

Hysteria in Sweden Over the Growing Interest in the Belt & Road

by Ulf Sandmark

STOCKHOLM, Sept. 11—The breakout by the majority of the world's nations from the old paradigm of economic speculation and poverty, as seen in the advances by the Belt and Road Initiative (BRI) in Eurasia and Africa, is bringing the oligarchical establishment in Europe and North America to the point of hysteria. The containment of their own populations is cracking open, as growing numbers of people are demanding an end to austerity and the right to a productive future. The fear that now grips the leaders of the old order is that this will lead to a demand for a link-up with the new paradigm, for joining forces with the Belt & Road Initiative and its 126 member-nations.

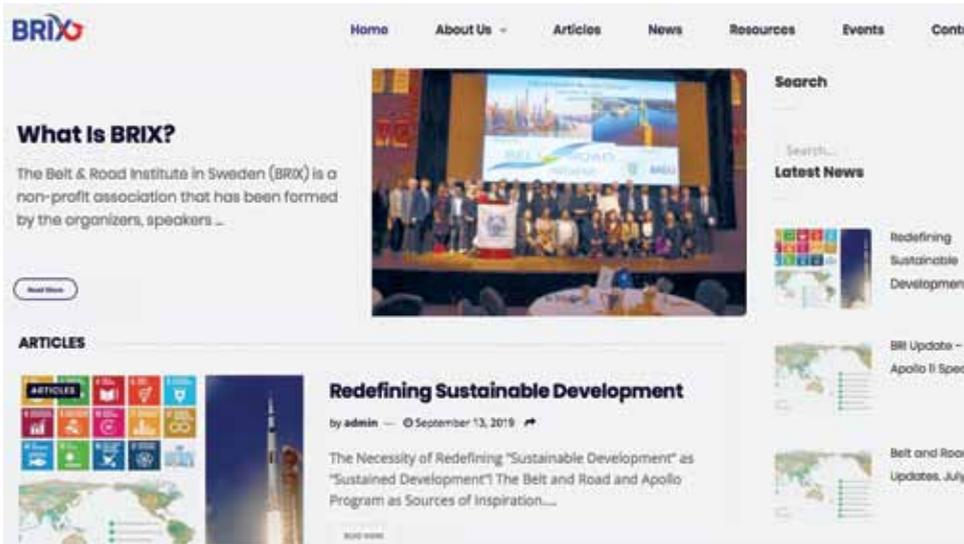
This demand became an open battle in Sweden in recent weeks. Over the past few years, especially in the last 18 months, the Schiller Institute has been very active in collaborating with various business, local gov-

ernment and constituency networks to publicize—through seminars, articles, reports—opportunities for economic activity within Sweden and internationally in connection with the BRI. In the course of this activity, in 2018 a new group was formed, the BRIX, the Belt & Road Institute of Sweden (brixsweden.com), which has functioned as a nonpartisan group entirely dedicated to informing the public about the BRI and opportunities for Swedish business and society to participate in BRI projects around the world.

Moreover, leading figures in the networks associated with the BRIX and the Schiller Institute have been active in promoting reconstruction programs for Syria, Yemen and the entire Southwest Asian region, in line with the traditional role of Sweden and Norway to actively contribute to world peace and development.



Belt and Road Seminar in Halmstad, Sweden, March 28, 2019.



Swedish Establishment's Ugly Reaction

The Swedish establishment's reaction to these developments has been fierce. On August 17, a smear attack was launched through an hour-long program on state-owned public radio, Program 1, against the BRIX, the Schiller Institute and allied individuals. It was immediately amplified through print and TV media to discredit the work of these agencies, to demonize China and to defame leading people involved. An especially ugly aspect was the deployment of ethnic profiling against Asians. A carefully fabricated charge was made, claiming that all Chinese businessmen, diplomats, scholars and others automatically act on behalf of the Communist Party's "United Front," to conduct subversion. The roster of commentators engaging in this McCarthyite witch hunt includes individuals from the network of extreme anti-China intelligence operations, including the Falun Gong and MERICS (Mercator Institute for China Studies) in Berlin.

