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THE PRICE OF PUBLIC DIPLOMACY WITH CHINA

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BEFORE THE

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

OF THE

COMMITTEE ON FOREIGN AFFAIRS
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THE PRICE OF PUBLIC DIPLOMACY WITH CHINA

WEDNESDAY, MARCH 28, 2012

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 2:30 p.m., in room 2172 Rayburn House Office Building, Hon. Dana Rohrabacher (chairman of the subcommittee) presiding.

Mr. ROHRABACHER. This hearing of the Oversight and Investigations Subcommittee of the House Foreign Affairs Committee is called to order.

I want to welcome all of you and Mr. Carnahan.

Of course, today our subject for this hearing is China's public diplomacy policies. The two pillars of America's status quo as an open society are freedom of the press and academic freedom. Communist China, which does not believe in or allow the practice of either type of this freedom, is exploiting the opportunities offered by America, as we are consistent with those values, to penetrate both private media and public education to spread its own state propaganda.

When Americans debate and discuss issues of the day, the assumption is that while many views may differ, citizens are trying to find the best outcome or policy that will benefit their country. No such assumption applies to the agents of foreign powers who are advancing what serves the interests of their own dictatorship, which is in competition with our country.

Beijing is pouring billions of dollars into the country's state-run media machine, which is churning out new TV networks, radio stations, and newspapers aimed at foreign audiences. China Daily is delivered on a weekly basis to nearly every office on Capitol Hill and claims two-thirds of its readers are opinion leaders in government or business. Nearly every American home with a satellite dish or a cable TV has multiple channels presented by the Chinese Communist Government.

They present a mixture of news and entertainment programs just like a regular network, but there is no warning label informing the audiences that what views are expressed or embedded in the programs are those of a foreign power, let alone a rival Communist dictatorship that considers us to be the enemy.

Less obvious to the general public, but a major undertaking by Beijing is the creation of over 70 Confucius Institutes and classrooms at American universities and high schools. Confucius Insti-

tutes provide money, textbooks, and teachers from China, funded by the Communist regime in Beijing. The U.S. schools provide facilities, matching funds, and legitimacy to the Chinese propaganda effort. Under the guise of education, the Confucius Institutes convey Beijing's version of cultural values and history in forms that can be described as propaganda and have been so described by Communist officials from China themselves.

History is part of the cultural curriculum that includes the assertion that Tibet and Taiwan are now, and always have been, Chinese territories. Another subtle message is that socialism with Chinese characteristics creates a harmonious society which everyone should envy.

The headquarters of the Confucius Institutes is the Hanban located in Beijing. The Hanban recently won a red song contest held by the Ministry of Education on the theme, "Following the Communist Party Forever." Is this ideology compatible with American values of academic freedom? Are American universities selling not just classroom space, but their souls in order to get grants and Chinese money into their institutions?

Here to answer these and other questions is a distinguished panel. We are grateful for you being with us today.

Mr. Steven Mosher, president, Population Research Institute, he is the author of a number of books, including the path-breaking, "Broken Earth," which exposed China's notorious one-child policy, and "Hegemon: China's Plan to Dominate Asia and the World," in 2002. His most recent book, "Climategate: The Crutape Letters," which came out in 2010, is also one of his books. He has also written for the Wall Street Journal, the New Republic, the Washington Post, National Review, Catholic World Report, Human Life Review, First Things, and numerous other publications.

Then we have Mr. Kai Chen, a Chinese freedom activist. His book in 2007, and that is, "One in a Billion: Journey Toward Freedom," tells of the horrors of living under Communist rule and of his escape from China during the Cultural Revolution. He is now an American citizen and a graduate of UCLA in political science. He played for China's national basketball team, and his daughters played for their American college teams. That is terrific.

And Mr. Greg Autry, co-author of Peter Navarro's, "Death by China: Confronting the Dragon—a Global Call to Action," which was published last year by Prentice Hall. He is working on a Ph.D. at the University of California at Irvine, and he is also a partner in Network Corporation and Wired-Images.com. He is a southern California professional systems consultant. That group is consulting. The group was founded in 1997.

Finally, we have Mr. Robert Daly, director of Maryland China Initiative, from the University of Maryland. Prior to taking up his current post in 2007, he was for 6 years American director of the Johns Hopkins University-Nanjing University Center for Chinese and American Studies in Nanjing, China. He began work in the United States/China relations with the United States Information Agency, in which he served from 1986 to 1991. He then taught Chinese at Cornell in 1991 to 1992. For the next 9 years, he worked on television projects in China as a host actor and writer, and also served as a commentator in U.S./China relations.

I want to thank you all.

Mr. Carnahan, do you have an opening statement?

Mr. CARNAHAN. Yes, Mr. Chairman. Again, thank you for the work that you do with this committee and subcommittee. I appreciate the work that we do together. We don't always come at it from the same direction, but we have been able to find some great common ground to work together on this committee. I appreciate your work and your friendship.

I want to thank you for holding this hearing. I am a very strong supporter of public diplomacy as a key piece of our smart power strategies on behalf of the United States. I am encouraged by your commitment to exploring multiple aspects of these policies, including how other countries conduct public diplomacy in the U.S. and abroad.

Public diplomacy programs are a critical and indispensable component of U.S. foreign policy. Many of these programs are cost-effective ways to conduct public diplomacy. Establishing American cultural centers around the world has been, and should be, a continued part of that policy.

No doubt, the barriers presented by the Chinese Government to establish these has presented a challenge. I would encourage the administration to continue to advocate that the Chinese Government provide us with the same access that they are allowed with the establishment of their Confucius Centers.

