



By: TA | AP Brief

# Pentagon labels Alibaba and BYD as aiding Chinese military



The Pentagon has added several prominent Chinese businesses, including the tech giant **Alibaba**, electric car maker BYD and search engine Baidu, to its list of Chinese military companies, preventing them from getting U.S. defense contracts.

The list, updated and published Monday by the Pentagon, now sanctions well-known, **non-state-owned Chinese companies** that are not traditionally considered to be in the defense or security sector.

It reflects growing wariness of Beijing's strategy of tapping the strength of non-state businesses for military purposes.

Created in 2021 by a congressional mandate, the list seeks to identify **Chinese companies** that the Pentagon considers to have links to the Chinese military – not only those directly controlled by the Chinese military and security forces but also those contributing to the country's defense industrial base.

When updating the list last year, the Pentagon said the Chinese military sought to acquire advanced technologies and expertise developed by Chinese companies, universities and research programs that “appear to be civilian entities.”

The Chinese Embassy on Monday accused the U.S. of “overstretching the concept of national security and making discriminatory lists to go after Chinese companies.”

It said Chinese companies observe the laws and regulations of the countries where they do business. “The U.S. should stop its wrong practice and create a fair, just and non-discriminatory environment for Chinese companies,” the embassy said in a statement.

Alibaba and Baidu said there is no basis for including them on the list. “Alibaba is not a Chinese military company nor part of any military-civil fusion strategy,” a statement from the leading e-commerce company said. Baidu, which has expanded into artificial intelligence and self-driving taxis, said the suggestion that it is a military company is

“entirely baseless.”

## List has grown to 188 Chinese entities

This year's list has grown to 188 Chinese entities, up from last year's roughly 130 named by the Pentagon.

It already had covered companies such as DJI, a major maker of consumer drones. While a company on the list can still do business in the U.S., it faces reputational damage and could be subject to more restrictions.

After the Pentagon released the updated list, the House Select Committee on the Chinese Communist Party called it “a warning to American businesses, all levels of government, and the American people.”

It said the companies on the list that are traded publicly on U.S. exchanges should be delisted and no American company should do business with those on the list, “otherwise they are enabling China's military ascendance.”

In naming Alibaba, the Pentagon said the tech giant helps boost China's defense industrial base because it is affiliated with the country's Ministry of Industry and Information Technology. Alibaba is traded on the New York Stock Exchange.

### A number of U.S. lawmakers have said they will seek a ban on Chinese electric vehicles

The Pentagon said BYD and Baidu are affiliated with the same ministry, which oversees China's technology and industrial policies.

BYD is dominant in the global electric vehicle market, and President Donald Trump said in January that he would welcome Chinese carmakers such as BYD if they **built plants in the U.S.** and hired American workers.

However, a number of U.S. lawmakers have

said they will seek a ban on Chinese electric vehicles.

Another addition is the Chinese robotics company Unitree, whose dancing robots impressed Simon Cowell on NBC's "America's Got Talent."

The Pentagon said the company "knowingly received assistance" from the Chinese government through its designation as a small or medium-sized company that is highly innovative, highly competitive globally and critical to the country's supply chain.

BYD and Unitree did not immediately respond to emails seeking comment.