatriotic if they are critical of the CCP.¹⁴¹

These activities have a varied impact. In some cases, members of the Chinese diaspora can have a re-found affinity for the CCP, while others retain a deep dislike for the Party.¹⁴² These initiatives to reorient overseas communities to favour the CCP as the leader of a larger imagined ethnic Chinese community are in any case Party-led.

In addition to ethnic Han Chinese, the united front targets ethnic minorities, including Uyghurs. The aim is to gather intelligence and to sow discord within exile communities by placing proxies, thus discouraging members from criticizing the CCP. Recruiting tactics include threatening family members in China.¹⁴³

In key Western countries for the most part, the united front supports pro-Party diaspora members in local elections. The aim is to influence foreign politicians and politics.¹⁴⁴ In addition to the US, the UK, Australia, Canada, and New Zealand, united front activities have attracted attention in the Czech Republic, Finland, Sweden, and Switzerland, among others.¹⁴⁵

137 See e.g. Ng Yik-tung and Wong Lok-to, 'China's Secret Police "Recruit Students as Agents" to Spy on Activists Overseas', Radio Free Asia, 30 January 2018, <https://www.rfa.org/english/news/china/recruit-01302018110158.html>. Last accessed 2 June 2021.

138 James Jiann Hu To, *Qiaowu: Extra-territorial policies for the overseas Chinese* (Leiden: Brill, 2014), 9.

139 Bower, *China's Overseas United Front Work*.

140 Suzuki, 'China's United Front Work', 91.

141 See e.g. Xiangwei Wang, 'The question facing Chinese diaspora: for love of country or party?', *South China Morning Post*, 22 July 2018, <https://www.scmp.com/week-asia/politics/article/2155747/question-facing-chinese-diaspora-love-country-or-party>. Last accessed 2 June 2021.

142 See e.g. Ariel Zilber, 'Why the Chinese diaspora support the Proud Boys', *Daily Mail*, 4 May 2021, <https://www.dailymail.co.uk/news/article-9543551/Why-Chinese-diaspora-support-Proud-Boys.html>. Last accessed 2 June 2021.

143 Bethany Allen-Ebrahimian, 'Chinese Cops Now Spying on American Soil', *Daily Beast*, 14 August 2018, <https://www.thedailybeast.com/chinese-police-are-spying-on-uyghurson-american-soil>. Last accessed 27 May 2021. Megha Rajagopalan, 'Spy for Us - Or Never Speak to Your Family Again', *BuzzFeed*, 9 July 2018, <https://www.buzzfeed.com/meghara/china-uyghur-spies-surveillance>. Last accessed 2 June 2021.

144 See e.g. Ben Ellery, 'Chinese infiltration alert over groups tied to Tories and Labour', *The Times*, 20 July 2020, <https://www.thetimes.co.uk/article/chinese-infiltration-alert-over-groups-tied-to-main-parties-93rs2ml3m>. Last accessed 2 June 2021.

145 See Ralph Weber, 'Unified Message, Rhizomatic Delivery. A Preliminary Analysis of PRC/CCP Influence and the United Front in Switzerland', *Sinopsis. China in Context and Perspective* (2020), <https://sinopsis.cz/en/switzerland-rhizome/>. Last accessed 2 June 2021. Matti Puranen, 'China-Finland: Beijing's "Model Relationship" in Europe?', *The Diplomat*, 29 February 2020, <https://thediplomat.com/2020/02/china-finland-beijings-model-relationship-in-europe/>. Last accessed 2 June 2021.

The Council for the Promotion of the Peaceful Reunification of China (CPPRC) is an example of an organization operating directly under the UFWD. With 200 chapters in 90 countries, it officially promotes the unification of Taiwan.¹⁴⁶ On the other hand, the China International Culture Exchange Centre (CICEC), while not directly under the UFWD, also participates in united front work.¹⁴⁷ The China Association for International Friendly Contact (CAIFC) is another organization that participates indirectly,¹⁴⁸ and which operates under the Liaison Department (of the Political Work Department of the Central Military Commission).¹⁴⁹

In addition, many internationally active business associations have an indirect relationship with the UFWD. For instance, the Wenzhou Federation of Industry and Business identifies as an “independent” organization. However, in Wenzhou it co-opts businesspeople into Party branches and raises funding to support Party activities. In return, it receives official recognition in the state media.¹⁵⁰