However, I do not believe that limiting U.S. access will lead to the Chinese Government allowing the establishment of U.S.-Government-funded cultural centers, nor do I believe it is in the best interest of a free and open society like ours to do so.

When you look broadly at public diplomacy in China, there are numerous ways that are currently being effective. I would point to a few: The establishment over the past few years of several American corners at several public and university libraries. While these certainly are not U.S.-Government-run, as in other parts of the world, they are, nonetheless, an avenue to bring American culture and values to China.

Other universities, like in my home city of St. Louis, Webster University offers a wide array of opportunities in China from joint degree programs to exchanges. Bringing the value of American education to China from schools like Webster University will help our public diplomacy efforts.

And student exchanges continue to be one of the best ways to advance our long-term interest. Young people and students can be some of our best diplomats. Current estimates show that 10 times as many Chinese students study in the U.S. compared to the number of American students studying in China. So, there is much work to be done there. Efforts to increase American students studying in China, such as the 100,000 Strong Initiative, will help foster a greater understanding of American culture, as well as those students bringing back better knowledge of China.

We need to continue engagement with the Chinese Government and the Chinese people in all possible ways. I look forward to hearing about how we could continue these efforts, and I, again, want to thank the witnesses upfront for being here today.

Mr. ROHRABACHER. Thank you very much, Mr. Carnahan.

We will start with Steven Mosher. Might I suggest that, if you could keep your initial statement down to 5 minutes, we will, then, put the rest of your statement in the record. And then, we will proceed with the questions and answers, once all of you are done with your testimony.

Mr. Mosher, you may proceed.

STATEMENT OF MR. STEVEN MOSHER, PRESIDENT, POPULATION RESEARCH INSTITUTE

Mr. MOSHER. Thank you, Mr. Chairman, and thank you for holding this important hearing.

Mr. ROHRABACHER. I am going to ask you to put that microphone very close to your mouth. You know, actually, I have got what they call surfer's ear. When you go surfing and you go into the cold water, it actually hurts your hearing sometimes. And so, the more you can speak into that microphone, the better they can hear you, but also the better I can hear you. So, that would be very helpful.

Mr. MOSHER. Well, I was born and raised in California. So, I understand exactly from personal experience what you are talking about.

Mr. ROHRABACHER. Go for it.

Mr. MOSHER. My testimony today is entitled, "Confucius Institutes: Trojan Horses with Chinese Characteristics," which I think gives you an insight into my view of this particular initiative on the part of the United Front Work Department of the Chinese Communist Party.

Now Confucius Institutes are described as nonprofit, public institutions aligned with the government of the PRC whose purpose is to promote Chinese language and culture. But there are literally now thousands of academics around the world who have voiced concern that these seemingly-benign purposes leave out a number of other purposes; namely, sanitizing China's image abroad, enhancing its power globally, and creating a new generation of China watchers who are well-disposed toward the Communist dictatorship.

Now these are not like Germany's Goethe-Institut. The Confucius Institutes are not independent from the government, nor do they occupy their own premises. Instead, they are embedded within established universities and colleges around the world and are directed by an organization which is known as the Office of Chinese Language Council International, but this answers, in turn, in academic matters to the Ministry of Education and in practical matters to the United Front Work Department of the Chinese Communist Party. In fact, the chairman of the Confucius Institute is none other than Liu Yandong, who served as the head of the United Front Work Department from 2002 to 2007.

Now what is the United Front Work Department? The purpose of the United Front Work Department of the Chinese Communist Party is subversion, co-option, and control. During the Communist revolution, it subverted and co-opted a number of other political parties, such as the Chinese Socialist Party, into serving the interests of the Chinese Community Party. After the establishment of the PRC, it continued to control these parties, which were allowed

to exist on sufferance, albeit as hollow shells, creating the illusion of "democracy in China."

That it has de facto control over the Confucius Institutes suggests more strongly than anything else that one of the chief purposes of these institutes are, namely, to subvert, co-opt, and ultimately control western academic discourse on matters pertaining to China.

Now I am particularly troubled by this aspect of the Confucius Institute initiative because of my own experience. As you mentioned during your introduction, I have some personal experience in how the Chinese Party-State deals with its overseas academic critics because, following my expose of human rights abuses in the one-child policy in the early eighties, the PRC, acting then through the Chinese Academy of Social Sciences, put tremendous pressure on Stanford University, my university, to deny me the Ph.D. Beijing went so far as to threaten to abrogate its scholarly exchange program with the United States unless I was, in its words, "severely punished" for speaking out. In other words, I know from personal experience how ruthless the Party can be when it comes to pursuing its own interests and how sycophantic, not to say craven, some academic administers can be, again, from personal experience.

Now I am going to go right to the end here and say this: Given that the Chinese Party-State does not share our democratic institutions, nor our commitment to open markets, nor our understanding of human rights, its purposes in setting up these Confucius Institutes are diametrically opposed to our national principles. Should we really be allowing a cruel, tyrannical, and repressive regime to educate our young people?

And there is a final point. I have long believed that reciprocity should govern our relations with China. There can be no reciprocity in the matter of Confucius Institutes. Imagine the reaction of the United Front Work Department of the Chinese Communist Party if a U.S.-Government-funded and controlled American institute were proposed to be embedded at, say, Beijing University to teach American language and culture. How many seconds do you think it would take the Chinese Party-State to say no? How many seconds do you think it would take the Chinese Party-State to say no to our having government-funded radio shows or television shows in China? Where there is no reciprocity, we should revisit the relationship and demand that it either be allowed or that we fundamentally change our view of how China should be allowed to operate in this country.

