

INTERNATIONALE POLITIK SPECIAL

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China and Israel: Power and Markets

Texts of the Sylke Tempel Fellows 2022





Dear Readers

Of the many issues that we publish throughout the year, the one that has the most unusual format is the IP Special featuring the texts of the Sylke Tempel Fellows.

The fellowship is one of the two entities established to commemorate the outstanding journalist, publicist, and former editor-in-chief of this magazine; You will find the text of the winner of the Sylke Tempel Essay Prize in the November/December issue of IP, which is published in parallel with this issue.

Following the tragic accidental death of Sylke Tempel, the Board of Trustees of the German-Israeli Future Forum Foundation established this program in 2018. In addition to IP, the partner organizations are the American Jewish Committee (AJC), the European Leadership Network (ELNET), Women in International Security Deutschland e.V. (WIIS.de) and, this year for the first time, Bar-Ilan University Ramat Gan.

Five years have passed since the death of Sylke Tempel. Already five years, say those who wonder where those frantic years have gone. Only five years, ask those who have seen the dawn of a new era, in which many of the things Sylke Tempel warned about and wrote against are unfolding.

In the face of these enormous changes, those who worked with her or were influenced by her, and there are many, still ask today silently or publicly: What would Sylke have said about this?

Sylke Tempel had a special connection to Israel, which can be read in her eloquent and intelligent books and texts. Israel is once again the focus of this IP Special. It brings together nine texts by 11 young authors. They have investigated China's role in the Middle East and especially with regard to Israel: You will read about infrastructure, images, IT, and much more. Why China? First of all, the actions of this emerging power in one of the world's most fragile regions are important and in need of explanation - especially beyond the short-sighted daily news cycles. Furthermore, this topic fits perfectly into the world of IP, where we offer the space for the in-depth exploration of fascinating complexity with new perspectives. We hope you enjoy reading this IP Special.

Martin Bialecki
Chefredakteur

Table of contents

How China Is Writing History	2	How China Charms Israel	36
By Tamara Or		Is Chinese soft power embedded differently or more effectively in Israel?	
The Growing Global Challenges	4	By Maya Rollberg & Lukas Wiehler	
A greeting from Tzipi Livni		Silk Road to Cairo	43
A World without Order	5	How China is expanding its influence on the Nile – and how the West can respond. By Mareike Enghusen	
A greeting from Sigmar Gabriel		The Lion-Dragon Pact	50
Infrastructure without Vision	6	China and Iran share an authoritarian ideology and a rejection of the international order. By Julian Pfleging	
Tracing Beijing's New Silk Road in the Middle East.		Thus Spoke Confucius	58
By Maximilian Brien and Giacomo Köhler		What can we learn about our current moral uncertainties from German and Israeli academic engagement with Chinese autocratic systems. By Roy Zunder	
The TikTok Dilemma	14	Beijing's "Siege Mentality"	66
Israel cannot turn a blind eye to the hazards associated with the Chinese social network. By Einav Schiff		Understanding siege mentality and how it affects decision making in China could allow Israel to influence China's strategic moves in Iran. By Benaya Cherlow	
The Regulatory Challenge	22	The Fellowship	74
Israel has adapted to Beijing's increased interest in the Middle East.		Imprint	76
By Hila Roded			
Tech Ties with China	29		
Chinese investors have been attracted to Israel's thriving high-tech sector. But this entails security risks.			
By Klara Leithäuser			

Infrastructure without Vision

Tracing Beijing's New Silk Road
in the Middle East.

By Maximilian Brien and Giacomo Köhler

Europe's history is inconceivable without the Middle East and the trade routes that traversed it. In 2013, Chinese President Xi Jinping announced the start of a new government initiative based on the best-known of these trade routes, a New Silk Road also known as the Belt and Road Initiative (BRI). The project is a central component of Chinese policy and was even incorporated into the constitution in 2017. Officially, multilateral connectivity will be promoted by means of infrastructure projects — networks are to be created in Eurasia and Africa, and trade routes are to be established or improved. The Middle East plays an increasingly important role in this. But what is the situation of the initiative within the region? The following article embarks

on a search for tangible traces of the BRI in the Middle East.

At the heart of the Belt and Road Initiative are several transportation corridors spanning the Eurasian continent. Three rail corridors connect China with Europe through Central Asia, Russia, Iran and Turkey, and three others with the Indian Ocean and Singapore via Pakistan and South-east Asia. A so-called “Maritime Road” runs from China through the Indian Ocean to the Mediterranean Sea. In addition to classic transportation infrastructure, China is also investing in energy generation, digital infrastructure, and the health-care sector. According to Beijing, the focus of the initiative is on mutual development, growth, and regional and supraregional integration. The global



need for infrastructure investment is undisputed. The World Bank, for example, estimated annual investment needs for Middle Eastern countries at around \$100 billion between 2010 and 2020.