State-controlled enterprises

Nearly one hundred state-owned central enterprises (*zhongyang guoyou qiye*) are listed under the

ownership of China’s central government.¹⁵¹ They hold assets in nearly 200 countries, and many are on the Fortune 500 list.¹⁵²

Given that the most important SOEs occupy key strategic industries (high-tech, defence, electricity, petroleum, logistics, telecommunications) domestically, they also play a leading role in China’s economic statecraft internationally.¹⁵³ Most notably, Party influence in SOEs has attracted attention in the case of Huawei (due to 5G-related concerns) and ZTE (for selling technology to Iran and North Korea).¹⁵⁴ By applying economic statecraft through proxy SOEs, the Party has sought political influence in Latin America as well.¹⁵⁵

Economic statecraft is also practised through China’s policy banks and the insurance sector (Export-Import Bank of China, China Development Bank, Industrial & Commercial Bank of China, Sino-sure).¹⁵⁶ Operating between state and market, they protect China’s state image and relationships with debtor countries.¹⁵⁷ In Central Asia, they engage in policy-related lending to further China’s geoeconomics.¹⁵⁸ In the South China Sea, offshore drilling company CNOOC faces accusations of working together with the PLA to intimidate neighbouring countries in territorial disputes.¹⁵⁹ Similarly, SOE Skyrizon Aviation has faced a backlash over

146 John Dotson, ‘The United Front Work Department in Action Abroad: A Profile of the Council for the Promotion of the Peaceful Reunification of China’, China Brief, Jamestown Foundation, 13 February 2018, <https://jamestown.org/program/united-front-work-department-action-abroad-profile-council-promotion-peaceful-reunification-china/>. Last accessed 2 June 2021.

147 See Xinhua, ‘China to further expand international cultural exchanges: senior official’, 19 December 2019, http://www.xinhuanet.com/english/2019-12/19/c_138643919.htm. Last accessed 2 June 2021.

148 Russell Hsiao, ‘A preliminary survey of CCP influence operations in Japan’, China Brief, Jamestown Foundation, 26 June 2019, <https://jamestown.org/program/a-preliminary-survey-of-ccp-influence-operations-in-japan/>. Last accessed 2 June 2021.

149 Other united front groups include: The China Overseas Friendship Association, The All-China Federation of Returned Overseas Chinese, The Western Returned Scholars Association, The Forum on the Global Chinese Language Media, the Chinese Students and Scholars Association, and various Native-Place associations. For an extended list, see Joske, ‘The party speaks for you. Foreign interference and the Chinese Communist Party’s united front system’, 7.

150 See China Daily, ‘Private business rejuvenated’, September 2018, http://global.chinadaily.com.cn/a/201809/26/WS5baae51da310c4cc775e81d6_2.html. Last accessed 27 May 2021.

151 See State-Owned Assets Supervision and Administration Commission of the State Council, <http://www.sasac.gov.cn/n2588035/n2641579/n2641645/index.html>. Last accessed 2 June 2021.

152 See Xinhua, ‘Economic Watch: China’s central SOEs report rising profits in 2020 amid reforms’, 19 January 2021, http://www.xinhuanet.com/english/2021-01/19/c_139680500.htm. Last accessed 27 May 2021. Reuters, ‘Overseas Assets Held by China’s Centrally owned Firms Top 6 Trillion Yuan’, 18 October 2017, <https://uk.reuters.com/article/uk-china-congress-soes/overseas-assets-held-by-chinas-centrally-owned-firms-top-6-trillion-yuan-idUKKBN1CN1EN>. Last accessed 27 May 2021.

153 Leutert, ‘Firm Control’, 28.

154 See Raymond Zhong, ‘Is Huawei a Security Threat? Vietnam Isn’t Taking Any Chances’, *New York Times*, 18 July 2019, <https://www.nytimes.com/2019/07/18/technology/huawei-ban-vietnam.html>. Last accessed 2 June 2021.

155 See Gabriel Alvarado, ‘Beijing seeks to rapidly solidify its position in Latin America amidst spat with Washington’, *Global Americans*, 11 February 2019, <https://theglobalamericans.org/2019/02/beijing-seeks-to-rapidly-solidify-its-position-in-latin-america-amidst-spat-with-washington/>. Last accessed 2 June 2021.

156 Other internationally notable SOEs or near-state enterprises include: CNOOC, COSCO, Fosun International, Wanda Group, Zhejiang Geely, China Huarong, China Vanke, Sinopec.

