

US move to shut China's Houston consulate draws questions about political motives

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Washington (CNN) — The US demand Wednesday that China [shut its Houston consulate](#) within 72 hours triggered Chinese threats of retaliation, the latest escalation between the two nations as the Trump administration intensifies its campaign against Beijing in the run-up to November's elections.

Deputy Secretary of State Steve Biegun pointed Wednesday to "a growing number of disputes" between the US and China over Beijing's "increasingly hardline and aggressive actions" that have led the administration to take action, including closing the consulate in Houston.

Lawmakers, former officials and experts said strong pushback is needed to counter China's cyber and industrial espionage, its human [rights abuses](#) in Hong Kong and Xinjiang and aggressive expansion in the South China Sea -- but some suggested the Houston consulate was a politically driven and very carefully calibrated target, one chosen to create the appearance of toughness while avoiding the risk of a major clash.

White House officials have privately outlined a strategy of getting tough on Beijing to bolster [President Donald Trump](#)'s sagging poll numbers before the election, partly to deflect blame for the disastrous and economically damaging White House response to the coronavirus pandemic, but also to return to economic nationalism themes that carried Trump to victory in 2016.

'Red meat' for the base

Jeff Moon, a former assistant US trade representative for China, noted the State Department said the Houston order was a response to Chinese intellectual property theft and said that raised questions about why only one consulate was targeted.

"If that were the real reason, the US would close the San Francisco consulate, which covers Silicon Valley," said Moon, who was among those who suggested politics might be at work. "This action is red meat for Trump supporters who are eager to retaliate against China and divert attention from Trump's disastrous Covid-19 policy."

US State Department spokeswoman Morgan Ortagus said the consulate was directed to close "in order to protect American intellectual property and Americans' private information," but did not immediately provide additional details of what prompted the closure. Secretary of State Mike Pompeo, who is scheduled to give a speech on China Thursday and just completed a trip in Europe to urge a tougher stance against Beijing, declined to offer details about the consulate decision. The State Department didn't respond to requests for further explanation.

Sen. Angus King, an independent of Maine who caucuses with Democrats, told CNN's John Berman on "New Day" Wednesday that he was not aware of any "recent intelligence of particular Chinese activities, either with regard to our elections, or the whole confrontation between our two countries -- theft of intellectual property" that may have driven the decision.

"There certainly is a good reason to [confront China](#). My concern is, escalating this tension, is it really about confronting China, or does it have something to do with an election in four months?" King, a member of the Senate Intelligence Committee, said.

A former official who left the Trump administration last year said that Trump often pushed back on advisers who



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Even so, as Covid-19 began devastating public and economic health in the US, the President's Republican allies and influential White House staff, including Jared Kushner, began arguing that one way to energize the President's political base is by blasting China over its failure to stem the spread of the disease early on, administration officials and three people familiar with Kushner's thinking have told CNN.

Moon, who now runs China Moon Strategies, a consultancy on US-China trade and economic relations, said targeting the Houston consulate was a way for the President to thread the needle between appearing tough yet not taking on much risk.

The US and Chinese governments informally pair their consulates, with China's Houston facility informally linked to the US consulate in Wuhan. Moon noted that the Wuhan consulate reportedly remains closed due to coronavirus, "so China could 'close' and escalate the diplomatic war as little as possible."

A 'vast network of spies'

On Wednesday, Biegun told the Senate Foreign Relations Committee that Trump moved to close the consulate because of increasing aggression by China.

Biegun pointed to "commercial espionage and intellectual property theft from American companies; unequal treatment of our diplomats, businesses, NGOs, and journalists by Chinese authorities; and abuse of the United States' academic freedom and welcoming posture toward international students to steal sensitive technology and research from our universities in order to advance the PRC's military capabilities."

"It is these factors which led the President to direct a number of actions in response, including yesterday's notification to the PRC that we've withdrawn our consent for the PRC to operate its consulate in Houston, Texas," he said.

On Wednesday, Trump said "it's always possible" that he will order more Chinese consulates closed, adding that US officials thought there was a fire at the Houston consulate but apparently "they were burning documents."

Republican Sen. Marco Rubio of Florida, the acting chairman of the Senate Intelligence Committee, wrote on Twitter Wednesday that closing the Houston consulate "needed to happen," and claimed it is a "central node of the Communist Party's vast network of spies."

Asked about that allegation, a current US intelligence official agreed, telling CNN that "of course it was" used for spying. "We've been watching them for a while," they said. That official declined to comment on why the decision was taken now to close the Houston consulate.



The Justice Department's top national security official said the closure was unrelated to federal charges unsealed Tuesday against [two Chinese hackers](#) for a 10-year campaign to steal intellectual property from hundreds of businesses across the globe, including recently from four American companies researching the coronavirus.

Instead, Assistant Attorney General John Demers said the administration moved against the Houston consulate to disrupt China's theft of defense and trade secrets after a "slow buildup" of activity. "It wasn't so much one particular thing but a slow buildup of what we've been seeing over

security threat, US politicians say. Here's what experts think

closing that consulate, Deniers said.

Former officials were perplexed. Danny Russell, the former Assistant Secretary of State for East Asian and Pacific Affairs who left the department in 2017, said that when he was at State and the National Security Council, "the

Chinese consulate in Houston did not have a particular reputation as an acute vector of espionage."

"It is very hard for me to figure out what China could do uniquely from its consulate in Houston that it could not equally well do from its consulates in Boston, LA, or NY, from the embassy in DC or through non-official cover," Russell said. "It is inconceivable that shutting down a consulate will stop espionage."

"The drama of this action makes it seem like a teaser for Pompeo's" speech Thursday, Russell added. "This has a very distinct wag-the-dog feel to it."

CNN's James Griffiths in Hong Kong, and Jamie Crawford, David Shortell, Zachary Cohen and Jennifer Hansler in Washington contributed to this report



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