

At Washington's behest

# Canada arrests top Chinese executive for “sanctions busting”

By Keith Jones and Roger Jordan  
7 December 2018

Acting at Washington's behest, Canadian authorities have arrested a senior executive of Huawei Technologies, the Chinese telecommunications giant, for allegedly violating US economic sanctions against Iran.

The arrest and impending extradition of Meng Wanzhou to the US is a diplomatic and geopolitical provocation. Asian and other global stock markets fell sharply Thursday, due to expectations that the US effort to seize and prosecute Meng will roil US-Chinese relations and torpedo the 90-day “truce” in the US-China tariff war that US President Trump and Chinese President Xi agreed to on the sidelines of last weekend's G20 summit.

Meng is not just the Chief Financial Officer and one of four deputy chairs of China's largest private companies and the world's second largest maker of mobile phone. She is the daughter of Huawei's founder and current head, Ren Zhengfei.

Meng was reportedly arrested in Vancouver last Saturday, while changing planes. However, her arrest was only made public on Wednesday evening. She is to appear at what Canadian authorities have described as a bail hearing today.

That Meng's arrest was a calculated provocation is underscored by its timing. US National Security Adviser John Bolton has said that he was aware Meng was in the process of being apprehended when he joined Trump for his Saturday evening dinner meeting with Xi and other top Chinese officials. Yet the Americans breathed not a word about the bombshell they were about to burst, with Canada's assistance.

As Li Daokui, a prominent scholar at Tsinghua University put it, “Imagine that Facebook's Sheryl Sandberg was detained in Japan or Korea at the request of the Chinese government. Imagine what the political response would be in the U.S.”

US officials and Republican and Democratic Congressional leaders have all hailed Meng's arrest, which is fully in line with American global strategy—both in targeting China's high-tech sector and in using US sanctions to threaten and bully states, political leaders, and US corporate rivals around the world.

“Americans are grateful that our Canadian partners have arrested the Chief Financial Officer of a giant Chinese telecom

company for breaking U.S. sanctions against Iran,” enthused Republican Senator Ben Sasse, a member of the Senate Armed Services Committee.

Chinese authorities, as would be expected, have vehemently protested Meng's arrest.

“Detaining a person without providing an explanation has undoubtedly violated her human rights,” said Chinese foreign ministry spokesman Geng Shuang. China, said Geng, “has made clear its stern position to the Canadian side and the US side respectively on this, demanding them to immediately clarify the reason for the detention, immediately release the detainee and earnestly protect the legal and legitimate rights and interests of the person involved.”

Meng's arrest has huge global geopolitical implications.

First, it underscores Washington's determination to enforce its punishing, illegal sanctions against Iran. In recent months, top US officials have repeatedly threatened to personally target corporate executives and bankers, including those from SWIFT and other European-based firms, if they refuse to serve as conscripts in Washington's economic war on Iran.

Second and even more importantly, it represents a significant escalation in the ever deepening economic and military-strategic conflict between the US and China.

China's largest private company, Huawei is itself a major US target in this conflict for both commercial and military reasons.

Washington has been demanding that its partners in the US National Security Agency-led Five Eyes global spying network—Canada, Britain, Australia, and New Zealand—take action to limit Huawei's role in their cellphone networks, and to outright exclude it from the development of 5-G mobile communications.

This is being justified on security grounds; that is, on the claim that Chinese authorities could work with Huawei in the same way the NSA does with Microsoft, Apple and other US computer and telecommunications giants to create “backdoors” that facilitate state surveillance.

But there are also huge commercial and military-security motivations for the US offensive against Huawei and China's other major telecommunications manufacturer, ZTE. The latter

has been subject to US financial and other penalties ban for allegedly violating US sanctions on Iran and North Korea.

Washington is determined to prevent Beijing from realizing its goal of becoming a leader in the production of high-tech goods by 2025, because this would eat into the market share and profits of US high-tech companies and threaten America's military superiority.

The United States, Australia and New Zealand have already banned Huawei from their respective 5G networks.

On Wednesday, British Telecom announced that it would exclude Huawei from its 4G operations, two days after the head of Britain's secret service MI6, Alex Younger, warned that London had to take a decision about how far it was willing to go in its dealings with the Chinese tech giant.

Japanese media are reporting that Tokyo will announce today a ban on government purchases of Huawei and ZTE equipment.

Canada has come under increasing pressure from Washington to take action against Huawei.

"I continue to strongly urge Canada to reconsider Huawei's inclusion in any aspect of its 5G development, introduction, and maintenance," said Republican Senator Marco Rubio, in welcoming Meng's arrest.

In October, Rubio and Democratic Senator and Vice Chair of the Senate Intelligence Committee Mark Warner co-authored a letter to the Canadian government that said that Canada's access to intelligence sharing through the Five Eyes could be jeopardized if it did not exclude Huawei and all "other Chinese state-directed telecommunications companies" from the development and deployment of the country's G-5 network.

In a statement that suggested all major Chinese firms should be viewed as national-security threats, Warner and Rubio declared, "There is ample evidence to suggest that no major Chinese company is independent of the Chinese government and Communist Party—and Huawei, which China's government and military tout as a 'national champion,' is no exception."

Sections of Canada's military-security apparatus, including two former heads of the Canadian Security Intelligence Service (CSIS) and a former head of the NSA's Canadian partner, the Communications Security Establishment, have seconded these calls. Meanwhile the country's most influential newspaper, the *Globe and Mail*, has published a series of lurid reports, based largely on innuendo and unsubstantiated claims, complaining about growing Chinese political influence in Canada.

This campaign has been aimed not just at prodding the Liberal government to take action against Huawei, but also to put the brakes on its plans to pursue a free trade agreement with China.

Yesterday Canadian Prime Minister Justin Trudeau confirmed that he knew in advance of Meng's arrest, before making the absurd claim that it was a purely administrative-judicial matter and that he and his government played no part in a decision with huge consequences for Canadian-Chinese and global interstate relations.

Trudeau and his Liberals have been bending over backwards to accommodate the Trump administration, with the aim of securing a revised North American Free Trade Agreement that preserves largely unfettered US market access for Canadian big business and the Canada-US military security partnership the Canadian bourgeoisie depends upon to assert its imperialist interests around the globe.

As part of the revised NAFTA (or the United States-Mexico-Canada Agreement as Trump likes to call it), Canada agreed to a US demand for a provision prohibiting if from concluding a free trade agreement with a "non-market economy"—a clear reference to China—without prior approval from Washington.

The Canadian government's complicity in Meng's arrest underscores that with the rapid escalation of economic, military and geopolitical tensions between Washington and Beijing, Ottawa is lining up four-square behind US imperialism. Indeed, the Canadian military now touts the South China Sea and Straits of Malacca, likely key battlegrounds in any US-China clash, as of vital strategic importance to Canada

This shift is motivated above all by the understanding, which has guided Canadian imperialist policy for the past three quarters of a century, that it can best pursue its own predatory global interests in alliance with Washington and Wall Street.

Absent the revolutionary intervention of the international working class, the logic of American imperialism's increasingly desperate drive to thwart China's rise and thereby shore up its global power is a catastrophic war. In a bellicose speech in October, US Vice President Mike Pence accused Beijing of "pursuing a comprehensive and coordinated campaign to undermine support for the President, our agenda, and our nation's most cherished ideals." In terms reminiscent of the anti-communist tirades of the Cold War, he denounced China for "military aggression" and outlined a strategy for diplomatic, economic and military confrontation with China, declaring ominously, "We will not stand down. We will not be intimidated."

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