Economic War Room - China
Economic Opportunity or Threat:
Chinese demographic, economic, and development opportunities led many to believe that China would be the growth story of the 21st century. Many U.S. companies and investors lined up to see how they could be a part of the economic miracle. China’s tremendous growth has been made possible through stolen technology. As China further evolves, they are now leading with new innovation and economic initiatives. Is this an opportunity or strategic threat?

China has a stated goal to “de-Americanize the world,” all while China dramatically increases its own military strength. It is important to understand the dynamics at play around the world.

What we see as a marketplace, our enemies view as a battlespace.

Your Mission:
As China moves to geopolitically dominate Asia and around the world, it is important to understand the potential impacts ahead. Chinese plans over the next decade will have a dramatic impact on your portfolio and the U.S. economy. You mission is to understand China’s perceived opportunities and as well as the potential threats ahead. Warning: China cannot be viewed as a friend. China is an adversary at best and may be a direct enemy.

“China has had a strong culture for 4,000 years, and they have been down for the last 150 years. Now they have their mojo back and they are (at minimum) the second biggest economy in the world.” – David Tice
(OSINT)– Open Sourced Intelligence Briefing
China opportunities and threats – Kevin Freeman, John Mauldin, David Tice, and Frank Gaffney.

China Economic Observations:

There is a lot to be bullish about with China – John Mauldin:
» They moved 300 million people to cities taking them from agrarian age to middle class in a single generation.

» There are “little cities” of two-million people that are booming.

» Throughout western China there are cranes everywhere as they build out the “one belt/one road” initiative.

» They have gone from primarily stealing technology to innovating and advancing that stolen tech.

» They are making massive research investments and putting as much money into venture capital as the United States.

» They are looking at venture capital investments over a 10-year period and targeting automobile innovation. They intend to dominate key industries.

David Tice Visits the Silicon Valley Area of China - Shenzhen

» Since 1979, it has grown from a fishing village of 30K people to 12 million people today.

» Estimated to grow to 20 million people.

» KKR of China developed massive technology office parks.
» The Chinese provide venture capital to fund companies, subsidize rent, offer free housing for employees, large shopping areas, and plenty of green space in master planned communities.

» The so-called “ghost cities” were built as part of a master plan targeting the smartest companies to move there. Housing is pre-built ready to move 300 million people from rural settings to urban environments. This compares to the U.S. when we moved 100 million people from Europe to the United States. But the Chinese effort is both larger and faster.

» They are training and raising up scientists and technology experts. The goal is to be the dominant power on the planet as soon as 2025.

China has a heavy focus on STEM – Science Technology and Engineering

The Countries With The Most STEM Graduates
Recent graduates in Science, Technology, Engineering & Mathematics (2016)

<table>
<thead>
<tr>
<th>Country</th>
<th>STEM Graduates</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>4.7m</td>
</tr>
<tr>
<td>India</td>
<td>2.6m</td>
</tr>
<tr>
<td>United States</td>
<td>568,000</td>
</tr>
<tr>
<td>Russia</td>
<td>561,000</td>
</tr>
<tr>
<td>Iran</td>
<td>335,000</td>
</tr>
<tr>
<td>Indonesia</td>
<td>206,000</td>
</tr>
<tr>
<td>Japan</td>
<td>195,000</td>
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</tbody>
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Their STEM focus is 10 times what we are doing in the U.S.
“10 years ago, China was leading with STEM, but we consoled ourselves with the notion that these were second-tier universities, not real universities like we have in America. Today those universities are dominating innovation with 25% of all scientific papers coming from China.” –John Mauldin

Trade Tariffs with China:

» It is expected that we will get to some type of improved trade relations with China. China has not acted fairly as it relates to trade and Trump’s tariffs are forcing them to the table.

» Despite whatever is agreed upon, it is likely we will continue to have a trade deficit with China, given the reality that Americans are not saving enough and continue to lead in consumption.