157 Chen, ‘Beyond Donation’.

158 See Tristan Kenderdine and Niva Yau, ‘China’s Policy Banks Are Lending Differently, Not Less’, *The Diplomat*, 12 December 2020, <https://thediplomat.com/2020/12/chinas-policy-banks-are-lending-differently-not-less/>. Last accessed 2 June 2021.

159 See David Shepardson and Alexandra Alper, ‘U.S. adds CNOOC to black list, saying it helps China intimidate neighbors’, Reuters, 14 January 2021, <https://www.reuters.com/business/energy/us-adds-cnooc-black-list-saying-it-helps-china-intimidate-neighbors-2021-01-14/>. Last accessed 2 June 2021.

significant ties to the PLA.¹⁶⁰ According to recent reports, the BGI Group, the world's largest genomics company, is also in close cooperation with the PLA, potentially providing it with access to foreign genetic data.¹⁶¹

In addition to predatory fishing activities, China's large commercial fishing fleet has been accused of venturing into other states' territory in both the Pacific and the Atlantic. The fleet also joins the Chinese navy and coast guard in operations in the South China Sea. The largest fishing company, China National Fisheries, operates under an agricultural conglomerate managed and owned by the state.¹⁶² Therefore, in service to China's geo-political agenda, the fleet appears to serve as a de facto paramilitary and intelligence unit, which the state can use as a proxy.¹⁶³

State-organized NGOs

Chinese GONGOs and PONGOs (Party-organized non-governmental organizations) have extended their operational reach internationally through increased state funding.¹⁶⁴ GONGOs are adept at circumventing state sovereignty. As representatives of civil society, and not the state, GONGOs are capable of making contacts with individuals and groups in target countries.¹⁶⁵ In effect, the UFWD seeks to establish civil organizations as an organizational cover to avoid the unwanted attention of foreign governments.¹⁶⁶ In addition to the proxy

benefits, international media coverage of Chinese civil organizations can be an asset, giving GONGOs the capability to influence the target country's opinion environment.¹⁶⁷

Chinese state- and Party-controlled civil society organizations also participate in international organizations. Chinese GONGOs, for instance, participate in UN meetings. They often repeat state talking points, duly advancing CCP influence. This manipulates the criteria of independent civil society groups, which may in the long term hamper and complicate the ways in which the UN and similar institutions work and uphold international norms.¹⁶⁸

China's Red Cross, for instance, is not a member of the International Committee of the Red Cross (ICRC). Instead, it is the largest and oldest Chinese GONGO. The apolitical medical aid associated with the ICRC allows the Red Cross to portray itself as an autonomous NGO. Along with other GONGOs, it serves the CCP agenda.¹⁶⁹ Importantly, the international interests of GONGOs are aligned with China's overseas economic interests. As a result, many GONGOs work in close collaboration with Chinese SOEs, including for the purposes of information sharing.¹⁷⁰

Media

A central aim of the CCP under Xi has been the control of global media narratives. To achieve this, Xi has reinforced domestic censorship and

160 See U.S. Embassy in Ukraine, 'China's Skyrizon Added to U.S. Commerce Department Military End User List', <https://ua.usembassy.gov/chinas-skyrizon-added-to-u-s-commerce-department-military-end-user-list/>. Last accessed 2 June 2021.

161 Kirsty Needham, 'China gene firm providing worldwide COVID tests worked with Chinese military', Reuters, 30 January 2021, <https://www.reuters.com/article/us-china-genomics-military-exclusive/exclusive-china-gene-firm-providing-worldwide-covid-tests-worked-with-chinese-military-idUSKBN29Z0HA>. Last accessed 2 June 2021.

162 See Chun-wei Yap, 'China's Fishing Fleet, the World's Largest, Drives Beijing's Global Ambitions', *The Wall Street Journal*, 21 April 2021, <https://www.wsj.com/articles/chinas-fishing-fleet-the-worlds-largest-drives-beijings-global-ambitions-11619015507>. Last accessed 2 June 2021.

163 See Ian Urbina, 'How China's Expanding Fishing Fleet Is Depleting the World's Oceans', *Yale Environment 360*, August 2020, <https://e360.yale.edu/features/how-chinas-expanding-fishing-fleet-is-depleting-worlds-oceans>. Last accessed 2 June 2021.