A frequently voiced criticism is that Beijing is pursuing domestic as well as foreign policy self-interests. In an interview, Gal Luft, director of the Institute for the Analysis of Global Security in Washington, emphasizes that China must, “promote the construction of infrastructure projects in order to keep state-owned enterprises operating at full capacity and avoid instability. For years, they have been busy building infrastructure in China, but the demand for new infrastructure there has been gradually depleted. Therefore, China needs to generate external demand.” Other experts emphasize geostrategic interests, such as securing alternative supply routes for China’s energy imports. In addition, China is accused of trying to gain control over essential infrastructure and foster economic dependencies in the sense of a neo-imperialist policy. Other points of criticism include the predominant use of Chinese labor, the neglect of environmental and anti-corruption standards, and the failure to take local interests into account.

A Patchwork Quilt

“The Middle East has never been the centerpiece of the BRI, it has always been a sideshow,” Luft says. Nevertheless, the region’s importance for China is growing steadily, and vice versa as well: in 2021, China’s total investment in Middle Eastern countries increased by 360 percent year on year. Carice Witte, head of the Israeli think tank SIGNAL, also stresses that China is the largest investor in the Middle East — and will remain so. “While investments in BRI projects have declined globally, they have increased in the Middle East. So, Beijing’s view of the Middle East has definitely changed.”

But what shape is the Belt and Road Initiative taking in the region? From a bird’s eye view, one sees a patchwork of different initiatives, projects, and investments that are interconnected in ways that are blurry and often difficult to discern. The

The BRI has no overarching legal basis. It is based instead on so-called memoranda of understanding (MoU) - often vague declarations of intent made by the government in Beijing with individual countries.

BRI is anything but transparent: there is no official website, no list of projects. It is steered by different governmental entities and funded from different sources. Initially, conventional infrastructure projects such as ports, roads, and railways formed the centerpiece, but by now, even in the Middle East, a variety of sub-initiatives such as the Health Silk Road or the Digital Silk Road are grouped under the vague label. This patchwork raises many questions: Does China have an integrated vision for the region? What is the impact of the Belt and Road Initiative in the Middle East on cross-border economic integration? And why does Israel, as so often in the Middle East, have a special role?

The Belt and Road Initiative has no overarching legal basis. Instead it is based instead on so-called memoranda of understanding (MoU) — often vague declarations of intent made by the government in Beijing with individual countries. While Israel and Jordan have not yet signed any MoUs at the government level, and Lebanon (2017), Oman (2018), and Syria (2022) have each signed only one, other regional powers such as Saudi Arabia, Egypt, Turkey, and the United Arab Emirates (UAE) have signed a large number of MoUs in recent years. There are also numerous MoUs at corporate level.

In addition, there are various projects with Chinese participation in the region that have a BRI-like character and are often treated as such, but are not officially part of the initiative. One example is the construction of the new terminal at the Israeli port of Haifa. The financing of the projects is just as complex as their legal basis. While Chinese state-owned banks and the state-owned Silk Road Fund are responsible for a large part, Israel and Western donor countries are also participating in the financing through the Asian Infrastructure and Investment Bank.

One Label for Various Projects

It is not only the fragmented legal basis that often makes the initiative seem vague. The Belt and Road Initiative also encompasses more than just classic transportation infrastructure, which one would associate with regional connectivity. In the

Middle East, China is also expanding both fossil fuel and renewable energy infrastructure as part of the BRI. In 2020, the country sourced 47 percent of its crude oil imports from the Middle East. Chinese companies are involved in the construction of fossil fuel power plants in Iraq, Jordan, Turkey, and the United Arab Emirates (UAE). In addition, Chinese state-owned companies are becoming increasingly involved in the expansion and also the extraction of oil and gas fields. Sinopec, for example, has acquired a 49 percent stake in Iraq's Manuriya gas field, and PetroChina has stakes in various concessions in Abu Dhabi. Saudi Arabia, the UAE, and China are also cooperating increasingly in the renewable energy sector. For example, the Silk Road Fund acquired 49 percent of the "clean energy" division of the Saudi group Acwa Power, and the Chinese company Jinko Power is involved in the construction of one of the world's largest photovoltaic plants in Al-Dhafra in the UAE. It remains unclear whether these are all just individual projects or whether they follow a clear regional strategy.