This assault has been met with a counter-attack. Several Swedish media and public figures have denounced the government-instigated attacks. Meantime, in the course of the fight, knowledge of, and the popularity of what the Schiller Institute and the BRIX stand for, is spreading more than ever throughout Sweden. What the Belt and Road Initiative can mean in opportunities for betterment, is becoming known.

The events of this Swedish battle are described in some detail below, because the episode sheds light on battles of the same nature now taking place in other western nations. For example, in the United States, many state governors and local leaders are seeking to

collaborate on economic projects directly with China, despite the anti-China hysteria in Congress. It is noteworthy that on September 10, one of the most outspoken of the anti-China warhawks of the Trump Administration, John Bolton, was fired from his position as National Security Adviser.

Within Sweden, what hangs in the balance is that a new "Swedish China Strategy" is expected to be published in the next few months. This is a very hot

strategic matter. Sweden has one of the most advanced industrial cooperation projects in the world with China, in automobile manufacturing. The Volvo Car Group and NEVS (the former Saab car factory) both are owned by companies based in China. The question is, Will Sweden advance its cooperation with China and join the BRI, and expand into the many large projects on all continents with the current 129 nations that have signed cooperation agreements with the BRI?

The brutal, inquisition-style assault by Swedish public radio, described below, exposes a desperation in the geopolitically oriented political factions that fear the development of the Swedish economy in the direction of infrastructure investments, instead of money flows into speculative bubbles. They fear a resurrection of the politically influential middle class, centered on innovative SMEs (small and medium sized enterprises) and entrepreneurs.

In the following two-part account of recent events, the scope of the activities of the Schiller Institute in Sweden is presented first, and then the forensics of the attack against the Schiller Institute.

Schiller Institute's New Paradigm

Until the end of 2018, most Swedes had little or no knowledge of the existence and significance of the Belt and Road Initiative. The black-out, which had predominated in most of the trans-Atlantic nations for the first few years since the announcement of the BRI in the fall of 2013, was broken, in Sweden, by Schiller Institute and BRIX events, presentations, and articles, over the past year and a half. Of course, most Swedes know



Ulf Sandmark at BRIX meeting in Sweden on April 17, 2019.



Hussein Askary

about the rise of China as the industrial workshop of the world, and of its huge domestic market. However, there was neither any reporting in the mainstream media about the huge change many nations in Asia, Africa and Ibero-America were undergoing in the framework of the BRI, nor accounts of the several huge international BRI summits.

Then at the end of 2018, the blackout in Sweden was transformed into an anti-BRI, anti-China campaign run through academic, media and political establishment circles. However, by this time, their negative intervention was countered by the cumulative effect of the activities of the BRIX and Schiller Institute. A short chronology of selected events indicates how this came to be.

The Schiller Institute's BRI Chronology

- **2016.** The Schiller Institute began the dissemination of *Project Phoenix*, co-authored by Hussein Askary and Ulf Sandmark, proposing international collaboration to rebuild Syria, released as a [video](#) by the La-Rouche PAC in the USA and [reported](#) in *EIR*.

- **May 30, 2018, Stockholm.** A Schiller Institute [seminar](#) titled, "The Significance of China's Belt and Road Initiative for World Economic Development," brought together speakers and attendees from the diplomatic and business community, and the public at large.

- **June 30, 2018, Frankfurt.** *The New Silk Road Becomes the World Land-Bridge: A Shared Future for*

Humanity, Vol. II, a book-length report, was released at an international Schiller Institute conference. The report reviewed the progress and prospects of projects worldwide, including maps and sections with specifics on Sweden, e.g., showing "Scandinavian Transport Corridors." The team of authors included Swedish Schiller Institute leaders Hussein Askary and Ulf Sandmark, who circulated the new report widely in Sweden.

- **July 1, 2018.** The report, *Operation Felix*, authored by Hussein Askary for the reconstruction of Yemen, connecting it with the Silk Road, was launched officially by the Yemen General Investment Authority (GIA) under the name, *Happy Economic Miracle Report*.

