

One man awake awakens another

The second awakens his next door neighbor

And three awake can rouse the town and turn the whole place upside down

And many awake can raise such a fuss,

That it finally awakens the rest of us.

One man up with dawn in his eyes - multiplies.

Author unknown

We share the same love for Idaho and the people in it. We also have the heart to endeavor to preserve what belongs to Idahoans and all Americans. That is why deals with China concerning our soil and resources commands our undivided attention. I trust that the few facts I have put together can help unite our awareness and action.

Momentum with Sinomach has slowed down, as they have not gotten back to Idaho officials. There may never be a deal made with Sinomach for the tech zone. But the Idaho Statesman, 12/31/2010, noted that Sinomach also approached Southeast Idaho Energy to secure a "contract for engineering, procurement and construction" of the fertilizer plant in Power County, so they are pursuing a presence in Idaho.

That same article said that while Gov. Otter was in Beijing, he spoke about the tech zone project with the chairman of a different government-owned company, China National Chemical Engineering Corp. And Hoku Materials Inc., which has been in operation in Pocatello for some time now, is a subsidiary of a Chinese energy firm, whose president works for the government of China. China is already here to a degree, and there are many things in Idaho that China still wants.

In this aggregation of ideas I used Sinomach as the example, but you could draw the same comparisons using any Chinese government-owned company. Historically, China has touted a very different philosophy than America has. Our ways of life are built on fundamentally distant principles. That is why it just seems sensible for Idaho to look deeply into not just China's words, and its current image. But examine the policy China believes in and exercises at home, and proceed very cautiously in making these contracts that will bind us together indefinitely. The "cost" of these alliances has to be counted ahead of time, and I don't just mean the dollar signs.

I am very pleased that our paths have crossed, and I hope we can join forces to preserve what is ours in the Idaho we love.

Comment: Below are a few excerpts from the Constitution of the Communist Party of China. In addition to the text: the words in italics are definitions, the words in red are for emphasis, and the words in blue are statements or summaries made of information which is on the Sinomach website.

Constitution of the Communist Party of China

General Program

The Communist Party of China is the vanguard (1. the part of an army that goes ahead of the main body in an advance, 2. the leading position in a movement) both of the Chinese working class and of the Chinese people and the Chinese nation. It is the core of leadership for the cause of socialism with Chinese characteristics and represents the development trend of China's advanced productive forces, the orientation of China's advanced culture and the fundamental interests of the overwhelming majority of the Chinese people. The realization of communism is the highest ideal and ultimate goal of the Party.

Paragraph 10:

The Four Cardinal Principles -- to keep to the socialist road and to uphold the people's democratic dictatorship, leadership by the Communist Party of China, and Marxism-Leninism and Mao Zedong Thought -- are the foundation on which to build our country. Throughout the course of socialist modernization we must adhere to the Four Cardinal Principles and combat bourgeois (middleclass) liberalization (reform, progress or freedom).

Chapter V Primary Organizations of the Party

Article 32, Paragraph 2:

In a state-owned or collective enterprise, the primary Party organization acts as the political nucleus and works for the operation of the enterprise.

The Sinomach Profile states that Sinomach is a Chinese "state-owned enterprise group under the supervision of the State Assets Supervision and Administration Commission (SASAC)." (See Profile page.)

The primary Party organization guarantees and supervises the implementation of the principles and policies of the Party and the state in its own enterprise and backs the

meeting of shareholders, board of directors, board of supervisors and manager (factory director) in the exercise of their functions and powers according to law. It relies wholeheartedly on the workers and office staff, supports the work of the congresses of representatives of workers and office staff and participates in making final decisions on major questions in the enterprise. It works to improve its own organization and provides leadership over ideological and political work, efforts for cultural and ethical progress and the trade unions, the Communist Youth League and other mass organizations.

Article 44

The main tasks of the Party's commissions for discipline inspection at all levels are as follows: to uphold the Constitution and other statutes of the Party, to check up on the implementation of the line, principles, policies and decisions of the Party and to assist the respective Party committees in improving the Party's style of work and in organizing and coordinating the work against corruption.

The Sinomach Organization Structure The Sinomach corporate administrators are all members of the Communist Party of China, who hold the Constitution of the CPC as their guiding principles for thought and action.

Like most companies, Sinomach has the typical President, Vice President, Board of Directors, Board of Supervisors, Secretary of the Board, and Chief Financial Officer. But the supreme authority in Sinomach is the State-Owned Assets Supervision and Administration Commission (SASAC) of the State Council. (See Organization Structure chart.)