Thank you very much.

[The prepared statement of Mr. Mosher follows:]

Confucius Institutes: Trojan Horses with Chinese Characteristics

Steven W. Mosher

Testimony Presented to the

Subcommittee on Oversight and Investigations

House Committee on Foreign Affairs

March 28, 2012 at 2:30 p.m.

Confucius Institutes are described as non-profit public institutions aligned with the government of the People's Republic of China whose purpose is to promote Chinese language and culture, as well as facilitate cultural exchanges. This seemingly benign purpose leaves out a number of purposes both salient and sinister, namely, sanitizing China's image abroad, enhancing its "soft power" globally, and creating a new generation of China watchers who well-disposed towards the Communist dictatorship.

While the Confucius Institutes are sometimes compared to France's Alliance Francaise and Germany's Goethe-Institut, this is misleading. Unlike the latter, Confucius Institutes are neither independent from their government, nor are do they occupy their own premises. Instead, they are located within established universities and colleges around the world, and are directed and funded by the so-called Office of Chinese Language Council International (Hanban), located in Beijing, which answers in turn to the Ministry of Education of the People's Republic of China and, chiefly, to the United Front Work Department of the Chinese Communist Party. In fact, the Chairman of the Confucius Institute is none other than Liu Yandong, who served as the head of the United Front Work Department from 2002 to 2007.

The purpose of the United Front Work Department, it should be noted, is subversion, cooption and control. During the Communist revolution, it subverted and coopted a number of other political parties, such as the Chinese Socialist Party, into serving the interests of the Communist Party. After the establishment of the PRC, it continued to control these parties, which were allowed to exist on sufferance, albeit as hollow shells, to create the illusion of "democracy" in China. That it has *de facto* control over the Hanban suggests, more strongly than anything else, what one of the chief purposes of the Confucius Institutes are, namely, to subvert, coopt, and ultimately control Western academic discourse on matters pertaining to China.

Let me say at the outset that I am particularly troubled by this aspect of the Confucius Institute initiative, because of my own experience in how the Chinese Party-State deals with its overseas academic critics. Following my expose of human rights abuses in China's one-child policy in the early eighties, the PRC, acting through the Chinese Academy of Social Sciences, put tremendous pressure on my university, Stanford University, to deny me the Ph.D. Beijing went so far as to threaten to abrogate its scholarly exchange program with the U.S. unless I was, in its words, "severely punished" for speaking out. In other words, I know from personal experience how ruthless the CCP can be when it comes to pursuing its own interests and how sycophantic, not to say craven, some academic administrators can be.

History and Expansion

Since the first Confucius Institute opened its doors on 21 November 2004 in Seoul, South Korea, hundreds more have been established in dozens of countries around the world. By October 2010, there were reportedly 322 Confucius Institutes and 337 Confucius Classrooms in secondary schools in 94 countries and regions, with the highest concentration of Institutes in the United States, Japan, and South Korea. The goal announced by Hanban is to have 1,000 Confucius Institutes in operation by 2020. Chinese state media suggests that the quick expansion of the institutes testifies to the irresistible influence of China in a world "begging for the opening

of Confucius Institutes." What the rapid expansion actually suggests is that this is a major foreign policy initiative of the PRC, which fact alone invites close scrutiny.

It is ironic that Communist leaders, who for nearly a century vilified Confucius as the very embodiment of feudalism, should now seize upon the name of the ancient Chinese sage, who lived from 551-479 BC, for their own purposes. It is characteristic of CCP united front tactics, however, that broadly inclusive terms, however hollow, be used to describe their efforts at subversion. Confucius is, after all, a universally recognizable Chinese figure, and an institute named after him does not evoke the distaste, even revulsion, that would have greeted the names of more recent Chinese political figures, such as the founder of the Chinese Communist Party. How many universities--other than those in, say, North Korea, Venezuela and Cuba--would have welcomed an institute named after Mao Zedong, one of the great mass murderers of the twentieth century? Chen Jinyu, Vice-Chairman of the Confucius Institute Headquarters, emphasized the importance that the Party attached to the choice of the name Confucius, saying "… brand name means quality; brand name means returns. Those who enjoy more brand names will enjoy higher popularity, reputation, more social influence, and will therefore be able to generate more support from local communities." In other words, the goals of the CI initiative include increasing China's *popularity, reputation, and influence* among the nations of the world.

The ongoing controversies surrounding the operation of the Confucius Institute program go far beyond its name, of course. They include, as already mentioned, the troubling fact that Hanban is effectively run by the CCP's United Front Work Department. In addition, there have been allegations of Confucius Institutes undermining academic freedom at host universities, engaging in industrial and military espionage, monitoring the activities of Chinese students abroad, and attempting to advance the Chinese Party-State's political agenda on such issues as the Dalai Lama and Tibet, Taiwan independence, the pro-democracy movement abroad, and dissent within China itself.

According to Fabrice De Pierrebourg and Michel Juneau-Katsuya, a number of individuals holding positions within the Confucius Institute system have backgrounds in Chinese security agencies and the United Front Work Department. Together, these agencies are responsible for a number of activities in foreign countries, including propaganda, the monitoring and control of Chinese students abroad, the recruiting of agents among the Overseas Chinese diaspora and sympathetic foreigners, and long-term clandestine operations.

For these reasons, a number of universities have rejected Hanban's efforts to establish Confucius Institutes on their campuses, including the University of Chicago and the University of Melbourne.