164 Reza Hasmath, Timothy Hildebrand, and Jennifer Hsu, 'Conceptualizing government-organized non-governmental organizations', *Journal of Civil Society*, Vol. 15, Issue 3 (2019): 267–284.

165 Hasmath et al., 'Conceptualizing government-organized non-governmental organizations', 277.

166 Suzuki, 'China's United Front Work', 92.

167 Other internationally active Chinese NGOs include: China Foundation for Poverty Alleviation (Soong Ching Ling Foundation), Beijing NGO Association for International Exchanges, China Youth Development Foundation, China NGO Network for International Exchanges, China Foundation for Poverty Alleviation, Chinese-Africa People's Friendship Association, Chinese Medical Association, World Eminence Chinese Business Association, China Youth Development Foundation (under the Chinese Communist Youth League), China International Center for Economic and Technical Exchanges (under Ministry of Commerce), China Association of Social Workers and Forum of Going Global Strategy for Chinese Enterprises.

168 See Human Rights Watch, 'The Costs of International Advocacy. China's Interference in United Nations Human Rights Mechanisms', September 2017, <https://www.hrw.org/report/2017/09/05/costs-international-advocacy/chinas-interference-united-nations-human-rights>. Last accessed 27 May 2021. See also Xinhua, 'Chinese NGO representatives voice views at UN Human Rights Council session', 18 July 2020, http://www.xinhuanet.com/english/2020-07/18/c_139221001.htm. Last accessed 2 June 2021.

169 See Eduardo Baptista, 'Don't Be Fooled by China Red Cross', *The Diplomat*, 8 April 2020, <https://thediplomat.com/2020/04/dont-be-fooled-by-china-red-cross/>. Last accessed 2 June 2021.

170 Hasmath et al., 'Conceptualizing government-organized non-governmental organizations'.

foreign propaganda work.¹⁷¹ This is accomplished by building up media capabilities, particularly traditional news media,¹⁷² but also popular culture.¹⁷³ As such, the Chinese state has become a gatekeeper and a cultural producer that manages a vast media empire with “self-conscious state policies designed to project a positive image of China on the global stage.”¹⁷⁴ As a result, proxies for Chinese state media engage in propaganda and disinformation, as well as gaining influence over key nodes in the international information flow.

Propaganda and disinformation are often outsourced to local media proxies through ownership, such as the *Asiaskop* in the Czech Republic.¹⁷⁵ A long-term proxy-related tactic involves the ‘borrowing of foreign newspapers’ (*jieryong haiwai baokan*). This refers both to united front efforts to cultivate foreign journalists to have a positive outlook on China, and to paid inserts in international media. More recently, this practice has involved the inclusion of news articles written by Chinese officials in leading foreign media.¹⁷⁶ In addition, news videos and other material about China in international news feeds increasingly stems from the Chinese state media, which provides it at low cost to international news agencies. Oftentimes, this material is uncritically presented in international news reports, without any consideration of its source.¹⁷⁷

A recent study on China’s influence operations in Taiwan suggests that the online propaganda of the CCP is conducted through proxies that connect local actors with the Party. Proxies play a central role in China’s hybrid interference in Taiwan, which is increasingly negative and aggressive.

They also amplify discord and fabricate conspiracies to undermine local democracy.¹⁷⁸

The CCP also regulates the content of key Chinese information flows, such as social media platforms Weibo, WeChat, and Tencent QQ, which are central sources of information for the Chinese diaspora. The US government has listed Xinhua, CGTN, China Radio, China Daily, the People’s Daily, China Central Television, China News Service, and the Global Times as official operatives of the Chinese state.¹⁷⁹

Academia and think tanks

Perhaps the most public part of the united front work are the 500 Confucius Institutes (CI) and 1,000 Confucius Classrooms in 142 countries. While they manage the teaching of Chinese culture and language on various international campuses, domestically, under Xi, the CCP has imposed tighter control over higher education. Chinese universities are expected to represent exemplarity and uniformity of thought.¹⁸⁰

This approach is reflected in the international campuses. Most notably, CIs are involved in suppressing academic freedom and mobilizing students for nationalistic activities. In addition to teaching culture and language, the institutes monitor the activities of Chinese students, as well as the academic curriculum of foreign institutions. The institutes also support the student-monitoring activities of Chinese Scholars Associations.¹⁸¹

In a related development, since 2015 there has been an official push to create “new” Chinese think tanks.¹⁸² While private think tanks are expanding in

171 Michael Keane, ‘Keeping up with the neighbors: China’s soft power ambitions’, *Cinema Journal*, Vol. 49, Issue 3 (2010): 130–135 (p. 7).