The State Council is part of the Communist Party of China (CPC) that governs China. China's Premier, the dictator Wen Jiabao, is the head of the State Council. Subservient to the dictator are the above mentioned corporate administrators. Other Sinomach administrators, who are also subject to the final decision of the dictator, are ones who have positions in the CPC Party Committees. One of those administrators is the Deputy Secretary of CPC Party Committee/Secretary of Discipline Inspection Committee.

Chapter IX Leading Party Members' Groups

Article 47

The composition of a leading Party members' group is decided by the Party organization that approves its establishment. The group shall have a secretary and, if necessary, deputy secretaries.

Sinomach also has a Secretary of CPC Party Committee, and another Deputy Secretary of CPC Party Committee

A leading Party members' group must accept the leadership of the Party organization that approves its establishment.

Article 48

Party committees may be set up in state organs which exercise centralized leadership over their subordinate units. The Central Committee of the Party shall provide the specific procedure for their establishment and define their functions, powers and tasks.

Comment: After I read these sections of their Constitution I asked myself," How will the Communist ideology affect Americans now and in the generations to come, if Idaho allows Sinomach to develop a technology zone as a base of operations for Chinese companies doing business in the United States?"

Chapter XI Party Emblem and Flag

Article 51 The emblem of the Communist Party of China is a design of sickle and hammer.

Article 52 The flag of the Communist Party of China is a red flag highlighted by a golden Party emblem on it.

Article 53 The Party emblem and flag are the symbol and sign of the Communist Party of China. Party organizations at all levels and all Party members shall safeguard the sanctity of the Party emblem and flag. Party emblems and flags should be made and used according to regulations.

Comment: Will the Sinomach Federal Trade Zone, Chinese property in the United States, fly the Chinese flag?



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Organization Structure Corporate Leadership

Chairman's Message

Work together Win together

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Highlights Of The Year

Sinomach Culture

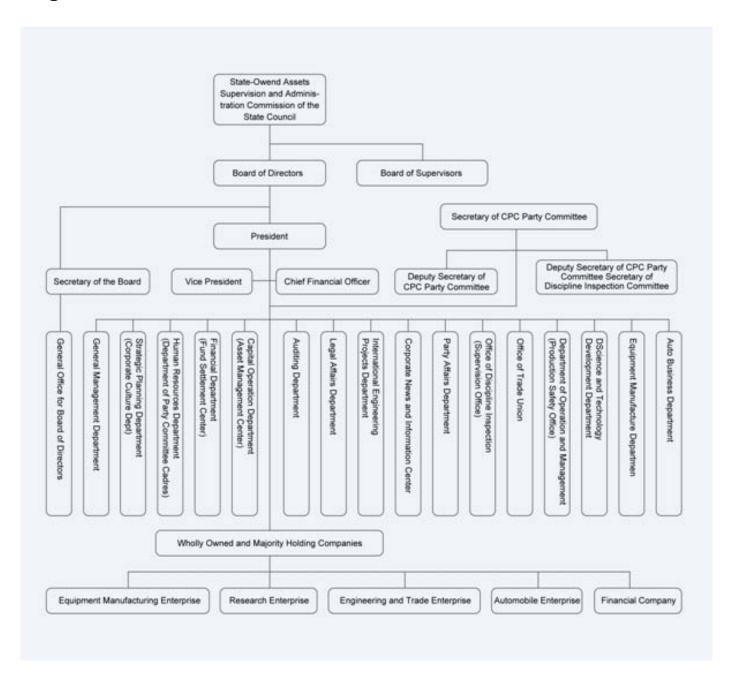
With approval of the State Council, China National Machinery Industry Corporation (SINOMACH) was established in January 1997. SINOMACH is a large scale,

state-owned enterprise group under the supervision of the

State Assets Supervision and Administration Commission.

Sinomach

Organization Structure



Foreign Trade Zones

Free Trade Zones are also known as Special Economic Zones in some countries. Special Economic Zones (SEZs) have been established in many countries as testing grounds for the implementation of liberal market economy principles. SEZs are viewed as instruments to enhance the acceptability and the credibility of the transformation policies and to attract domestic and foreign investment. The category 'SEZ' covers a broad range of more specific zone types, including Free Trade Zones (FTZ), Export Processing Zones (EPZ), Free Zones (FZ), Industrial parks or Industrial Estates (IE), Free Ports, Urban Enterprise Zones and others.