A Politicized Mission

That the mission of the Confucius Institutes is to extend the Chinese Party-State's campaign of "soft power" into the educational establishments of foreign countries cannot be doubted. No less a figure than Li Changchun, the propaganda chief of the Chinese Communist Party and the 5th ranked member of the Standing Committee of the Politburo, has been quoted as saying that the Confucius Institutes are "an important part of China's overseas propaganda set-up." If the CCP's

propaganda chief says that the Confucius Institutes are "an important part of China's overseas propaganda set-up," they probably are.

The stated mission of the Confucius Institutes is, as to be expected, far more innocuous. They claim to be engaged in promoting knowledge of Chinese language and culture abroad, as well as commercial and trade cooperation. Indeed, the director of the CI program, Xu Lin, goes so far as to claim that the program was started in response to a sudden uptick in interest in the Chinese language around the world. In other words, China was simply responding to a growing consumer market, rather than, say, engaging in cultural diplomacy to strengthen China's soft power abroad, or seeking to proactively create positive perceptions of its policies.

One other aspect of the Confucius Institutes deserves mention, that is, that Hanban actually sends Chinese language teachers from China to teach at the Confucius Institutes. As of 2011 there were 200 such teachers working in the United States. It goes without saying that these teachers are carefully vetted for ideological purity before being assigned to indoctrinate young Americans in a "correct," which is to say positive, understanding of the Chinese Party-State and its growing role in the world, as well as explaining to them why Chinese dissident groups abroad, such as Tibetan independent activists, democracy groups and the Falun Gong, must be opposed. It is naïve to think that teachers trained in the PRC will limit themselves to teaching language and cultural programs, while avoiding such controversial subjects as China's military buildup, its abysmal human rights record, and its distain for democracy. Such subjects invariably come up in the classroom, and Beijing's trained cadre of "language teachers" will know exactly how to allay the concerns of their young and impressionable charges.

It is understandably difficult to assess how successful the Confucius Institutes have been in carrying out their politicized mission to date, since neither the Chinese Party-State, nor their American or Chinese employees, are eager to talk about this aspect of their work. Nevertheless, there is some evidence that the presence of CIs has had a chilling effect on academic discourse. As *The Economist* noted, "An online Confucius Institute, also supported by the Chinese government, includes an article noting the 'active' efforts of some unspecified Confucius Institutes in opposing independence for Tibet and Xinjiang, pro-democracy activism and the Falun Gong sect. "

More specific criticisms have been leveled by Peng Ming-min, a Taiwan independence activist and politician, who claims that colleges and universities where a Confucius Institute is established have to sign a contract in which they declare their support for Beijing's "one China" policy. In consequence, the open discussion of Taiwan and Tibeten issues is *verboten* at the institutes, he claims. Michael Nylan, professor of Chinese history at the University of California at Berkeley, acknowledges "early missteps," such as insisting that universities adopt a policy that Taiwan is part of China and attempting to block guest speakers critical of China from campus events, but suggests that the Chinese government is becoming "less heavy-handed." Note that Nylan does not deny that Hanban has abandoned its political mission; only that they have become more subtle about it.

A closer look at the way the Confucius Institutes are organized and funded only increases these concerns. The Chinese Party-State, acting through Hanban and the Confucius Institute

headquarters, provides anywhere from $100,000 to several million dollars in annual funding. The local university is nominally required to match funding. Since this is generally provided in kind, however, by providing campus facilities and office space, as well as administrative and accounting services, there is little in the way of out-of-pocket expenses for the recipient of Chinese largess.

The Chinese Party-State claims to take a hands-off approach to management, but does admit to providing "guidelines." The budget, too, is subject to approval by Hanban and the Confucius Institute headquarters, which impose various restrictions on how their funds may be used as well as earmarking certain funds for specific purposes. The Confucius Institutes in the U.S. and elsewhere also answer to China in another way as well. Each is paired up with a Chinese university, and is governed by a board composed of roughly even numbers of directors from this Chinese university, with the remainder of the directors affiliated with the foreign university. Usually, but not always, the director is appointed by the

In addition to their local partner university Confucius Institutes operate in co-operation with a Chinese partner university.[36] Many Institutes are governed by a board which is composed of several members from the Chinese partner school and the remainder of the members are affiliated with the local partner university or are local individuals who are considered to be "friends of China." For example, one of the directors of the Confucius Institute at the University of New South Wales is a Chinese-Australian who is the President of the Australian Council for the Promotion of Peaceful Reunification of China. The board of directors in turn appoints the director in consultation with the local partner university.

There are additional problems as well. Hanban specifies that Chinese language instructors should be "Aged between 22 to 60, physical and mental healthy, no record of participation in Falun Gong and other illegal organizations, and no criminal record." Such discrimination against Falun Gong and, presumable, others who have tried to exercise their rights to freedom of conscience, assembly, speech, and association violates anti-discrimination laws and international standards of human rights. Marci Hamilton, Paul R. Verkuil Chair in Public Law at Yeshiva University in New York City, commented that the policy is "unethical and illegal in the free world." I agree.

Because of these concerns, a number of countries, confronted with the reality of growing Chinese aggressiveness, have banned or restricted the establishment of Confucius Institutes. The Indian Ministry of External Affairs opposed the establishment of Confucius Institutes in universities, arguing that they were nothing more than "a Chinese design to spread its 'soft power' – widening influence by using culture as a propagational tool." The Japanese government has serious reservations as well. It is telling that of 20 or so CIs that Hanban has been able to set up in Japan, all were at private colleges. Government-funded public universities have so far refused to play host to what is obviously an ideologically driven political power play.

The final word belongs to James Paradise, who in an *Asian Survey* article notes that Confucius Institutes may be viewed as Chinese "Trojan horses." While ostensibly about promoting the Chinese language and culture, he says, they are "part of a broader soft power projection in which China is attempting to win hearts and minds for political purposes."