172 Chengxin Pan, Benjamin Isakhan, and Zim Nwokora, ‘Othering as soft-power discursive practice: China Daily’s construction of Trump’s America in the 2016 presidential election’, *Politics* (2019), 1–16.

173 Weiying Peng and Michael Keane, ‘China’s soft power conundrum, film coproduction, and visions of shared prosperity’, *International Journal of Cultural Policy* (2019), doi:10.1080/10286632.2019.1634062.

174 Michael Curtin, ‘Chinese media and globalization’, *Chinese Journal of Communication*, Vol. 5, Issue 1 (2012): 1–9.

175 Martin Halá, ‘Making Foreign Companies Serve China: Outsourcing Propaganda to Local Entities in the Czech Republic’, *China Brief*, Jamestown Foundation, Vol. 20, Issue 1 (2020), <https://jamestown.org/program/making-foreign-companies-serve-china-outsourcing-propaganda-to-local-entities-in-the-czech-republic/>. Last accessed 27 May 2021.

176 Brady, ‘Plus ça change?’.

177 International Federation of Journalists, *The China Story: Reshaping the World’s Media*.

178 See Doublethink Lab, ‘Deafening Whispers. China’s Information Operation and Taiwan’s 2020 Election’, October 2020, <https://medium.com/doublethinklab/deafening-whispers-f9b1d773f6cd>. Last accessed 27 May 2021.

179 See Edward Wong, ‘U.S. Designates Four More Chinese News Organizations as Foreign Missions’, *The New York Times*, 22 June 2020, <https://www.nytimes.com/2020/06/22/us/politics/us-china-news-organizations.html>. Last accessed 2 June 2021.

180 Zhao, ‘Xi Jinping’s Maoist Revival’, 90.

181 See Stephanie Saul, ‘On Campuses Far From China, Still Under Beijing’s Watchful Eye’, *New York Times*, 4 May 2017,

<https://www.nytimes.com/2017/05/04/us/chinese-students-western-campuses-china-influence.html>. Last accessed 27 May 2021.

182 See Ribao Chongqing, ‘Jiaqiing zhongguo tese xinxing zhiku jianshe’ (Strengthening the construction of a new type of think tank with Chinese characteristics), 21 January 2015, <http://cpc.people.com.cn/n/2015/0121/c87228-26420440.html>. Last accessed 2 June 2021.

China,¹⁸³ the CCP controls a number of high-level think tanks internationally. The first of these, the Institute for China-America Studies, was opened in Washington D.C. in 2015. It receives funding from a state-affiliated body in China.¹⁸⁴

In 2017 further guidance was given on how to develop “new” think tanks with “Chinese characteristics”.¹⁸⁵ Think tanks are expected to serve the CCP and state policy, and to assist in gaining international influence for China. While developing points of contact and exchange, they are expected to actively engage with international peers to further the CCP agenda.¹⁸⁶

In 2017 the China-CEE (Central Eastern Europe) Institute was launched in Budapest as a part of the China-CEEC think tank network, initiated by the Chinese Ministry of Foreign Affairs. Its Chinese mission statement consists of official Party rhetoric, including strengthening Chinese soft power.¹⁸⁷ The China-CEEC network is governed by the Chinese Academy of Social Sciences (CASS), a self-described think tank governed by the State Council of China. Concurrently, the Chinese Academy of Science, Beijing Academy of Science, and Shanghai Academy of Science are governed by official entities.¹⁸⁸

Online and digital actors

Under Xi, online communication has also taken a more state-controlled approach, in that the Party’s digital propaganda is increasingly participatory in nature. Targets of propaganda are turned into collaborators that reproduce pro-Party online sentiment.¹⁸⁹

As a concrete manifestation of the new approach, the CCP pays more than two million people to repeat Party discourse. In addition, this internet-savvy group of Chinese patriots, the so-called Fifty Cent Party (*wumao*), looks for negative online content about China in order to counter it with positive information.¹⁹⁰

Importantly, by using SOEs, Chinese IT companies, and joint ventures with international firms, the Party is effectively developing a global data-collection ecosystem. Based on this, the CCP exports security-related technology, including surveillance, to non-democratic, usually developing countries.¹⁹¹ This potentially supports authoritarianism and undermines liberal democratic norms.