A mixed picture emerges for classic transportation infrastructure. Ports continue to play a central role in the Belt and Road Initiative. In the past decade, Chinese investors acquired shares in port facilities or invested in the expansion of terminals in Egypt, Israel, the UAE, Kuwait, Oman, Saudi Arabia, and Turkey. In addition, large special economic zones with extensive Chinese participation are being created around these port facilities, such as in Egypt with the Suez Canal Economic Zone. Together with planned or already completed port projects in Myanmar, Sri Lanka, Pakistan, and Kenya as well as in Greece and Italy, these ports are lined up according to the Maritime Road's so-called "string of pearls" strategy.

The focus on port facilities shows that China seems to prefer to expand or secure existing infrastructure rather than create new infrastructure at enormous cost. Accordingly, the expansion of regional road and rail networks is currently not a priority. Yet these are the projects that the public often associates with the BRI. Two such projects

that have been under discussion for some time — the Red-Med Railway, a rail link between the Israeli cities of Eilat on the Red Sea and Ashdot on the Mediterranean, and the so-called Peace Railway, which is to connect Haifa with the Persian Gulf — have long been in doubt for financial and environmental reasons, despite the alleged interest of Chinese donors. **“Apart from political problems, both projects suffer from dubious economic viability. Therefore, their realization is unlikely,” says Galia Lavi, an expert on Israeli-Chinese relations at the Institute for National Security Studies in Tel Aviv.**

Bilaterally, China is still supporting the expansion and renewal of railroad networks. An Egyptian-Chinese consortium is planning to build a high-speed line between the Egyptian ports of Ain Sokhna and Alamein, while China Exim Bank is financing the construction of the light rail between Madinat al-Aschir min Ramadan and Egypt’s new administrative capital. But elsewhere, similar projects have been quietly abandoned in recent years. Chinese donors, for example, withdrew from the electrification of the Tehran-Mashhad Railway in 2021. Other prominent cross-border rail projects have also failed to get beyond the discussion and planning stage. For example, the Turkish authorities and the Chinese Ministry of Transport and Infrastructure have so far failed to agree on the construction of the Edirne-Kars high-speed line, which would complement the China-Central Asia-West Asia corridor.

China’s Digital Silk Road, on the other hand, has grown in importance in recent years. In the Middle East, it encompasses at least 500 projects, including everything from 5G networks and submarine cables to mobile payment platforms and bioengineering. China is responding to an undeniable need for digital infrastructure. According to the World Bank, a comprehensive digitalization of the economies of the Middle East and North Africa could increase regional GDP per capita by 46 percent over 30 years. The expansion of 5G networks is a key factor. “The faster the network connection in a region, the faster that region can develop,”

argues Dale Aluf, research director at SIGNAL. The Digital Silk Road, in turn, enables China to create a comprehensive digital eco-system in which all data streams flow to Beijing. These data volumes serve as the basis for future technologies such as artificial intelligence or machine learning. In addition to that, there are also security concerns. The US government regularly cautions about the consequences of technological dependence on China. Countries in the Middle East are largely indifferent to such warnings, especially since the US cannot offer alternatives. At the same time, it seems premature to speak of Chinese dominance. “The reality on the ground is much more complicated. In fact, we see fierce competition [for 5G] between European, Japanese, and Chinese companies,” says Aluf. So, the countries in the region are quite capable of maneuvering between the powers and benefiting from their competition.

Prestige rather than Substance?

Instead of driving regional connectivity, the expansion of the physical Belt and Road Initiative in recent years has tended to consist of prestige projects such as Egypt’s new administrative capital, Saudi Arabia’s NEOM City, or Kuwait’s Silk City project. Experts like Witte, from the think tank SIGNAL, therefore assume that there is no overall strategic approach. “I don’t see an integrated approach in the Middle East. At the moment, the main issues are: What can be done here? What can be done there? What are the needs, what are the benefits? I don’t see an integrated Chinese policy there.”

Despite the lofty mission statement of a “common destiny” among participating states, Beijing seems to take more of a pragmatic approach, seizing country and context-specific opportunities on an ad hoc basis. According to Lavi of the Institute for National Security Studies, China is well versed in “developing ideas that can later take concrete shape, depending on needs, according to the situation.” Still, Luft of the Institute for the Analysis of Global Security points out that China’s partners in the Middle East, particularly among oil-produc-

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ing countries, have very different starting points, economic structures and needs, which makes pursuing a unified vision difficult. Economically weak, crisis-hit countries like Syria or Iraq “need to restore production in the first place, rather than thinking about how to increase it. Wealthy countries like Saudi Arabia don’t need Chinese investment per se, because they have sufficient resources. What they need is market integration. They need to provide demand security.”