Given that the Chinese Party-State does not share our democratic institutions, nor our commitment to open markets, nor our understanding of human rights, their purposes are antithetical to ours. Should we really be allowing a cruel, tyrannical and repressive regime to educate our young people?

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Mr. ROHRABACHER. Did you get it? Did you get your Ph.D. from Stanford?

Mr. MOSHER. Actually, I didn't. Stanford investigated my research from 1981 to 1986. At the end of the day, the then-president of Stanford University, Donald Kennedy, wrote me a 67-page letter, which the day before he sent it to me he gave to the New York Times. I got it only after the reporters started calling.

The letter said, basically, after rehearsing all of the charges made by the Chinese Party-State against me, President Kennedy said, "I do not know whether the charges made against you by the People's Republic of China are true or not, but there has been a gradual erosion of trust between you and the University which makes it impossible for you to get your Ph.D."

Mr. ROHRABACHER. Oh, my.

Mr. MOSHER. So, at the end of the day, he refused to grant me the Ph.D. on the ground that he didn't trust me. Well, after 5 years, I didn't trust him much, either.

Mr. ROHRABACHER. All right. Well, we will ask more questions about that later. That just shows you what happens. You know, when you are young, your parents always say, "Don't hang around with these lowlifes, or if you are hanging around with some criminals, it is less likely that you are going to turn them into saints than it is that they are going to hurt your value system." That sounds like what is happening here.

But we have with us a heroic athlete who would like to tell us also a firsthand experience of living under this Communist dictatorship and some insights of what he thinks are motives and what is going on, what we are facing now.

Mr. Chen?

STATEMENT OF MR. KAI CHEN, CHINESE FREEDOM ACTIVIST

Mr. CHEN. Thank you very much, Chairman Rohrabacher. I truly appreciate your tireless effort in facing down evil. So, I thank you here personally.

For me, the distinction that I am a Chinese freedom activist is a misnomer. But I am more American than most Americans. In many ways, I was born an American already. I was only born in the wrong place. So, please don't treat me as a Chinese. I am an American citizen. And I am here more interested in safeguarding this country, safeguarding American freedom and the American security, than changing China. So, I want to make that clear about it.

Secondly, I want to dispel some misconceptions in the American public that China is just a normal nation-state. China is not a nation-state by any standard. China is a party dynasty. Once we have this distinction, we can formulate and implement effective China policies. Otherwise, everything you formulate around normal nation-state will fail because it does not behave as a normal nation-state.

Thirdly, there is a saying that China now is capitalistic, has capitalism in there. But China does not have a shred of capitalism because every inch of land in China belongs to the government. Not a single inch of land in China belongs to any individual. That distinction will dispel China has capitalism because there is no pri-

vate property rights. Government can take anything away from you and in any moment.

So, thirdly, there is a misconception that, since Nixon opened the door, only the freedom can influence China and we are safe from despotism and tyranny. But, actually, it is a two-way street. Nowadays I am disturbed and alarmed to find that the U.S. is more or less changed by China than China being changed by the U.S. I will give you a few examples later.

So, communism was down when the Berlin Wall was collapsed, but communism was not out. It is enjoying a comeback, and through another form, a mutated form, mainly by the Chinese form of government. So, I want that to be clear.

A few things disturb me and alarm me. In America, there is a deterioration of political culture in this country, from a culture of freedom gradually toward a culture of moral confusion.

When I went to Alhambra City Hall in 2007, I saw a portrait, supposedly by an artist, painted George Washington on one side and Chairman Mao on the other side, and they were put together. I protested it. Eventually, they have taken it down, but it becomes a big controversy. But you can see the extent of penetration of American political culture in that.

Also, if I stroll on the street in Los Angeles, there is Mao's Diner, Mao's Kitchen in there. Inside is all cultural revolutionary posters with Americans dining down there, and the poster says, "Down with American imperialism" on top. It is ironic.

Another thing is, when I went to the Nixon Library, there is a Mao statue sitting in the exhibit called "The War of Leaders," and sitting among the likes of Winston Churchill and Charles de Gaulle, which I say, if Mao leads the world, he leads in murdering people. So, how can you reconcile that kind of image?

I engaged in, before the Beijing Olympics in 2007, an Olympic Freedom Run over the four continents. I just want to tell people that, when you go to the Beijing Olympics, don't forget the Tiananmen Square massacre. But, then, a U.S. President went to the opening ceremony and saying nothing.

And now, when Liu Xiaobo was jailed, and being awarded the Nobel Peace Prize, and a U.S. President invites this jailer into the White House and gave a state banquet, that was very disturbing.

I don't have time. I just want to conclude my statement with these two images. One is this, what I picked up in 1989 on Tiananmen Square that says, "Support the hunger strike. Demand equal dialogs." What I want to tell you, this is the aspiration of the Chinese people.

But, then, I am going to show you another image. This is the reality of China. When the U.S., now facing the Chinese economy, and they see this bill of currency everywhere, there is an image of Mao's portrait on every bill of Chinese currency. But, then, we are talking about only devaluation, devaluation or manipulation of the currency in economic terms. But I want you to see the moral terms in this.

Once we accept this currency as normal currency, once we accept China as a normal state, then we accept the fact that killing people, murdering people, and persecuting people to acquire power is acceptable. Once we see that, we cease to be the United States of

America and with the principles of freedom upon which this country is established.

Thank you.