Free trade zones are domestically criticized for encouraging businesses to set up operations under the influence of other governments, and for giving foreign corporations more economic liberty than is given indigenous employers who face large and sometimes insurmountable "regulatory" hurdles in developing nations.

In the <u>People's Republic of China</u>, Special Economic Zones were founded by the central government under <u>Deng Xiaoping</u> in the early 1980s. The most successful Special Economic Zone in China, <u>Shenzhen</u>, has developed from a small village into a city with a population over 10 million within 20 years.

Comment:

Sinomach officials met with Boise city and airport officials, including Mayor Dave Bieter, to discuss developing a foreign trade zone and a customs office at the Boise airport for a base of operations for Chinese companies doing business in the United States—including the option of getting a long-term lease from the Airport Commission (Idaho Statesman, 6/26/2011).

The following page is an excerpt from dozens of Administrative Rules from Shenzen, the most successful SEZ's in China. The rules concern social groups within an SEZ. Groups in America could be anything from Boy Scouts to Mary Kay home facial parties.

SHENZHEN GOVERNMENT ONLINE

www.cz.gov.cn

Administrative Rules of Shenzhen Special Economic Zone on Social Groups

Index #233

(Promulgated by Decree No.69 of the Shenzhen Municipal People's Government

on January 22, 1998)

Chapter General Provisions

Article 1 In order to strengthen the administration of social groups in Shenzhen Special Economic Zone (hereinafter referred to as Special Zone), safeguard their lawful rights and interests, exert their positive functions and promote the development of society and economy of Special Zone, these rules are formulated in accordance with relevant laws and regulations as well as the actual circumstances of Special Zone.

Article 2 These rules shall be applicable to the establishing, changing or canceling registration of the social groups in Special Zone as well as the administration and supervision to them.

Article 3 "Social group" in these rules refers to the nonprofit social organization that is incorporated for certain aim and purpose by the citizens, legal persons or other organizations voluntarily according to these rules.

Article 24 The social group shall bear the following obligations:

- (1) observing the Constitution and laws and defending state sovereignty and national unity;
- (2) developing social public welfare undertaking, maintaining social stability, and promoting the construction of the socialist material civilization and spiritual civilization.

Questions Regarding the Idaho-China Relationship:

1. Gov. Otter, with the help of Taiwanese businessman Raymond Ku of Westlink, has been inviting foreign investors to Idaho since Idaho's economic bottoming out in 2007 (Idaho Statesman, 8/8/2010). His plans for an economic development program have been progressing since then. "Gov. C.L. 'Butch' Otter has highlighted the EB-5 program [definition below] as a 'key' element of his effort to attract foreign investment to Idaho, as part of Project 60, his plan to grow the state's annual gross domestic product to \$60 billion from \$52 billion," (Idaho Business Review, 12/1/2009).

On his trip to China, in June of 2010, twenty Chinese citizens committed to investing \$10 million and creating 200 jobs in Idaho. In order to do this, each investor applied for an Employment-Based Immigration: Fifth Preference Visa (EB-5). Applicants invest \$1 million with an Idaho Regional Investment Center for business projects in urban areas. (Investments of \$500,000 for projects in rural or Targeted Employment Areas in Idaho, also qualify an investor for an EB-5 Visa.) Applicants must also produce 10 permanent jobs within two years. In exchange for their investments and job production, Chinese citizens forfeit their Chinese citizenship, receive a Visa or Green Card that gives them permanent U.S. residency, and in five years, gives them U.S. citizenship (U.S. Citizenship and Immigration Services – USCIS). In addition to the incentive of U.S. citizenship, the Idaho Global Investment Center also helps their investors "provide their children with an American education at one of the state of Idaho's finest universities" (www.idahogic.com/faq/)

Is this not selling United States citizenship?

What will happen to the American workers in Idaho who will be displaced by the immigrant workers?

What guarantees that the employees of these business projects (including Sinomach) will be Idahoans and not exclusively Chinese?

Is this not an attack on the domestic Idaho workforce?

What if the immigrant wo	orkers who hold	d Green Cards and	permanent U.S.	residency	decide to
not get their citizenship.	Will they still b	e allowed to draw	from Social Secu	urity?	

2.	Why are we looking for foreign money, attracting immigrant investors (at the price of "gi	iving
	away our land") instead of having local investors improving Idaho's economy?	

