STATEMENT OF MATTHEW F. POTTINGER, DISTINGUISHED VISITING FELLOW AT THE HOOVER INSTITUTION AND CHAIRMAN OF THE CHINA PROGRAM AT THE FOUNDATION FOR DEFENSE OF DEMOCRACIES

BEFORE THE SENATE SELECT COMMITTEE ON INTELLIGENCE

"BEIJING'S LONG ARM: THREATS TO U.S. NATIONAL SECURITY"

4 AUGUST 2021

Chairman Warner, Vice Chairman Rubio, I'd like to thank you and your fellow committee members for hosting a public hearing on this important topic.

Many Americans were slow to realize it, but Beijing's enmity for the United States began decades ago. Ever since taking power in 1949, the ruling Chinese Communist Party (or "CCP") has cast the United States as an antagonist. Then, three decades ago, at the end of the Cold War, Beijing quietly revised its grand strategy to regard Washington as its primary external adversary and embarked on a quest for regional, followed by global, dominance.

The United States and other free societies have belatedly woken up to this contest, and a welcome spirit of bipartisanship has emerged on Capitol Hill. But even this new consensus has failed to adequately appreciate one of the most threatening elements of Chinese strategy: the way it seeks to influence and coerce Americans, including political, business, and scientific leaders, in the service of Beijing's ambitions.

The CCP's methods are manifestations of "political warfare," the term that George Kennan, the chief architect of our Cold War strategy of containment, used in a 1948 memo to describe "the employment of all the

means at a nation's command, short of war, to achieve its national objectives."

One of the most crucial elements of Beijing's political warfare is so-called "United Front" work. United Front work is an immense range of activities with no analogue in democracies. China's leaders call it a "magic weapon." And the CCP's 95 million members are all required to participate in the system, which has many branches. The United Front Work Department alone has three times as many cadres as the U.S. State Department has Foreign Service officers. Instead of practicing diplomacy, however, the United Front gathers intelligence about and works to influence private citizens and government officials overseas, with a focus on foreign elites and the organizations they run.

Peter Mattis, who detailed how United Front work is organized during his 2019 testimony before the House Permanent Select Committee on Intelligence, said "Put simply, United Front work is conducted wherever the party is present." And the Party is quite present here in the United States.

Assembling dossiers on people has always been a feature of Leninist regimes. But Beijing's penetration of digital networks worldwide has taken this to a new level. The party compiles dossiers on millions of foreign citizens around the world, using the material it gathers to influence and intimidate, reward and blackmail, flatter and humiliate, divide and conquer.

As Bill Evanina's written testimony today made plain, Beijing has stolen sensitive data sufficient to build a dossier on every American adult—and on many of our children, too, who are fair game under Beijing's rules of political warfare.

Newer to the party's arsenal is the exploitation of U.S. social media platforms. Over the past few years, Beijing has flooded U.S. platforms with overt and covert propaganda, amplified by proxies and bots. The propaganda is focused not only on promoting whitewashed narratives of Beijing's policies, but also on exacerbating social tensions within the United States and other target nations.

The Chinese government and its online proxies, for example, have for months promoted content that questions the effectiveness and safety of Western-made CoViD-19 vaccines. Research by the Soufan Center has also found indications that China-based influence operations online are outpacing Russian efforts to amplify some conspiracy theories.

So what are some things Washington should do to address Beijing's political warfare?

* First, we should stop funding technologies in China that are used to advance their surveillance state and their military. Beijing is turning facial recognition, data-mining and machine-learning technologies not only against Chinese citizens, but increasingly against Americans here at home.

Executive orders issued by the Trump and Biden administrations that prohibit the U.S. purchase of stocks and bonds in 59 named Chinese companies are a good start. But the Treasury Department needs to expand that list by orders of magnitude to better encompass the galaxy of Chinese companies developing so-called dual-use technologies.

* Congress should look at revising the Foreign Agent Registration Act (FARA) to include more robust reporting requirements, steeper penalties for non-compliance, and a publicly-accessible database of FARA registrants updated frequently.

* The United States can also do more to expose and confront Beijing's information warfare over U.S. social media platforms — platforms that are themselves banned inside China's own borders. U.S. social media companies have the technological know-how and resources to take a leading role in exposing and tamping down shadowy influence operations. The US government should partner more closely with Silicon Valley companies in this work. Washington should also partner with U.S. technology giants to make it easier for the Chinese people to safely access and exchange news, opinions, history, films, and satire with their fellow citizens and people outside China's so-called Great Firewall.

* Finally, we should also do more to protect Chinese students and other Chinese nationals living in the United States. Many people of Chinese descent, including some U.S. permanent residents and U.S. citizens, live in fear that family members in China will be detained or otherwise punished for what their American relatives say or do inside the United States.

Coercion by Beijing has silenced countless Chinese-language news outlets around the world—so much so that almost no private Chinese language news outlets exist in the United States or abroad that don't toe the Communist Party's line.

The U.S. government can help by offering grants to promising private outlets and reenergizing federally funded media such as Radio Free Asia. U.S. universities, perhaps with help from the US government, should also hand a second smartphone to every Chinese national who comes to study in the United States—one free from Chinese apps such as WeChat, which the Chinese security apparatus uses to monitor users' activity and censor their news feeds.

Thank you.