In addition to the question of a regional vision, there is also the question of the implementation of concrete projects. After years of grandiose announcements, but also growing criticism, things have become noticeably quieter around the Belt and Road Initiative. Major projects have recently been put on hold, time and again. The Egyptian government halted construction of a massive 6MW coal-fired power plant in Hamrawein in 2021 due to environmental and social concerns. Plans for a major Saudi-Chinese oil refinery complex in Yanbu, Saudi Arabia, have also been in limbo since 2020, and major prestige projects such as the Mubarak al-Kabir port — part of Kuwait’s Silk City mega-project — are currently not being actively pursued due to financial problems. The economic turmoil of the COVID-19 pandemic has dampened the appetite for large infrastructure projects in China as well as among partner countries.

Grand Visions, Complicated Realities

It is often not only financial feasibility that slows down the implementation of an ambitious initiative. The lack of a comprehensive vision and the fact that half-baked projects are often not adapted to local circumstances repeatedly stoke resentments. Attacks on infrastructure projects in Pakistan’s Balochistan province and anti-Chinese protests in Kazakhstan show that this can also exacerbate local tensions. Critics have repeatedly complained about a lack of Chinese willingness to adequately address local needs and sufficiently consider social, environmental, and economic consequences during the planning phase. “The countries concerned have also real-

ized that the BRI is not a goose that lays golden eggs,” Lavi says.

Attempts to involve third parties in the financing and implementation of BRI projects have also been largely unsuccessful. For several years, Witte tried to gain insight into the contracting and participation guidelines of BRI projects in order to strengthen the involvement of Israeli companies and Israeli know-how. “None of this led to results. The answers from the Chinese side were always, ‘We can’t give any information. It’s not our job.’ We couldn’t find out who was managing the projects, what exactly they encompassed, and how we could participate.” Despite Chinese interest, attempts to involve Israeli security firms in protecting the expansion of Egypt’s power grid by Chinese companies, or to export Israeli agricultural technologies to Egypt with the help of Chinese funds, came to nothing. In the wake of growing criticism, representatives of the Chinese government emphasized their desire to work more closely with local partners and third parties. Many projects in the region, such as those in Egypt and Saudi Arabia, are now actually led by binational consortia. Nevertheless, the Belt and Road Initiative in the Middle East still seems to follow a bilateral rather than a multilateral logic.

Multilateral negotiations are more complicated and require a higher level of political commitment to reconcile numerous, sometimes conflicting, regional interests. Is China willing to make the necessary level of commitment? There are many indications that China is not yet willing to do so, despite its growing presence in the Middle East. According to Yoram Evron of Haifa University, China presents itself as “everybody’s friend” and tries to minimize tensions with all partner countries. For example, a headline in the Chinese state-controlled newspaper, Global Times, in the spring of 2022 declared: “China has no enemies, only friends in the Middle East.”

This is also reflected in China’s growing involvement in conflict mediation. Particularly in the context of growing economic ties with countries along the BRI, Beijing has launched mediation

attempts in various conflicts there, for example in Afghanistan, Yemen, as well as between Israel and the Palestinian National Authority. However, tangible results have remained the exception. Aluf of SIGNAL sees these mediation procedures often as a product of Chinese self-interest, such as the protection of economic interests or raising its profile on the international stage. The willingness to resolve complex conflicts of interest through time-consuming mediation procedures and to make ambitious cross-border projects such as the “Peace Railway” possible has been lacking up to now.

The BRI in Israel: A Mirage

Beijing’s unwillingness to address complex situations involving potential conflict and to invest in closer relations is also evident in China’s policy toward Israel. In 2016, the Chinese Academy of Social Sciences still designated Israel as an important BRI partner country. Today, however, the reality seems to be different. “There is no Belt and Road Initiative in Israel. We don’t have a BRI agreement and we don’t have BRI projects,” Witte said. Existing Chinese infrastructure projects such as the

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new port terminal in Haifa and the new light rail in Tel Aviv are not formally part of the BRI. Even the willingness to invest in Israel's high-tech sector is waning. "Israel is the last place China wants to invest now. They know there will be so many restrictions there. And I think any Chinese planner would prefer to put their hard-earned money where there is no American government official telling the Israelis to intervene at the last moment," according to Luft. Asked if China would mediate seriously between Israelis and Palestinians, he replied, "Absolutely not, they wouldn't even touch the issue with a 10-foot pole."