3. Sinomach, the company owned by the Chinese government, is "looking at developing a manufacturing and warehouse zone that could one day become a **base of operations** for Chinese companies doing business in the United States," (Idaho Statesman, 12/31/2010.)

Is this not establishing a Chinese **industrial** "beachhead in the United States"?

(This phrase was used by Idaho Commerce Secretary Don Dietrich, Idaho Statesman, 6/6/2010)

Has China cloaked its military purposes in corporate and economic garb, to improve its image and be more readily received by Idahoans?

(Compare "The Year China Showed Its Claws, and China Flexes Its Soft Power, written by Chinese Communist Party expert, David Schambaugh, credentials cited in Idaho Statesman 10/25/2010, and article referred to in "A Quiet Night in Beijing", Idaho Statesman, 6/10/10.)

What prevents the Chinese from bringing military equipment and/or forces into a Federal Trade Zone, which is what Sinomach would be?

4. Don Dietrich, director of the Idaho Department of Commerce, said, "It just isn't possible to develop Little China in Idaho. U.S labor laws don't allow it," (Idaho Statesman, 6/26/2011).

What are the specific laws that will protect Idaho from having that happen?

Wasn't there already legislative changes made to accommodate Sinomach traffic at the Boise Airport?

What laws are there that would exclude China from buying Idaho's strategic minerals?

5. Don Dietrich said, "People have to understand this [referring to investment from China and other foreign countries] goes directly into Idaho projects."

How much of the investment money will actually go into the "Idaho projects" after percentages have been paid to the Regional Investment Centers and other middlemen in the EB-5 program?

What specific "Idaho projects" will their money go into?

Comment: I am very interested in the economic growth of Idaho. I think there are ways that involve the ingenuity, hard work and loyalty of Idahoans for this to be accomplished. I am not a conspiracy theorist, just someone who reads the newspaper and tries to fit things together. My questions come from when it seems that the facts haven't been fully disclosed or actions taken don't seem logical to me. I have more questions if you'd like to hear them.

Brookings Institution

The Year China Showed its Claws

China, Northeast Asia, Politics, International Relations

David Shambaugh, Nonresident Senior Fellow, Foreign Policy, Center for Northeast Asian Policy Studies

Financial Times

FEBRUARY 16, 2010 —

In recent months Beijing has been cracking down at home and lashing out abroad. China watchers are perplexed about the origins and implications of the new assertiveness. Many believe a threshold has been breached and that China is going to become more difficult to deal with. Others see merely the 30-year pattern of *fang* and *shou*, opening and closing, in which one step back is followed by two steps forward.

Since the adoption of a fairly progressive decision on intra-party democracy at September's plenary session of the Chinese Communist Party Central Committee, political reforms have stalled. The foreign business climate has also deteriorated badly, with multinationals complaining of a host of new operating constraints and protectionist measures. Some western executives with long experience in China say it is the worst they have seen since 1989-92. Meanwhile, the country's trade and currency surpluses continue to balloon.

In October the world witnessed a powerful military parade displaying the People's Liberation Army's new advanced weapons. This was followed by heavy-handed Chinese management and censorship of President Barrack Obama's visit to China in November. In December, China effectively blunted pressure for binding and verifiable climate control measures at the Copenhagen summit; dissident Liu Xiaobo was sentenced to 11 years in prison; and the (perhaps unwitting) British heroin smuggler Akmal Shaikh was executed, despite dozens of high-level entreaties by the British government.

Since the beginning of the year, Sino-American relations have been buffeted by Google's complaints of cyber-hacking, arms sales to Taiwan, US complaints about the strength of the renminbi, and China's blocking of further sanctions against Iran's nuclear programme. Bilateral military exchanges have been suspended and the rhetoric is ratcheting up daily.

It is not over: Mr Obama will meet the Dalai Lama in Washington on Thursday, which will trigger renewed Chinese fury and further suspension of bilateral exchanges. More Chinese dissidents have recently been sentenced to lengthy jail terms, and the two countries are preparing to exchange a series of retaliatory trade tariffs and anti-dumping duties.