Chinese and non-Chinese individuals

The CCP cultivates prominent figures in foreign countries, who are designated as ‘old friends’ (*lao pengyou*). They are expected to advance Party narratives in the foreign public space, thereby bringing economic or political advantage. These old friends are also expected to appear in Chinese-state news outlets and to participate in soft power events. Reciprocally, the old friends are treated to paid tours in China, in the hope that they will promote Chinese views at home.¹⁹²

Concurrently, Chinese members of the CCP, or the PLA, hide their affiliation in dealings with their Western peers. Most notably, this “double hatting” occurs vis-à-vis PLA scientists studying or conducting research in Western research institutions. Key fields of interest include aerospace, navigation technology, computer science and

183 Joel Wuthnow and Dingding Chen, ‘China’s “New-Type” Private Think Tanks: Is “New” Better?’, *Journal of Chinese Political Science*, 2020, <https://doi.org/10.1007/s11366-020-09675-7>.

184 Isaac Fish, ‘Beijing Establishes a D.C. Think Tank, and No One Notices’, *Foreign Policy*, 7 July 2016, <https://foreignpolicy.com/2016/07/07/beijing-establishes-washington-dc-think-tank-south-china-sea/>. Last accessed 2 June 2021.

185 See People’s Daily, ‘Jiaqiang zhongguo tese xinxing zhiku jianshe’ (Strengthening the construction of a new type of think tank with Chinese characteristics), 29 December 2017, <http://theory.people.com.cn/n1/2017/12/29/c40531-29736006.html>. Last accessed 2 June 2021.

186 See also DD Wu, ‘What Kind of Think Tanks Does China Want to Establish?’, *The Diplomat*, 5 May 2017, <https://thediplomat.com/2017/05/what-kind-of-think-tanks-does-china-want-to-establish/>. Last accessed 2 June 2021.

187 See China-CEEC Think Tank Network, ‘Zhonggu-zhong dong’ou yan jiu yuan’ (China-Central Eastern Europe Research Institute), 7 August 2017, https://www.17plus1-thinktank.com/article/180.html?source=article_link. Last accessed 2 June 2021.

188 Other internationally active Chinese think tanks include: Centre for China and Globalization (founded by united front group the Western Returned Scholars Association), China Strategic Culture Promotion Association, China Association for Science and Technology, Pangoal Institution, Liaowang Institute (under state media Xinhua).

189 Maria Repnikova and Kecheng Fang, ‘Authoritarian Participatory Persuasion 2.0: Netizens as Thought Work Collaborators in China’, *Journal of Contemporary China* (2018): 1–17.

190 David Wertime, ‘Meet the Chinese Trolls Pumping Out 488 Million Fake Social Media Posts’, *Foreign Policy*, 19 May 2016, <https://foreignpolicy.com/2016/05/19/meet-the-chinese-internet-trolls-pumping-488-million-posts-harvard-stanford-ucsd-research/>. Last accessed 2 June 2021.

191 See Samantha Hoffman, ‘Engineering global consent. The Chinese Communist Party’s data-driven power expansion’, Australian Strategic Policy Institute, Policy Brief Report 21 (2019).

192 Brady, ‘Plus ça change?’.

artificial intelligence (AI).¹⁹³ Such double hatting also occurs when Chinese individuals represent various non-governmental organizations, commercial enterprises, or business interests, while at the same time advancing united front work. The complex layers of united front bureaucracy conceal different affiliations.

Conclusion

In addition to visible state power, corporations and civil society represent an additional power

dimension for the Party. While the lack of transparency complicates the identification of state proxy NSAs, different entities within the larger united front approach nonetheless enable large-scale espionage, influence operations, and political and economic coercion. Losing key technology to China through corporate takeovers or joint ventures risks increasing dependency on China. It also creates vulnerabilities to political influence and espionage, as Chinese companies are required by law to cooperate with Party officials.

¹⁹³ See Kathrin Hille, 'Chinese military researchers exploit western universities', *Financial Times*, 29 October 2019, <https://www.ft.com/content/ebe95b76-d8cc-11e8-a854-33d6f82e62f8>. Last accessed 2 June 2021.