An Open Ending?

So, what remains of the grand visions of cross-border connectivity in the Middle East, made possible by China? Chinese companies will undoubtedly be involved in other infrastructure projects in the region in the near future, but one cannot speak of an integrated approach by Beijing. Despite the growing Chinese presence, the evidence on the ground points to a more pragmatic, selective approach. Since China seems to shy away from deeper regional involvement, large cross-border trade and transport corridors are a distant prospect for the time being. Chinese companies tend to invest bilaterally and prefer digital and energy-related projects to transportation infrastructure. Multilateral cooperation on BRI projects remains a rarity. Moreover, ambitious BRI projects repeatedly run into financial and logistical difficulties. Thus, the Middle East still seems far from multilateral connectivity under a Chinese aegis.

Still, large infrastructure needs are creating increasing room for China to maneuver. "I think China could definitely find a lot of common interests. Especially with countries where it feels it could trade infrastructure for oil and gas supplies," Luft said. Especially since the Belt and Road Initiative doesn't really have to fear competition. Indeed, the G7 recently announced a \$600-billion "Partnership for Global Infrastructure." However, according to Luft, the G7 initiative in particular represents a fundamentally different and more

abstract understanding of infrastructure that — unlike the Belt and Road Initiative — may miss the mark in terms of what emerging economies in the Middle East expect. He is also critical of the attempt to finance infrastructure projects through private investment. "One can only wish these projects good luck," he said. "I think it's ridiculous. The private sector doesn't like infrastructure at all." Despite the Belt and Road Initiative's many shortcomings, the Middle East needs more physical as well as digital infrastructure. So, be it under the BRI label or another, multilateral or bilateral, China will continue to play a role. •



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The TikTok Dilemma

Israel cannot turn a blind eye
to the hazards associated with the
Chinese social network.

By Einav Schiff

On October 24, 2019, TikTok published a statement on its official website. The context was a heated debate about whether the Chinese privately-owned social media app was to be considered a national security risk in the United States and the rest of the Western world.

“Over the past several weeks, TikTok has been the focus of public statements by Members of Congress and others regarding alleged censorship of content, as well as questions about our data protection practices,” the statement said.

“At TikTok, we take these issues incredibly seriously as well. We are committed to transparency and accountability in how we support our TikTok users in the US and around the world.” The rest of the statement was dedicated to disproving the

allegations, which had prompted then President Donald Trump to sign an executive order to ban TikTok in the US. TikTok declared that all the data that is collected in the United States is stored in that country and in a backup redundancy in Singapore. It also stated that no censorship is being performed on content which could upset the Chinese regime. “TikTok does not operate in China, nor do we have any intention of doing so in the future,” the statement concluded.

That sounded sufficiently reassuring. While other tech giants, like Facebook, had an unfortunate habit of getting caught in a lie, TikTok was able to provide a direct response to similar allegations. It looked as if TikTok had successfully created the much-needed wall between TikTok and



China, despite the fact that TikTok is owned by Bytedance, a Chinese company that operates several popular services inside China, including Douyin, the Chinese version of TikTok. While inside China Bytedance is subject to strict rules of censorship and propaganda, TikTok became a global phenomenon, especially among Gen Z users. The numbers were staggering: 59.8 percent growth in 2020, and then 40.8 percent growth in 2021. Today, TikTok is considered the third most popular social network in the world, after Facebook and Instagram, both of which are owned by Meta.

And then, on June 17, 2022, a bombshell was published on BuzzFeed News. In internal records obtained by the website, TikTok employees admit that the data of US users is exposed to engineers in China. “Everything is seen in China,” said one person in a recording from September 2021. The revelation caused an immediate backlash against TikTok, and an urgent call to increase the scrutiny of the company’s data storage policy.

As the tensions between the US and China continue to escalate, many countries have had to develop a delicate balancing act between the two superpowers. One specific topic is how to approach the booming hi-tech industry in China, which produced a massive success like TikTok.

Small but thriving economies like Israel cannot overlook the opportunity of attracting Chinese attention. On the other hand, Israel cannot ignore the reports regarding the Chinese government’s hold over private companies. In other words: Israel wants to allow its people to use TikTok, but it cannot turn a blind eye to the potential hazards associated with it. This is what I call “The TikTok Dilemma,” which is relevant for any other Chinese content service that operates in the West. It is a dilemma that raises security, judicial, diplomatic, and economic questions.