The US is not the only country having difficulties with China. The European Union has a variety of complaints. India-China relations are also in a bad patch over border disputes and the activities of the

Dalai Lama. Some south-east Asian nations are disconcerted by China's newly assertive attitude on several regional issues. China and several Latin American countries are experiencing trade and economic frictions. There is a growing backlash against Chinese resource extractions in Africa. Australian-Chinese relations are still strained by the Rio Tinto-Chinalco deal that went sour last summer, and by the subsequent arrests and pending trials of Rio staff in China. Even Russia – China's vaunted strategic partner – has grievances over trade, immigration and arms sales.

On all these issues, China's government spokesmen and officials have adopted a tough and uncompromising attitude. In several sets of ongoing bilateral negotiations, foreign diplomats in Beijing report a new truculence and unwillingness to compromise on China's part. Meanwhile, Chinese think-tank analysts seem oblivious to the dramatic downturn in their country's reputation. Global opinion polls on China have been generally negative (except in Africa) since 2008, but are now sinking lower.

So what is going on? Conservatives in the west argue that we are merely seeing the true colours of an aggrieved rising power that wishes to challenge the status quo. Many Chinese commentators point instead to a western-triggered global financial crisis that has vindicated China's development model and given it new confidence. Meanwhile, analysts who have argued that the country is moving inexorably towards greater openness and reform are beginning to re-examine long-held assumptions.

Alternative explanations also exist, which are not mutually exclusive. One is that a leadership transition is under way in the run-up to the 2012 Party Congress, and that during such periods China becomes more caustic while candidate leaders try to prove their nationalist credentials. A related hypothesis is that China's rulers believe the country is beset by numerous socio-economic problems and feel their rule is fragile – thus they divert attention with nationalistic rhetoric.

Another interpretation is bureaucratic: that the security services and conservative party factions have trumped reformers and are trying to exert renewed authoritarian control over several policy spheres. Others believe that China's foreign policy "realists" have won a long-running debate about China's international posture and that those in favour of multilateralism and international co-operation are in eclipse (the realists argue that China should protect its own narrow national interests). Then there are those who hold that China's "netizens" and hyper-nationalist citizens are pushing the government to be tougher internationally – especially vis-à-vis the US.

There is some truth in each of these explanations. The Year of the Tiger is known to be turbulent, and it is beginning true to tradition.

The New Hork Times

June 7, 2010

I.H.T. OP-ED CONTRIBUTOR

China Flexes Its Soft Power

By DAVID SHAMBAUGH

BEIJING — China's new public diplomacy is ramping up to complement its traditional diplomacy. Chinese leaders are traversing the globe and receiving foreign leaders at home, but less noticed has been the blitz of China's new soft-power efforts.

Discussions here in Beijing indicate that the Chinese government is more aware of its tarnished international image and is undertaking numerous coordinated steps to improve it.

The most recent BBC/Globescan poll of 28 nations showed, for example, that China's global image remains mixed. Only in Africa and Pakistan is it consistently positive, while in Asia, North America, and Latin America it is neutral to poor. Across Europe it is strongly negative.

To try and raise China's global profile and improve its image abroad, the Chinese government is investing in a broad range of activities and institutions. A new Office of Public Diplomacy has been established in the Foreign Ministry, while the State Council Information Office is coordinating China's media and exchange organizations to "go out" (zou chuqu) and establish a foothold in the international media environment and think-tank world.

The Chinese government is investing a reported \$8.7 billion in 2009-2010 in its "external publicity work" — primarily on the "Big Four": China Central Television (CCTV), China Radio International (CRI), Xinhua News Agency and the China Daily newspaper — while media executives and opinion shapers from various countries are being brought to China for "familiarization" tours.

All four of these external media outlets have had major makeovers in recent months, all intended to give a less propagandistic face to the world. Foreigners now anchor news broadcasts; op-ed pages are becoming more serious; radio programs are more diversified; Web sites are more informative; and newspapers are publishing more investigative stories.

Some specific efforts include Xinhua TV now operating a 24 hour news channel that is trying to imitate Al Jazeera; CCTV News is trying to compete with CNN and BBC; CRI is buying more air time in a number of AM and FM radio markets in the United States and Europe, while broadcasting directly into Africa, the Middle East and Latin America. CCTV now broadcasts six international channels in five languages and claims a total global audience of about 125 million.

Some provincial television stations (Chongqing, Shanghai and Hunan) also seek a niche in the foreign broadcast market. China has also funded a series of English and Chinese language television stations abroad, such as Blue Ocean Network (BON TV) and Great Wall TV in the United States.