» As China starts to lead with its own intellectual property and innovations, there could be improvement IF China develops an interest in protecting their intellectual property and needs American cooperation. China needs to act like the developed nation they are, and not keep leveraging the special perks that come from claiming emerging market status.

» To date, trade tariffs appear to be impacting China more than the United States. There are 250 major U.S. companies doing a large percentage of business in China. If the trade war blows up there are consequences for US companies as well that would impact portfolios.

  · Example Qualcomm sells 60% of its computer chips to China.
The Technology Race:

» America needs to continue to lead with technology and protect our intellectual property. It is clear how badly China operates in this area.

» We’re in a technology race over 5G, artificial intelligence, quantum computing, space, and robotics. Whoever wins these categories will likely win the next economic war.

» We need to be continually moving up the food chain in getting the most profitable things done in the US.

» We’re actually seeing jobs come back but they’re coming back to robots. The jobs that are in the factories are high-paying jobs because they are STEM jobs, engineering jobs.

The Problem: We need to understand China’s aspirations both militarily and economically. Do they want to replace the U.S. or are they just looking for a seat at the table with us?

1. China is an adversary at best and likely our enemy.

2. They have embraced entrepreneurship and capitalism in some respects, but they are still communists. President Xi has stated that with the economy flowing, he is comfortable clamping down on freedoms.

3. Global Economic Warfare Expert Kevin Freeman believes The Belt and Road Initiative is purposely anti-American.

4. Documents from Unrestricted Warfare indicate the Chinese want to dominate in such a powerful way that it will be difficult for them to just take a seat at the table. Kevin believes it will take more than “trust but verify.” The optimal outcome would be to bring China to the world’s table as a fair participant. This will be difficult with the current Chinese leadership.
Did you know? When you buy American shares in Chinese Alibaba, you get shares in a Cayman Islands corporation. You have no real ownership rights in China. No shareholder rights and no transparency to know what’s going on with the Chinese company.

Alibaba raised twenty-five billion dollars in its IPO (the largest in history), primarily from U.S. investors on the New York Stock Exchange. Since then, they’ve been investing the money taken from Americans to buy other American assets. Those assets have now gone from being our treasure to being Chinese treasure.

They originally wanted to take the company public through the Hong Kong Exchange, but were rejected due to their accounting practices and lack of transparency.

The National Security Threat and China – Frank Gaffney, Center for Security Policy

Ten years ago, Washington did not see China as a threat. Today they are starting to see China as a serious military threat. On the economic front they are also a serious adversary.
The Belt and Road Initiative — A potential debt trap for other countries.

» The Chinese plan is to get countries to go in debt to them for port modernization, building a railroad or an airport, or modernizing the telecommunications infrastructure. China provides financing on terms that would be very difficult to repay. With default, the Chinese foreclose on the strategic asset. Even without default, China gets a toe-hold in a strategic area.

» Wherever China provides technology, there is a risk of “backdoors” being installed to give China access to sensitive data and communications.

» The end result? The Chinese now own key infrastructure and ports around the globe.

» This could easily set up vassal states of the great Chinese Middle Kingdom. Think of the empire that they have not had for a few centuries. They are very interested in reestablishing Chinese preeminence.

Note: With each of these steps, the Chinese want to control communications and information. They ultimately control the economies of these countries even if these nations become impoverished.

China is building institutions designed to de-Americanize the world’s economy.

» Unrestricted Warfare lays out a Chinese plan to take down America without firing a shot. Under certain circumstances, violence is an option if needed.
China’s military is aggressively being ramped up:

» China’s commitment to its military is aggressively expanding its blue water navy and trying to control navigation in the south China sea.

» The underground Great Wall of China was only recently recognized as a threat. The Chinese built three thousand miles of hardened underground tunnels in which to hide their nuclear missiles. Those missiles are aimed at America and protected underground.

» Bloomberg reported on computer chips hidden inside the other computer chips. When our military or industry buys technology from China, there is a risk of hidden malware subject to Chinese control.