And above of all, “The TikTok Dilemma” is part of a greater discussion that must take place about a new world, which is both brave and frightening. In this article I will first try to define the dilemma in the Israeli context, and then offer a few initial recommendations on how to handle it.

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The Twilight Zone

According to Datareportal.com, there are 2.5 million TikTok users in Israel, aged 18 and older. It is safe to assume that the total number of Israeli TikTok users is much bigger, as the app is famous throughout the world for its popularity with those who are much younger. In fact, the importance of TikTok in Israel has become clearer due to unfortunate circumstances. In the spring of 2021, a number of viral videos became a trend that was reported in the media under the title “The TikTok Terror”, meaning the documentation and spread of Palestinian violence against Jewish people, mainly around East Jerusalem. It turned out that following the government’s criticism of Facebook’s role as a platform for incitement, TikTok has similar issues.

But both Facebook and TikTok, like the rest of social media and the Internet in general, is working in a legislative twilight zone. The state of Israel doesn’t have a coherent cyber policy, which leads to a vacuum whereby it is the courts that decide whether to intervene in various issues: Freedom of speech, data collection, and even standards of customer service. “Currently, the state of Israel like most of the world, doesn’t regulate the Internet sphere,” Yoaz Hendel, Israel’s minister of communications, said in an interview. “Therefore the basic question is whether the state should regulate it. My answer is yes. That’s why we’re working on legislation and it is one of the office’s goals.”

Hendel’s active approach toward the online sphere, including social media, doesn’t distinguish between “American” and “Chinese” apps and services. On the issue of data collection, for example, TikTok’s relationship with the Chinese regime is no less or more relevant than Facebook’s ongoing tension with the US government and the European Union: In both cases, the state should have a say on a number of issues, like the responsibility in cases of defamations and transparent communication with users.

Nevertheless, China is still a different case because the relationship between the state and private industry is not balanced or business inclined.

Even though TikTok operates outside China and is commercially driven, assets like big data and a powerful algorithm could be attractive in terms of promoting Chinese interests in the West. “The problem is that we just don’t have a clue where the data is stored”, says Dr. Luwei Rose Luqiu of the Hong Kong Baptist University and an expert in mass communication. “It’s upsetting. For people in sensitive roles, like those with importance to national security, it creates concern.”

Luqiu emphasizes the fact that, currently, there is no proof that the Chinese regime has manipulated TikTok for its own interests. She also points out that the Chinese censorship mechanism isn’t interested in what’s going on inside TikTok posts, since the content is blocked for Chinese users. “They don’t have a problem with international users criticizing China, because it doesn’t get to Chinese users. In fact, I’ve recently read research regarding Palestinian videos, and it turned out that TikTok has less censorship than Facebook and Twitter.”

According to high-ranking sources in the Israeli ministry of communications, TikTok was more cooperative in terms of acting against incitement than other social media platforms. “The communication with the regulator was their initiative”, one source said.

And yet, dealing with incitement, important as it is, doesn’t address the wariness when it comes to the potential of a privacy breach by an authoritarian regime, with a well-known aspiration for global domination. The US Army, for example, has instructed soldiers not to use TikTok. It seems that the Chinese tech industry is about to be treated in the same way as Chinese infrastructure companies and core suppliers: with dismay, suspicion, and perhaps even sanctions, like the one President Trump tried to enact against TikTok.

This is a global issue, but for Israel it brings a different challenge: As the closest US ally in the region, it should be standing side by side with the US against China’s expansion. On the other hand, TikTok is overwhelmingly popular all around the world, and in any case limiting or blocking it en-

tirely won't happen without a legal and diplomatic fight. It also brings up the question mentioned above: Why is TikTok more of a problem than Facebook? What about, for example, an app like Telegram, which is Russian?

"The test is not Chinese or American, but privacy altogether," says Hendel. "The whole cyber sphere has privacy issues and, if I may speak frankly, I don't see the world going forward there".

Law & Disorder

The concern regarding China's real control over the tech sector has increased in recent years, as the Chinese market has changed its focus toward the boom of start-ups, venture capital etc. In June 2017, for example, China introduced a new cyber law that redefined the state's approach toward data collection on the Internet. One of the law's most controversial articles says that all the personal data that is collected in China must be stored in China, but it's not necessarily out of the state's reach.