Concluding remarks

In liberal market economies, the role of the state vis-à-vis the private sector is often secondary, particularly in security- and defence-related fields. For autocratic states, this challenge is easier to resolve. The CCP excels in this type of whole-of-society approach, where the Party as a dominant entity exerts hegemony over the non-state sector. The united front approach effectively streamlines Party control over key industries and civil society. Through the united front, the CCP also has an extraterritorial reach over ethnic Chinese communities, albeit often with varying effects.

These circumstances are due to deep-rooted developments in the Chinese political system and political culture, rather than any conscious policy choices. For the Party, this approach has proved successful over time, giving little incentive to consider change.

In fact, the last decade has witnessed a gradual but significant shift in Chinese state-society relations, and the Party has directed more repressive and co-optive actions towards civil society. China's strategic culture also increasingly allows asymmetric and indirect strategies. These developments support the use of hybrid threat tools abroad, particularly proxy NSAs.

Viewed through the hybrid threat paradigm, the co-optation of NSAs gives China an asymmetric advantage over liberal democracies. Since the civil society protections that exist in democracies can be exploited by using proxy NSAs, they enable the furthering of China's strategic interests below the threshold of conflict escalation. This makes response activation particularly difficult since international norms and domestic laws protect the non-state sector.

It is likely that the use of proxy NSAs is a combination of both the development of China's domestic traditions and the current analysis of democratic weaknesses. One such weakness of democratic societies is the financial vulnerability

of independent media. Given that Chinese actors with ties to the Chinese state can acquire ownership of independent media in a target country, they are able to exert hybrid interference. This includes the amplification of existing power hierarchies and societal seams. Promotion of the South-South argument in Eastern Europe and the "black lives matter" movement in the US, for instance, serve to amplify the international and national power hierarchies of democratic societies.

Countermeasures should thus be considered within two frameworks: 1) the domestic experiences of the CCP, and 2) the vulnerabilities of democratic societies.

Firstly, given that the CCP utilizes its successful domestic experiences internationally, by studying China's internal developments, conclusions can be drawn on how it conducts its affairs abroad. This highlights the need for careful research and analysis. Studies should address developments in Chinese strategic culture, as well as the ways in which these influence security-related behaviour and policies – both domestically and internationally. This includes the Chinese understanding of social and political engineering, the nature of war, and the ways in which indirect force is used as a policy tool.

Secondly, the interdependent relations and overlapping interests of Chinese state and non-state sectors complicate the identification of proxy NSAs. Even if the dilemma of attribution is resolved, since hybrid threats are often created within legal boundaries, an effective response is difficult to formulate. Raising awareness within the wider public and among state and non-state actors is a key response. Moreover, the development of investment screening mechanisms and stricter scrutiny of Party-backed cultural initiatives should continue. Demands for transparency (organizational/financial), rule of law, and accountability should also be continued. These should be directed at both foreign and domestic, as well as civil and

political entities operating in democratic societies. The Republic of China (ROC), for instance, has put in place legislation aimed at blocking proxies from collaborating with local actors. The effectiveness of this legislation in the ROC, however, is uncertain.¹⁹⁴

As a democratic force multiplier, citizen activism has recently been highlighted in countering hybrid threats created by proxy NSAs.¹⁹⁵ The non-state sector in a democratic society (press, academia, the NGO sector, social media companies) can develop responses in instances where state actors are unable to, whether out of concerns about conflict escalation or for other reasons. “Naming and shaming” the hybrid aggressor may prove effective in China’s case since it undermines the win-win narratives of the Party and may result in “losing face”. On the

other hand, Chinese officials have demonstrated a high degree of resilience to outside criticism.

Given that the united front work targets the Chinese diaspora, democratic inclusion and the “targeting” of Chinese overseas communities in democracy promotion is vital. This approach also acknowledges that not all Chinese NSAs are proxies of the state or agents of the Party. Uncritical and baseless insinuations only legitimize CCP narratives about racist Western societies.

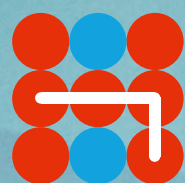
Countermeasures and response activation are ultimately dependent upon the domestic legal, political, and cultural framework of the target country. Democratic responses in any case demand cooperation between state and non-state sectors.

194 Doublethink Lab, ‘Deafening Whispers. China’s Information Operation and Taiwan’s 2020 Election’; 81.

195 See Wigell, ‘Democratic Deterrence’; 54.

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