- **Sept. 5-13, 2018.** The *Project Phoenix* proposal of the Schiller Institute for Belt & Road collaboration to rebuild Syria, co-authored by Hussein Askary and Ulf Sandmark, was again presented by a Schiller Institute delegation of Ulf Sandmark and Odile Mojon touring Syria.

- **Sept. 28, 2018, Stockholm.** The new organization BRIX (Belt and Road Institute Sweden) was announced at a gala event at the Hotel Winter Garden. It was formed from the forces that had gathered at the Schiller Institute event in May. BRIX was formed to inform the public and specialized constituencies, why it is necessary for Sweden to join the BRI and to promote business exchange with China, particularly for Sweden's SMEs.

- **Oct. 29, 2018.** Hussein Askary addressed the Belt

and Road International Food Industry Conference in Beijing, an event with 5,000 participants, sponsored by *China People's Daily*, *Global Times*, and *China Food News*, and supervised by the official state Belt and Road Portal. Askary presented the work of the Schiller Institute to promote the Eurasian-African Land-Bridge.

- **Feb. 27, 2019.** BRIX presented the BRI in Skellefteå, Sweden at the side event for the Procurement Managers' Day in the North.

- **March 28, 2019, Halmstad University.** BRIX participated in a unique seminar on the BRI at the university.

- **May 22, 2019, Stockholm.** BRIX hosted a "Second Belt and Road Forum" in center city Stockholm. Thirteen ambassadors were among the 33 diplomats present, mostly from nations that are participating in the BRI, which offers Sweden enormous opportunities for business cooperation. The speakers' roster included ambassadors from China, Portugal and Pakistan. This event began to break the spell against the Belt and Road. Many Swedes are now interested in the opportunities made possible with the BRI.

The State Radio Attack

On Aug. 17, BRIX was attacked on the state-owned public radio, Channel 1, on the weekly *Konflikt* (Conflict) international affairs program, one of the main programs on foreign policy of the government-run media. The show has a record of promoting all kinds of geopolitical moves, fully in line with its name. During the past year and a half, it has attacked China and President Xi Jinping for all manner of imputed human rights issues.

The 56-minute, August 17 program (Segment 12) was packed with personal attacks, racial profiling, and accusations of collaborating with Communist Party subversion. The program triggered a half-day of hourly radio news spot attacks on BRIX and the Schiller Institute and articles in 31 Swedish newspapers the next day.

Overall, the radio program was crafted as a brutal, inquisition-style attack to try to scare Swedes off from cooperating with the BRI and China. A particularly ugly narrative was spun, that a BRIX board member—Mrs. Lydia Liu, who is a Swedish citizen and city council politician born in China, is likely working in a treasonous way with China's Communist Party (CCP) and its United Front unit. It is worth looking closely at this construct and the other aspects of the program. They are all in line with the international witch-hunt tactics against ethnic Chinese citizens now seen in the United

States and elsewhere, in which individuals are accused of "stealing" research and "spying" on local citizens and governments. Chinese scientists have even been summarily dismissed from their jobs.

In the center of the racist profiling, both in the U.S. and Sweden, in which any citizen or visitor with Chinese origins is considered a potential security risk, despite there being no evidence, is a contrived interpretation of China's National Intelligence Law of 2017. The anti-China interpretation asserts that Chinese citizens have an obligation to support national intelligence work. However, the law is clearly not applicable abroad. Secondly, even if it were interpreted to be applicable abroad, it does not say that all Chinese citizens, tourists, students or businessmen must provide intelligence secrets from the guest country to the Chinese intelligence service.

It is notable that the leading Swedish business law firm, Mannheimer Swartling, which has long experience with China and legal questions, has studied China's National Intelligence Law and concluded there are no grounds for presumption of espionage. The firm stated, "In general, the Draft [National Intelligence Law] is broad and vague, making it difficult to predict how the final law will be applied and enforced. The Draft only sets out some generic principles, calling on all Chinese people and organizations to collaborate and cooperate with national intelligence work."