In fact, according to article 28, security agencies are allowed to ask for assistance from network operators, who must comply. According to article 50, the authorities can demand the erasure of any information that is defined as illegal and dangerous. "The legislation demonstrates the Chinese government's awareness of the increasing economic and governmental potential of Internet applications that can be used to accumulate economic power in mainland China and abroad and exert political influence," wrote Israel Kanner and Doron Ella from The Institute for National Security Studies, one of Israel's most prestigious think tanks on issues of strategy and national security.

"Through the Chinese cyber law you can learn about China's approach toward data, and by that you can deduce what sort of information should be protected by other nations," says Dr. Tamar Groswald Ozery, an expert on Chinese political economy and law at The Hebrew University of Jerusalem. "Once China, in its national legislation, has defined cyber security through elements such as logistic alignments, one can learn how it can work in the opposite direction."

Another factor that should be taken into consideration is the recent government crackdown against the hi-tech sector. In 2021 alone, new laws and regulations have put pressure on Chinese tech giants like the commerce behemoth Alibaba and the online platform Tencent. President Xi Jinping's policy has signaled to the global markets that there is no sector that is beyond the government's reach. If the West thought that money would eventually overshadow an authoritarian regime, they were wrong. Therefore, any effort to differentiate between private companies inside China and outside will be mostly superficial. Or as Groswald Ozery says: "It's viable until it's not".

On the other hand, the crackdown on the tech industry has more than meets the Western eye. "A major part of the activity is meant to decrease the monopolistic power of giant companies," says Groswald Ozery. "Chinese consumers had many complaints about certain companies and services. The government is also concerned about economic inequality and the fact that many households have wasted their savings on what the government views as non-productive, speculative, and thus risky activities, such as the gaming industry, both areas have firms in the tech industry. If you look at the Chinese market's reaction after the first downturn, it seems that investors and consumers understand that."

"It's also important to mention," she adds, "that a lot of the recent steps that might restrict the tech industry are established under regulatory framework. This means that it is yet to be translated into practical regulations. Often, in China, the different ministries and provinces have a wide room for maneuver when it comes to implementation. This has contributed significantly to China's growth. For that reason, although the West is riled up, we don't really know how the tech industry will look under the new laws and regulations in practice. And yet, every non-Chinese company that wants to work inside China or every country in which a Chinese company operates should know: There is a fine line between non-interference by the government until the moment where a company

gains a lot of power, at which point it can be targeted for whichever political or economic goals the party-state prioritizes. The government has the ability and the means to do so, with the help of the law or without it.”

Facing the Future

In 2017, a BBC correspondent was given rare access to one of China’s most cutting-edge projects. He was sent to the walk around Guiyang, a city with a population of six million people, while his picture was flagged by the authorities. The purpose was to see how long it would take to locate him with the

help of CCTV and facial recognition technology. The result was stunning: seven minutes.

But that was relatively easy: The reporter’s identity was known before the chase had started. This is part of another major Chinese project: To be the most advanced industry in the world in the field of artificial intelligence (AI). In order to improve the learning capabilities of machines, they need to be fed with data. When we talk about facial recognition, for example, the Chinese companies are not satisfied with only Chinese people, or a curious BBC reporter.

This is one significant reason for the level of concern that Chinese tech services are causing in the West: What might be done with all the data that was willingly given, and what might happen if the authorities were to get their hands on that data?

In 2018, Foreign Policy magazine published an article that described China’s involvement in Africa. It turned out that as part of China’s efforts to expand to Africa via building infrastructures such as ports and communication systems, Chinese companies had also turned to Africa to improve their AI. In Zimbabwe, for example, the deal the government signed with the Chinese company CloudWalk has provided the government with the most advanced surveillance technology, and in return CloudWalk was provided with data that will help the facial recognition machines to learn more about people of color.

“If China has any interest in the Middle East besides economic growth and influence, it’s that”, says Galia Lavi, China researcher at the Tel Aviv-based Institute for National Security Studies (INSS). “China doesn’t care about individuals, maybe about a very few but not me and you. But China is the leading force in AI, and they are not dealing with dilemmas that the West is still concerned with, like privacy.”

China’s desire to become an AI superpower provides the theoretical missing link regarding the TikTok dilemma: If the data that is collected by TikTok is potentially made available to the Chinese authorities, they can theoretically use it in their own interests, which was never part of the deal

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between TikTok and its users. And that is without stating the obvious about the possible value of the data, such as predicting economic trends.” China’s way,” says Lavi, “is not coming out at you with blazing guns. They do things a lot more quietly and softly.”

What's Next?