Free Society - Not on China’s watch:

» China is not a free society and is persecuting Christians and Muslims, tearing down churches and mosques.

» Winnie the Pooh has been banned because people suggested that he looks like President Xi Jinping. Free speech is absent.

» While the Chinese have adopted some capitalist principles, they have used any gains to finance tools that can be used against the U.S.

President Xi has shared that the one real impediment to China’s dream being fulfilled is the United States of America. As a result, they are working hard at supplanting America.

Good News: Economic Patriots like You Can Make A Difference!
Why You Should Care:

1. Just because a country applies capitalist principles, it does not mean they are aligned with liberty or freedom.

2. If China is the world leader and number one economic superpower, what would the world look like? Would they use that for good, or communist control? Already, they are keeping social credit scores on citizens to prevent them from participating in society unless they comply with the government. Bill of rights? Forget it.

3. China also threatens western companies if they fail to follow China’s whims. They mandate that Apple and Google turn over data on citizens. They have even threatened an airline for recognizing Taiwan as separate from China.

4. Whether you invest in China directly or not, you probably have U.S. investments that rely on Chinese commerce. Goods and services will be exchanged in a global economy. At the same time, investments that strengthen America and protect western civilization may have even greater long-term value.

5. China’s economic gains would not be an economic miracle without stolen U.S. technology. There was a cost to America, its companies, its jobs, and your investments.

6. Tech and Social Media giants are compromising core values chasing what they hope is a shiny market share prize in China. Already, many have been let down as their technology is stolen.
Economic Patriot Action Plan

As an economic patriot, you can make a difference.

**Step 1:** There are a lot of risks associated with China. There may be great investment opportunities created with Chinese growth. As you consider investments, share this with your investment advisor and weigh the risks and rewards. Look at it personally from a financial perspective, but also from a national security perspective. Consider how you want to invest and weaponize your money. When you make investments consider the impact on your family as well as your future.

**Step 2:** For more information on China’s Unrestricted Warfare plan to take down America, read [Kevin Freeman’s Game Plan](#).

**Step 3:** Share this Economic Battle Plan™ and our short video segments with friends. We set up the Economic War Room to be your go-to resource for information, preparation, and mobilization.

Get others to sign up and review our weekly Economic War Room [Economic Battle Plans™](#). Each of these will address critical solutions to the threats highlighted on this briefing.

Subscribe to our weekly Economic War Room show on TheBlaze at [EconomicWarRoom.com](http://EconomicWarRoom.com).

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**Thank you for accepting this mission. Together, we will make a difference!**
SHAREABLE THOUGHT:

One of the biggest public works projects since the Great Wall of China:

The underground great wall of China: A 3,000-mile hardened underground tunnel to hide its nuclear missiles pointed at the United States.
The EWR Collection Deck From Kevin Freeman

QUICK SECTION LINKS
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Clinton China Scandal
[+] Must Read

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Chinese Growth Spurt [+]
https://www.mauldineconomics.com/frontlinethoughts/chinese-growth-spurt

China’s Command Innovation [+]
https://www.mauldineconomics.com/frontlinethoughts/chinas-command-innovation

China will surpass US to be world’s largest economy – it’s time for us to shift gears.

Chinese Economic Warfare
Why China Is Growing More Belligerent
https://www.barrons.com/articles/why-china-is-growing-more-belligerent-1538760311

China’s economic warfare can be just as damaging to U.S.
The Chinese Art of Economic War

FBI Investigating Chinese Espionage in All 50 States

CIA: China is waging a ‘quiet kind of cold war’ against US [+]
https://apnews.com/fd5f4fbaf7de4256b9974db432b7459b

Eric Peters: “China’s Best Play Is to Let The US Stock Market Crash”

De-Americanize the World
Rubio: ‘The Chinese Effort to Supplant America Has No Precedent’

China reveals its new party line: We’re trying to save the world from the US

Xi Jinping’s Superpower Plans
https://www.wsj.com/articles/mr-xis-superpower-plans-1532013258

