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How do we bridge  
the growing **cyber**  
“Trust Deficit”  
between China and  
West?

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**D**eter

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# Does China Trust the West?

# A Nation That Forgets Its Past Has No Future

*Winston Churchill*

## “Century of Humiliation”

- Occupation by European Powers starting with the Opium Wars in 1839: Industrial scale drug addiction and multiply foreign enclaves
- Occupation by Japan ending in 1945: Mass war/humanity crimes with ambiguous apologies

## Recent Events

- Support and arming of Taiwan which historically belongs to China
- NATO bombing of the Chinese Embassy in Belgrade (1999)
- Beijing Olympic torch relay protests in Europe (2008)
- Constant pressure in regards to domestic affairs (human rights) and neighbor relations (South China Sea)
- Huawei - US virtual kidnapping of Chinese citizen to force economic policy change

# Does The West Trust China?

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- Cyber-theft of trade secrets/industrial espionage/espionage
- Chinese investment into critical European infrastructure and tech companies
- Chinese financing of governments that run contrary to Western policies
- Domestic human rights issues



# What Does China Want?

## Social Stability

## Social Stability is a Requirement

- 56 ethnic groups: 92% Han Chinese, 55 groups make up the remaining 8.5%.
- With a population of 1.4 bn China's "fringe" groups are large in absolute terms: 10% = Russia, 5% = France, 1% = Greece & Ireland
- China's Muslim population is 25 mn about the same size of Europe's
- 7 seven major Languages groups with hundreds of dialects

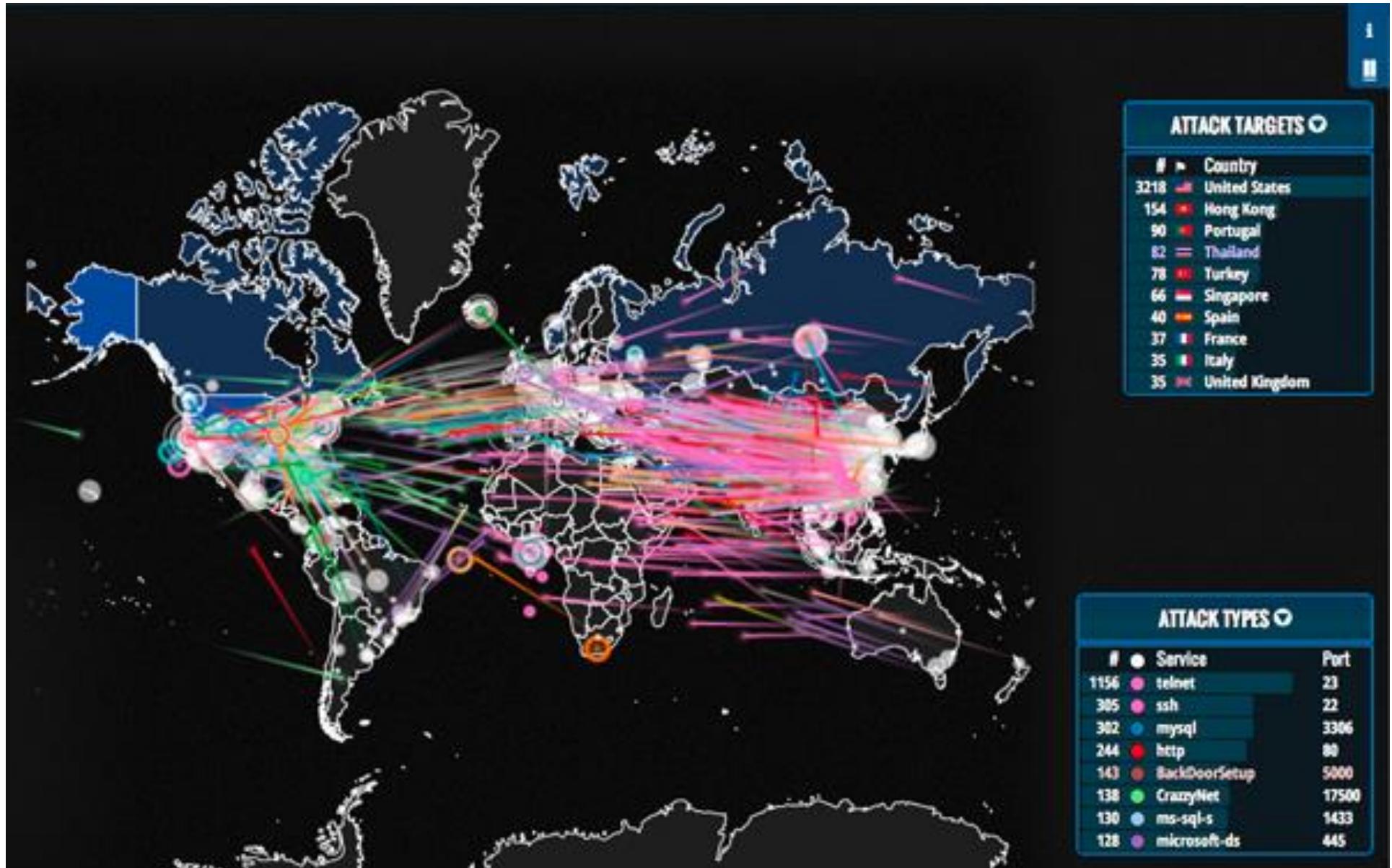
## Economic Growth Provides Social Stability

- China's one party system increased GDP/capita to USD8,826 (2017) from USD89 (1960) reducing the poverty rate to 1.4% (2014)
- In comparison India's democracy has increased GDP/Capita to USD1,938 (2017) from USD81 (1960) reducing the poverty rate to only 21.2% (2011)
- One Belt and One Road Initiative: Infrastructure to link China with 65% of world's population and 40% of global GDP providing long term economic growth

## Limited Foreign Involvement

- China has been involved in ONE direct armed conflict in the past 50 years: Sino Vietnamese War (1979)
- Defending border: Taiwan, South China Sea, East China Sea, Gulf of Tonkin etc

# Cyber Warfare - *Everyone is doing it*



## **Computer Network Exploitation (CNE)**

- Cyber espionage allows hostile actors to steal information remotely, cheaply and on an industrial scale.
- Extension of traditional espionage – par for the course

## **Computer Network Attack (CNA)**

- Command and control manipulation of critical infrastructure; computer networks that run utilities, financial systems, communication systems.
- New type of warfare executed remotely, cheaply with potentially massive consequence

## **Social Network Exploitation (SNE)**

- Accumulate data from social network / messaging / portals - Facebook
- Use social network data to define target group - Cambridge Analytics
- Spread of fake news or policy to defined targeted group - Facebook/Twitter/Media

# How Do We Bridge the **Cyber** Trust Deficit

## **Global Cyber Referee**

# *The Need for a Global Referee*

Without a global referee a cyber trust deficit will only grow

- Who is hacking who?
  - Who is spreading “alternative facts”?
  - Whose commercial technology is dangerous and whose is safe?
- 
- The enemy is not People, Countries, or Companies...the Digital World has become all omnipotent and managed by no one.

# *What Would Global Referee Do*

Without a global referee a cyber trust deficit will only grow

The UK's Security Chiefs' declaration that the risk of Huawei's 5G technology can be mitigated is important.

- Separates the UK from the US – independence
- Highlights the UK's cyber security prowess
- Highlight

UK

Has a rich history in cyber technology advancements

1. Typex - 1937
2. Colossus – Lorenz SZ 40/42 - 1943
3. Public key cryptography - 1970
4. WWW – 1990



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