While governments around the world struggle to refine a coherent vision regarding the relationship with tech companies, the need for a new paradigm is becoming more and more urgent. Therefore, a small but developed country like Israel could set an example, especially regarding personal data protection. Although the country is in deep political turmoil, shaping an agenda that finds a balance between the different aspects of the issue doesn’t seem like an impossible challenge, especially in light of the pressure from the US.

Israel’s privacy laws were last updated in 2017. The new regulations from the Justice Ministry have marked a significant improvement in imposing high security standards to the data they collect. However, the regulations fall short when it comes to how the companies themselves use the data they collect.

Therefore, the most urgent task for now is to update the regulations when it comes to data collection, regardless of the nationality of the corporation that seeks to collect personal data. The Justice and Communications Ministries should form a joint team to draw up a new government approach that protects data not only from hacking or leaks, but from the data collectors themselves. The team should also consult with experts in the fields of cyber, technology, and ethics.

The by-product of this team would be a new cyber & data collection law, which would establish the relationship between the state, the data collecting entity, and the public. For example, the privacy laws should update the definition of personal data according to technological and cultural developments, looking to other countries for examples.

To address the concern regarding China, the legislation should put up barriers in order to pre-

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vent any company from being able to share personal data with a nation state. If the Chinese law forces companies to share data, Israeli law should impose judicial accountability on any entity that would share data with any government, including China. The accountability should be in terms of financial sanctions or exposure to civil lawsuits.

As part of updating the Israeli law, a new executive approach must be taken. Currently, the enforcing authority for privacy issues is part of the cyber department at the Ministry of Justice, and

is called The Unit for Protecting Privacy. But, as mentioned above regarding the last update of the privacy law, the main agenda is perpetuating and implementing the importance of protecting privacy and investigating cases of breaching privacy laws. That means that the data collection itself, especially if it is made with the user's consent, isn't handled as a threat — for the users or for national security.

Digital Responsibility

Therefore, protecting the public from the corporate misuse of their personal data should be broadened and include other aspects. It might be helpful, for example, to form a special taskforce that would operate under the National Security Council. The taskforce, made up of experts from different areas (justice, military, cyber security, private sector etc.) would analyze all aspects of data collection made by any large entity and assess whether there is a national aspect that all the relevant authorities should pay attention to.

Finally, as the legislators do their part, it is in the public's own interest to do theirs. Even as the myth of a good, willing, and responsible tech industry is dispelled, it's safe to say that not enough attention is given to the fact that, by spending more of our lives in the digital sphere, we're accelerating the process of being not only the users, but also the products. In Israel specifically, the Chinese regime is regarded much more favorably than other countries: a recent global poll has showed that the Israeli attitude toward China is much more positive than other Western countries. Unless a radical event should occur, like an invasion of Taiwan, it's safe to assume that these numbers won't change significantly.

This is why laws and regulations won't be enough. It's also the responsibility of the public and their leaders to have a meaningful debate about the possibilities and threats of this unprecedented era. Whether it's understanding what we're signing up for by using TikTok or demanding a new deal between the user and the platform, our generation must understand that data is the

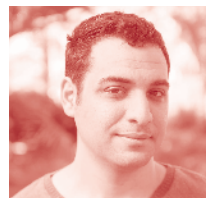
new oil, and we are manufacturing it. China, like Facebook and Google, understands this perfectly. Now the question is do we understand it as well as China does.

During the process of writing this article, which lasted a couple of months, genuine efforts were made to conduct an interview with an executive at TikTok. It took a while but for a short time it looked as if that was going to happen. Only days before the due date, which was already close to the deadline, a message came from the corporate: It's not going to happen.

Refusing an interview isn't uncommon and not even agreeing and then taking it back. Certainly, it doesn't say anything about the company's policy. It's definitely not evidence of any wrongdoing.

Having said that, the demand for transparency will not suddenly disappear. On the contrary.

There's an old myth in the Israeli media, about a veteran and popular radio broadcaster, Razi Barkai, who one day demanded from his staff: "Get me the person who is in charge of the Internet!" The reality is that TikTok today is one of the few entities that are in charge of the Internet. And with its affiliation to China, a superpower that very much wants to be in charge of most of the world, it is about time that countries like Israel started to hold them accountable. •



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politics, economics, and technology. Einav has been acting as the chief TV critic for Yediot Ahronot, reflecting daily on the content revolution of the 21st century. He is also a senior op-ed writer and has a weekly column, which dissects digital trends. He has a master's degree in Organizational Counselling. In 2018, he was chosen to be an Ernst Cramer & Teddy Kollek fellow, during which he worked as an associate at the German media outlet Tagesspiegel. He lives in London.