China is training foreign officials to spread its political model, including how to ‘guide public opinion’ online

Foreigners Dump US Treasuries As They Liquidate A Record Amount Of US Stock

The World Is Quietly Decoupling from the U.S. – And No One Is Paying Attention
China Calls for World to Be ‘De-Americanised’ [+]
https://www.ibtimes.co.uk/china-debt-ceiling-shutdown-xinhua-de-americanised-513431

The anti-dollar awakening could be ruder and sooner than most economists predict

Two Knockout Blows to US Imperialism: De-Dollarization and Hypersonic Weapons

De-Dollarization Escalates: “African Economy Needs More Usage of Chinese Yuan” [+]

**Trade War**

Trump’s Trade War Is Rattling China’s Leaders

US-China trade war to definitely make a big impact on technology
https://techwireasia.com/2019/01/us-china-trade-war-to-definitely-make-a-big-impact-on-technology/

China Warns Trade War with US Could Escalate Into ‘Great Depression & World War’
https://sputniknews.com/asia/201811281070198623-china-us-trade-war/

Don’t Worry About a Coming Trade War; We’re Already in One [+]
https://globaleconomicwarfare.com/2017/08/dont-worry-about-a-coming-trade-war-were-already-in-one/

**Technology Race**

Former Google CEO predicts the internet will split in two by 2028, with one part led by China
Lawmakers accuse Google of supporting China’s Communist Party over the US with Huawei ties

China is flooding markets with venture capital, and swamping Silicon Valley in the process [+]
https://www.cnbc.com/2018/05/22/chinas-secret-goal-is-to-crush-silicon-valley.html

Silicon Valley investors explain why they’re scared of China

Flood of Trademark Applications from China Alarms U.S. Officials

When Chinese Investment is Unrestricted Warfare [+]
https://globaleconomicwarfare.com/2018/05/when-chinese-investment-is-unrestricted-warfare/

China Unveils Plan Uniting Hong Kong, Macau, and Mainland to Rival Silicon Valley

Alibaba
China’s Internet Giants Fund a Digital Ecosystem

China is Flooding Silicon Valley with Cash: What Can Go Wrong? [+]
China is the real winner from Alibaba IPO

Alibaba should not have been allowed in US: Cuban
http://www.cnbc.com/id/102254136
Could Alibaba Be the Next Enron?
http://www.streetauthority.com/node/30489546

Alibaba’s market value surpasses Walmart
http://www.cnbc.com/id/102130123

Our Alibaba Warnings Now Appear Prescient [+]

Another Alibaba Concern: Are They Selling American Military Goods in China? [+]

**IP Theft**

Another Apple Engineer Accused of Stealing Autonomous Vehicle Trade Secrets

‘Forced tech transfer’ has to stop or be regulated, says EU ambassador to China

China ‘has taken the gloves off’ in its thefts of U.S. technology secrets

OPINION: China Steals $600 Billion From American IP Yearly; Trump’s Tariffs Can Stop Them

Second Former Glaxosmithkline Scientist Pleads Guilty to Stealing Trade Secrets to Benefit Chinese Pharmaceutical Company

How China acquires ‘the crown jewels’ of U.S. technology
https://www.politico.com/story/2018/05/22/china-us-tech-companies-cfius-572413
Chinese Hackers Steal Financial Data of U.S. Corporations to Gain Competitive Advantage

Chinese theft of sensitive US military technology is still a ‘huge problem,’ says defense analyst

IP Theft is Economic Warfare [+]
https://globaleconomicwarfare.com/2013/02/ip-theft-is-economic-warfare/

WARNING ORDER: China Prepares for Conflict and Why We Must Do the Same [+]

Belt and Road
China creating second largest marine corps to secure Belt and Road Interests

Fears of excessive debt drive more countries to cut down their Belt and Road investments [+]