[The prepared statement of Mr. Chen follows:]

Testimony on the Issue of Cultural and Political Infiltration and Contamination from China's Communist Regime via "Confucius Institutes/Confucius Classrooms"

Kai Chen

www.kaichenblog.blogspot.com

email: elecshadow@aol.com

2:30 pm March 28, 2012
Washington DC, United States Congress

"The Price of Public Diplomacy with China"
Oversight and Investigations Subcommittee
House Foreign Affairs Committee

Dear United States Congressmen and Congresswomen:

Before we examine the issue of Confucius Institutes/Confucius Classrooms, we must be very clear about the nature of the regime we are dealing with: China is not a normal nation-state. China is a despotic communist Party-Dynasty.

As a free man and a citizen of the United States, as a person who witnessed the atrocities and crimes against humanity under China's communist regime, as a person who participated and witnessed both 1976 and 1989 Tiananmen Square Incidents, as a person who is keenly aware of communist infiltration and contamination upon the world in an unprecedented scale by the Chinese regime economically, culturally, politically and spiritually, I am deeply concerned about the future of the United States and the future of the free world. Therefore, I have done and will continue do what I can to fight the increasing cultural degeneration and degradation in this land I love. Exposing the evil of Confucius Institutes/Confucius Classrooms the Chinese regime has instituted in the US and around the world is only a part of my moral duty.

I have been engaged in a protest over the establishment of a Confucius Classroom in Hacienda La Puente Unified School District in California, with funding, staff and material of the Classroom provided by the Chinese communist regime, since the later part of 2009. I was also involved in a protest over the same propaganda program by the Chinese communist regime at Socrates Academy of Charlotte, North Carolina. In both cases, we (the protesters consisted mostly of the students' parents and I) succeeded in making the school authorities deny the funding from the Chinese government. But the poisonous material provided by the Chinese Consulate and Han Ban (the main arm of the Chinese government to spread this insidious program in the US and around the world) still finds its way into the students'

language program. Some dubious teachers with questionable background are also able to teach in such a program.

Through the protest and extensive investigation (both through examination of email records of communication between Han Ban and the US school officials and through examination of the material provided by the Chinese government), I have made the following observation and conclusion:

The channels and tactics of how the Chinese government implements Confucius Institutes/Classrooms in America and the free world:

1. **Free funding, free training of staff, free (propaganda) material.** Han Ban provides the starter fund for free - $30,000 for Confucius Classroom (middle/high school level), with more money for Confucius Institutes (college level). It also provides trained staff and teaching material for free. It offers to train teaching staff, free of charge, for the program (Confucius Classroom) on the Mainland China.
2. **Fringe benefits for those who are willing to implement Confucius Institutes/Confucius Classrooms.** Han Ban offers free trips to China for the school districts' officials in America and around world. Once in China, the US officials receive "red carpet" treatment including free sightseeing, banquets, reception by higher Chinese officials, first class hotels, dubious services including women, etc. Most American officials, just ordinary civil servants who have no privileges in a free society, are unable or unwilling to resist the special treatment in China with privileges and luxuries unseen in their lives. The very elevated social status alone corrupts many.
3. **Identify those in the US school/college authorities who are friendly to China, especially those with or intending to have business ventures (money making ventures for private interests) with China, such as travel agencies and others.** Using Confucius Institutes/Classrooms as pretense and launch pad to establish profitable business connections for private parties in the US official ranks is not uncommon. Corrupt US officials are most likely recruits for the communist regime's infiltration program. In the Hacienda La Puente School District, not only did some officials use Confucius Classroom to organize tourists for money-making ventures, but also made efforts to apply for J visa status for the school district to attract the Chinese mainland students (note: Selling US visa with US school invitation is a big business in China, with profit untraceable by the US authorities.)
4. **Recruiting potential Chinese intelligence agents via implementation of Confucius Institutes/Classrooms.** The Confucius Institutes/Classrooms are ideal grounds for the Chinese communist regime to recruit intelligence agents in the US business, military, educational and political institutions. Those officials with Chinese/Asian background are especially vulnerable to such overtures. For example, in the Hacienda La Puente School District, with three of five board members being of Chinese descent, the tactic for the Chinese regime is to use racial conflicts (many students in the district are of Hispanic background) and scare tactic, such as accusing those who oppose the communist program being racists. They use scare tactic to attract Asian/Chinese votes to maintain majority on the school board. One of the school board

members (Norman Hsu – an elected US official) even wrote a note to a Han Ban official in Chinese, claiming he owes loyalty to his ancestral land – China.

The insidious and poisonous effects and results of Confucius Institutes/Classrooms for the US and the free world:

1. **The legitimization of an illegitimate and criminal communist regime – a Party Dynasty that has devoured lives of millions of innocent people and is continuing to commit anti-humanity crimes and atrocities. In the material Han Ban provides to the Confucius Classroom program, the despotic/tyrannical symbols of the Chinese regime are everywhere**:

Example: The Chinese map with the title "People's Republic of China" is with borders that includes Taiwan, Tibet, South China Sea with many disputed territories. The Chinese flag that symbolizes despotism and tyranny with a connotation of unconditioned submission/surrender of individual rights/freedom to the communist authority is central to legitimization of the Chinese regime. The photo of Tiananmen Square with Mao's portrait and communist slogans is to normalize the image of the biggest mass murderer in human history and to numb people's moral judgment with a moral relativism and cultural equivalencies. Any mention of Tiananmen Square massacre in 1989 is strictly forbidden in Han Ban's teacher training program. Anyone who is associated with anti-communist activities, such as Falungong practitioners, is strictly excluded from employment for the Confucius Classroom language program. Every bill of the Chinese currency (Renminbi) has Mao's image on it. Through such a ubiquitous repetition and reinforcement, the world conscience is numbed and eventually eliminated. As a result, anti-humanity tyranny is recognized as just another form of government, no different from any elected legitimate one in the free world. Above 90% of Chinese students, from primary schools to colleges have no idea what Tiananmen Square Massacre of 1989 is. They cannot recognize the image of the "Tankman". Above 90% China's economic assets are controlled by the princelings – sons and daughters of Chinese communist officials. These facts and China's true history of communist atrocities are entirely omitted in the Confucius Institutes/Classrooms programs.