Xinhua News Agency is penetrating deeply into the developing world, becoming the principal source of news for people in Africa. Xinhua also sees a particular target of opportunity with the main Western news wires (AP, UPI, Thomson Reuters). Xinhua's strategy is to file mainly descriptive news reports, unfiltered with Chinese political perspective, and to develop a clientele by marketing a cheaper news report than the big Western wire services.

Currently, Xinhua has 80,000 paying institutional subscribers, which produces a strong revenue stream, but also provides a source of news and information to publics in the developing world where there are precious few domestic sources. Xinhua has 400 correspondents posted in 117 bureaus around the world, with plans to add 10 more by 2012 and to grow to 180 by 2020. In addition to media initiatives, China is sponsoring an increasing range of cultural exhibitions and "Years of China" abroad. Nearly 100 are planned in 2010.

At home, it is hosting the dazzling World Expo 2010 in Shanghai. Chinese films and literature are enjoying growing global popularity as well. Educationally, China has also opened 282 Confucius Institutes and 272 Confucius Classrooms worldwide to promote Chinese language and culture.

Whether these new soft-power efforts will bear fruit and build a more positive image for China around the world remains to be seen. The messages transmitted abroad still often have a wooden and propagandistic flavor to them.

Moreover, as Joseph Nye notes in his seminal work on the subject, real soft power comes from a society, not from government. China's government continues to muzzle many of its most creative and diverse elements, while China's human rights record, its political system, economic strength, and growing military power all continue to negatively afflict its image abroad.

No matter how well resourced the (state) messenger is and how much the message is massaged, it is still reality that will play the main role in shaping China's image around the world.

Idaho as "China-Beachhead" Withdrawal Resolution

June 23rd, 2011

Resolution 2011-

Idaho as "China-Beachhead" Withdrawal Resolution

Submitted by Jim Martin, Legislative District 22, Elmore County State Committeeman.

Whereas, under SECTION 10 of ARTICLE XI of the State Constitution states "No foreign corporation shall do any business in this state without having one or more known places of business, and an authorized agent or agents in the same, upon whom process may be served; and no company or corporation formed under the laws of any other country, state, or territory, shall have or be allowed to exercise or enjoy, within this state any greater rights or privileges than those possessed or enjoyed by corporations of the same or similar character created under the laws of this state."

Whereas, the stability of our form of government is being undermined by strategies used by the Chinese state-government-controlled entities through investments, corporate takeovers, intelligence operations, and rare-earth monopolization, it shall be the duty of the legislature of Idaho to cease further foreign-based corporate development of a "Free-Trade-Zone" and approximately 60,000 acres in Idaho. ¹

Be It Therefore Resolved: That the Idaho State Republican Party Central Committee hereby calls upon the Governor to disclose to the general public all details of the Chinese interactions of Idaho's "Project 60" program.

Be It Further Resolved: That we direct the Idaho Legislature to inquire 1) how this does not violate our own State Constitution, 2) if this is a security risk to Gowen Field, Mountain Home Air Force Base, the State of Idaho, or the U.S., and 3) why we are not internally developing our own natural resources.

PASSED ELMORE CENTRAL COMMITTEE on June 23rd, 2011

Background: "Project 60" seeks to provide acreage to the Chinese Government through corporations in three locations in Idaho: south Boise (30,000 acres), Pocatello, and American Falls (the remaining 30,000 acres) for procurement, construction, and engineering involving \$2 billion for a fertilizer plant in Southeast Idaho and a project near Boise for a manufacturing, trade and technology zone.

¹ See reverse side for additional "Whereas" inputs

Back page of "China Beachhead"

Whereas, the future of national security would be jeopardized by the physical presence of a non-United States-controlled foreign presence within our boundaries, negotiations of such shall cease at all levels within the state.

Whereas, we the state of Idaho are presently involved in *questionable business deals* with Communist Party leaders who use our capitalist tools, technologies, and investments to strengthen their socialist system, cease *such deals* at all state levels.

Whereas, these decisions involve great economic monies that would seem to benefit our state (separate, isolated communities such as SEZ's would be built within our state with limited business interactions), temporary sacrifices would be needed and possible income alternatives from tax reform to rebuild our state economy from within.

Whereas, both U.S. and Canadian intelligence sectors have reported clandestine accounts by foreigners having the ability to undermine our individual decision processes of our form of government, we the people need to uphold our sovereignty by eliminating subversive aggression.

Whereas, our Idaho freedoms are not for sale, we need to stand firm and rebuild Idaho.