China to Take Over Kenya’s Largest Port Over Unpaid Chinese Loan

Strategic default: How to roll back China’s weaponization of capital investment

How China Colonized an Entire Continent Without Firing A Single Shot
China Is Granting Easy Loans to African Countries to Bankrupt Them and Use Their Debt to Capture Their Resources and Governments
https://needtoknow.news/2018/09/china-granting-easy-loans-african-countries-bankrupt-use-debt-capture-resources-governments/

Does Anyone Even Know How Much China Has Lent to Poorer Countries?
https://www.barrons.com/articles/china-overseas-loans-1541182563

Chinese Military Buildup
Taiwan’s Leader Says Threat of Chinese Invasion “Growing Every Day”

China’s Underground Great Wall

China is building an ‘underground Great Wall’ with an ‘indestructible’ material to fend off nuclear attacks [+]

China’s President Orders Military To “Prepare for War”

US war with China is likely in 15 years, retired general says

China’s military and economic power ‘cannot be denied’ and US ‘has to make room’

China, shoring up its navy, muscles into pacific
https://www.wral.com/china-shoring-up-its-navy-muscles-into-pacific/17803020/

Shooting War with China More Likely Than You Think
https://dailyreckoning.com/shooting-war-with-china-more-likely-than-you-think/
Chinese bombers likely training for US strikes: Pentagon

For years, China shied away from global conflicts. Not anymore

China’s military reforms to ‘WIN A WAR’ and overtake the US revealed in leaked memo [+]

**Chinese Crackdown on Freedom**
China’s social credit system shows its teeth, banning millions from taking flights, trains

“Your Pet Will Be Confiscated!”: A Shocking Glimpse Inside China’s New Social Credit System

Christianity crackdown: Cross TORN DOWN from church in fresh attack on worshippers
https://www.express.co.uk/news/world/1031890/christian-persecution-christianity-china-news

BreakPoint: China’s Crackdown on Religion

China launches platform to stamp out ‘online rumours’
http://news.trust.org/item/20180830063018-6rju6

Who needs democracy when you have data? [+]
https://www.technologyreview.com/s/611815/who-needs-democracy-when-you-have-data/
China rips down posters of Jesus and replaces them with President Xi and ban kids visiting Church

American Airlines alters website to change Taiwan reference amid Beijing demands [+]

Why China censors banned Winnie the Pooh

China’s Challenge to Democracy [+]
https://www.wsj.com/articles/chinas-challenge-to-democracy-1524756755

One chilling story shows how far China will go to silence critics

Educational Resources
Global Economic Warfare by Kevin Freeman [+]
https://globaleconomicwarfare.com
https://globaleconomicwarfare.com/category/the-suspects/

Thoughts from the Frontline by John Mauldin [+]
https://www.mauldineconomics.com/frontlinethoughts

Gordon Chang – Forbes
https://www.forbes.com/sites/gordonchang/

Unrestricted Warfare [+]
https://globaleconomicwarfare.com/2011/01/unrestricted-warfare/
http://www.c4i.org/unrestricted.pdf

Game Plan: How to Protect Yourself from the Coming Cyber-Economic Attack [+]
https://www.amazon.com/Game-Plan-Protect-Yourself-Cyber-Economic/dp/1621572005/ref=sr_1_1?ie=UTF8&qid=1387469823&sr=8-1&keywords=game+plan+by+kevin+freeman
Michael Pillsbury: Hundred-Year Marathon
https://www.amazon.com/Hundred-Year-Marathon-Strategy-Replace-Superpower/dp/1250081343

The Art of War
https://suntzusaid.com

Made in China 2025 and the Future of American Industry [+]

Clinton’s Took Chinese Cash and Compromised U.S. Security
Not All Foreign-Influence Scandals Are Created Equal

FBI Arrests Chinese Millionaire Once Tied to Clinton $$ Scandal

Charlie Trie Indicted

Flashback: Bill Clinton gave China missile technology

Year of the Rat: How Bill Clinton Compromised U.S. Security for Chinese Cash
https://www.amazon.com/Year-Rat-Clinton-Compromised-Security/dp/0895263335

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