2. **Contamination of American educational, business and political culture**. Confucianism is not a philosophy but a despotic ideology. It is an oppressive behavior code established and propagated by the dynastic despots for centuries. The very mention of Confucius and Confucianism is to negate morality with a strict artificial and arbitrary social hierarchy. Unquestioned authoritarian power is to be strictly obeyed. The social order established by the power of guns and threat of torture and death to anyone who dares to questions it is to be strictly observed. People in the society are categorized by race, age, gender, social status, trade, education, etc. into a rigid class-based pyramid. Individuals are thus permanently diminished and destroyed. Without independent individuals in China, rights and freedom cannot exist. In the Hacienda La Puente School District, I witnessed, first hand, how the Confucius Classroom diminishes American students into robotic, authoritarian tools to serve the interests of those in power. The board members exhibit anti-American behavior, acting as the dictators to chastise the audience in the school board meetings. Certain board members even use Chinese-

background high school students as lackeys to advance their agendas, much like what Mao did during the Cultural Revolution.

3. **China is not a nation-state. China is a despotic communist Party-Dynasty.** The Chinese regime's intention to use Confucius Institutes/Classrooms to castrate moral decency of the world and humanity, to legitimize a criminal enterprise has not been adequately exposed, analyzed, opposed by the leaders and authorities of America and the free world. To equate China as a normal country with any other in the free world by the US authorities is a big mistake with serious moral, cultural and political implications. I only wish there were another Ronald Reagan who would have the courage and wisdom to define the nature of such a regime (labeling the USSR as an Evil Empire). **Only when the US government authorities recognize the reality as such that China is an illegitimate and criminal Party-Dynasty, we can start to address the specific issues, such as Chinese communist infiltration and contamination onto the American cultural and political landscape with effectiveness and efficiency.**

Mr. ROHRABACHER. Thank you very much for that very inspiring testimony. You're right, it is your commitment to American ideals that makes you an American. All I can say is, after hearing your testimony, that certainly I know that you are far more American than so many others that I have to deal with quite often. So, thank you for that very inspiring testimony.

And we need to say this at this time: I don't have any complaints against the Chinese people. None of the comments that we hear today should ever be misreported or misinterpreted as attacks on the Chinese people. In fact, our greatest ally in the struggle for a better world and increasing freedom and peace in this world, our greatest ally in that struggle are the people of China because they are the ones that are on the front lines of this struggle.

We need to make sure we repeat that over and over again because they will be told that our comments about their oppressors and the dictatorship that rules them with an iron fist, that that in some way is disparaging against them. That is an absolute falsehood, but they will use that to try to cut off communication. So, let us reaffirm that right at this point.

And Mr. Greg Autry, who is a terrific filmmaker. He has produced a film that I would recommend, written a book and produced a film that I would recommend that not only all of you see, but you might, if you have various people that you would like to inform about the relationship that we have had with China and what that has done to us by us compromising, and us actually not compromising—there has been no compromise; just give away—we have a great documentation as to how this has had a negative impact on the cause of peace, but also on the cause of prosperity here in the United States.

Greg, you may proceed.

STATEMENT OF MR. GREG AUTRY, CO-AUTHOR, "DEATH BY CHINA"

Mr. AUTRY. Thank you very much, Chairman Rohrabacher. I greatly appreciate your work on this effort for many years.

I am the co-author of the book, "Death by China." I am testifying on my own behalf, and my views are not the views of the University of California, where I have been a lecturer and I am completing a Ph.D. in economics and public policy.

In the two decades since Henry Kissinger convinced America to overlook the massacre at Tiananmen Square, we have been mired in a one-sided trade war camouflaged under Chinese propaganda with an aid of an American fifth column of media pundits, CEOs, and academics who cheer on the rise of state capitalism.

They push us to open our markets and our media to a non-reciprocating China with promises of a flat world, but the only thing getting flattened is America's productivity capacity and American values. Our President publicly repeats Chinese propaganda phrases like "peaceful rise" while he simultaneously allocates billions of taxpayer dollars to counter China's increasingly aggressive military posture. He legitimizes China's non-democratic system by inviting the new anointed dictator to the White House. Why?

The answer to these questions is the reality distortion field, a phrase that was coined by the associates of the late Steve Jobs to

describe that man's uncanny ability to induce compliance and agreement in those around him, even when they knew Mr. Jobs' statements were untrue and even when they were fully aware that they were being manipulated and exploited. Whenever we say "People's Republic," we enter the Chinese global reality distortion field, and phrases like "peaceful rise" and "harmonious society" lose their frightening Orwellian flavor.

Central Chinese Television Chief Hu Zhanfan chastised news workers who fancied themselves as journalists rather than accepting their proper role as Party propaganda workers. Mr. Hu went on to call strengthening education in Marxist journalism a matter of urgency.

This ideological thinking does not stop at China's borders. Why should it? America's ever-hopeful policy of engagement drives a very soft official stance on issues of Chinese domestic and global behavior. Media, academia, and business take their cues from a timid administration and a diffident State Department. Our Government's public behavior implies that Communist China is a normal nation to be treated the same as Canada or India. This tacit endorsement allows the Chinese State propaganda machine to run wild and free in America and use our most powerful institutions to project the Communist Party's reality distortion field.