'All Persons of Chinese Origin are Security Risks'

Nonetheless, it has become commonplace to assert that all persons of Chinese origin are security risks. It has become a standard phrase published by officials at the Swedish Defense Research Institute and the Swedish Security Police (SAEPO), as well as Swedish public radio.

Mrs. Liu was targeted with an attack of this sort during the Aug. 17 *Konflikt* broadcast. Liu is a prominent activist for development and international cooperation. She is the first China-born Swedish citizen to be elected to a local city council in Sweden. She is the founder and Executive Director of the China-Sweden Business Council (CSBC) to promote business relations with China.

In a segment of the show, *Konflikt* had guests on to imply that Mrs. Liu was actively working for the CCP's United Front. They interviewed Mrs. Liu, who was unaware of the United Front matter, and the show's guests went over the top to portray her as guilty by association. They referred to a meeting she had with Chinese busi-

ness people promoting visitors to Sweden, including a representative of the Investment Agency of the Hubei Province, who in an article on a Chinese website was said to be there as a representative of the United Front. This incorrect fact was later retracted by the Chinese website, as in none of the meetings was he presented in that way.

Konflikt also brought on as a guest, Hanna Sahlberg, a Chinese speaker and a former China correspondent for Swedish public radio, to try to trap Mrs. Liu into incriminating herself by having her recognize the Chinese written characters for “United” and “Front,” which Mrs. Liu did, though unaware of the culpability to be made of acknowledging the individual words. Sahlberg crowed, “When I ask Lydia in Chinese, she understands immediately. For sure she knows the United Front.” Later in the show, *Konflikt* editor and show host Ivar Ekman pompously said outright, “Lydia Liu is a founder of the CSBC... This organization that is cooperating with the United Front.”

This kind of false accusation was also used by other radio journalists who got in touch with Mrs. Liu’s prominent business contacts, to intimidate them into distancing themselves from her. She was never given any chance to defend herself publicly against the false accusations amounting to charges of treason, and she and her family have been put in personal danger.

Zepp-LaRouche Smeared as Communist Party Dupe for BRI

The first interview by *Konflikt* included the Chairman of BRI, Ulf Sandmark, during which they attempted to bring in a discussion of the LaRouche movement and the Schiller Institute in Sweden, in which Sandmark and two other board members of BRI are active. Sandmark kept the discussion to the activities of BRI and declined to speak about the Schiller Institute. The *Konflikt* program host went into sweeping attacks on Schiller Institute activities, and on its founder and President, Helga Zepp LaRouche,



China Sweden Business Forum in Stockholm, Sweden on September 28, 2018.

in Germany. Guest Mareike Ohlberg, of the Berlin-based MERICS (Mercator Institute for China Studies), presented ludicrous characterizations of the activity of the Schiller Institute in Germany, Italy and elsewhere, and implied it was incriminating that “in Germany, Helga Zepp-LaRouche speaks warmly of the Silk Road in conferences, meetings and seminars, and is quoted frequently in Chinese media. She has also founded a political party that has pushed the issue in local elections in Berlin...” Ohlberg, when asked why the Chinese Communist Party would “find it beneficial” to work with such an (alleged) fringe element, made vapid remarks that, “I guess it makes sense if you know how the CCP works, seeking broad alliances with those interested to work for the goals of the party.”

Another commentator in the *Konflikt* line-up to conduct its McCarthyite agenda, was Manyan Ng, Director of the Human Rights Association and a Falun Gong activist. Ng has a background as a China sales executive in the Swedish mega-multinational ABB. He spun a tale about how he found himself one night in Beijing, at an extortion meeting with the Chinese Communist Party’s United Front.

The policies and activities of the Schiller Institute and BRI are crucial to shaping the policies of the Swedish government in its New China strategy. The hysteria reflected in the Swedish public radio program is a clear indication that the geopoliticians are very nervous about the outcome.