

Macro Roundup Article

Headline: [China Intensifies Push to 'Delete America' From Its Technology](#)

Article Link: https://www.wsj.com/world/china/china-technology-software-delete-america-2b8ea89f?mod=hp_lead_pos1

| | |
|------------------|---------------------|
| Author(s) | Liza Lin |
| Publication | Wall Street Journal |
| Publication Date | March 07, 2024 |

Tweet: In 2022 the Chinese government issued a directive requiring state-owned companies in finance, energy, and other sectors to replace foreign software in their IT systems by 2027. Dell's market share in China almost halved in the past five years.

Summary: For American tech companies in China, the writing is on the wall. It's also on paper, in Document 79. The 2022 Chinese government directive expands a drive that is muscling U.S. technology out of the country—an effort some refer to as “Delete A,” for Delete America. Document 79 was so sensitive that high-ranking officials and executives were only shown the order and weren't allowed to make copies, people familiar with the matter said. It requires state-owned companies in finance, energy, and other sectors to replace foreign software in their IT systems by 2027. The first targets were hardware makers. Dell, International Business Machines, and Cisco Systems have gradually seen much of their equipment replaced by products from Chinese competitors. The likes of Microsoft and Oracle are losing ground in the field, one of the last bastions of foreign tech profitability in the country. Related: The US-China Chip War is Escalating and Five Years Into the Trade War, China Continues Its Slow Decoupling from US Exports and Managing Economic and Financial Entanglements With China

Primary Topic: China

Topics: China, GDP, Savings Glut/Trade Deficit, Security

Permalink: <https://www.edwardconard.com/macro-roundup/in-2022-the-chinese-government-issued-a-directive-requiring-state-owned-companies-in-finance-energy-and-other-sectors-to-replace-foreign-software-in-their-it-systems-by-2027-dells-market-s?view=detail>

Featured Image Link: <https://www.edwardconard.com/wp-content/uploads/2024/03/Market-Share-Of-Chinas-Four-Largest-PC-Makers.png>