American schools and universities are particularly filled with Chinese apologists who convey the CCP's thought work. NYU adjunct Ann Lee writes, "China is still being perceived as undemocratic and anti-liberal by the West, but this problem can be easily corrected with more astute public relations training." She doesn't intend to correct the problem of anti-liberal or undemocratic, merely the western perception.

Professor Lee presents China's version of re-educating American youth with their Confucius Institutes when she writes, "The strategy of bringing students from other parts of the world to China is similar to the strategy Caesar used when he conquered Gaul. He turned Gauls into Romans who could be trusted to run Gaul for the Roman Empire."

What would our reaction be to our other dictator friends from Saudi Arabia establishing Muhammad Institutes in our schools? If this would not be acceptable, then I ask us, why we wish to infuse our students with an infectious ideology from a communist power that is hostile to American values?

There are far more Chinese students in the U.S. universities than any other nationality, particularly at the graduate level and increasingly in the critical science, engineering, and business departments. The China Daily explicitly advises Chinese students to apply to the UC campuses because budget cuts there compel us to admit more non-residents.

The presumption that democratic America and totalitarian China enjoy some special relationship is all too common. My university has a newly-endowed U.S.-China Institute for Business and Law. The dean of the law school remarks on the Web site, "We are at a unique moment in the history of our two countries in which it is especially important to build bridges between them in business and law. And in each country, the legal system provides a unique framework within which business can flourish."

This last sentence establishes an obscene moral equivalency and represents an astounding level of naivety. The ubiquitous China Daily newspaper is the strongest outward manifestation of Communist influence in the U.S. I find it all over campus and on every corner here in DC. Americans have no idea this is a publication of a hostile foreign government.

A China Daily editorial recently suggested punishing America and "building a direct link between U.S. bond purchases and U.S. domestic politics." Outrageously, China Daily inserts a monthly print and daily online supplement into the Washington Post entitled, "China Watch." Featuring the large, bold, black masthead of the Washington Post and hidden below the title "China Watch" on the other side is a teeny disclaimer, "A paid supplement to the Washington Post." Paid by who?

I could go on, but I see that my time is running out. I have four things I would suggest to the committee.

One, that U.S. publications must be required to clearly reveal when they place content provided by a foreign government or agent of a foreign government.

Two, hostile foreign governments that censor U.S. media——

Mr. ROHRABACHER. Would you please repeat that first one again?

Mr. AUTRY. Yes.

Mr. ROHRABACHER. And slowly.

Mr. AUTRY. U.S. publications must be required to clearly reveal when they place content that is provided by a foreign governments or an agent of a foreign government.

Hostile foreign governments that censor the U.S. media in their domestic markets should not be granted First Amendment rights in America. CCTV and China Daily should have no more access than Fox News or the New York Times do in the Chinese market.

Three, U.S. public schools and universities should be prohibited from accepting funding or curriculum from foreign governments or agents of foreign governments, particularly those hostile to America's fundamental principles.

Four, direct the FTC to require country-of-origin information regulations that are credible and punish attempts to conceal foreign products, including permanent visible labeling and registering country-of-origin information per EPC code, so that online vendors can also be required to display this info and mobile apps can display this info.

I make that point because one of the most important things about China's reality distortion field is that America's corporations are complicit in supporting it because they know the American consumer is afraid of Chinese products. So, one of the most unique pieces of China's distortion field is the hiding of the made-in-China label. And I would like to discuss that further.

[The prepared statement of Mr. Autry follows:]

Testimony of Greg Autry
Merage School of Business, University of California, Irvine
Senior Economist, American Jobs Alliance

On

The Price of Public Diplomacy with China

before the

Subcommittee on Oversight and Investigations

Committee on Foreign Affairs

U.S. House of Representatives

March 28, 2012

Good afternoon Mr. Chairman and members of the Subcommittee. My name is Greg Autry. I am the co-author, with Peter Navarro, of the book *Death by China*. I have served as a lecturer in Business Strategy and Macroeconomics at the Merage School of Business at the University of California, Irvine where I am currently completing a PhD in the area of Public Policy and Economics. I also serve as Senior Economist for the American Jobs Alliance. I am testifying on my own behalf at my own expense and my views are not necessarily the views of those organizations.

My testimony will focus on the co-option of the U.S. media, academic, business and political elite by the Chinese under the influence of the Communist Party's Central Propaganda Department.

In the two decades since Henry Kissinger convinced America to overlook the massacre in Tiananmen Square, we've been mired in a relentless, one-sided trade war camouflaged under Chinese propaganda with the aid of an American fifth column of media pundits, CEOs and academics. Eager to cheer the rise of state capitalism and to blame Americans for all our economic ills these apologists tell us Chinese currency manipulation, illegal export subsidies, and labor repression are not real problems. The real problems are our unions, our military adventurism, our legal system, our environmental regulations, our polarized media, and our "do nothing" Congress. Yet, by any objective evaluation we are still Ronald Reagan's "Shining City Upon a Hill" in every one of these categories when compared to Beijing.

So, why do so many of our leaders listen when Thomas Friedman, Fareed Zakaria and the rest of the Flat World Society sing their siren song of global prosperity just over the horizon? Why do we continue to open our markets and media to a non-reciprocating China when our eyes tell us that the only thing being flattened is America's productive capacity? Why do many in America believe that China is progressing toward democracy or improving human rights, when the empirical evidence says just the opposite? Why does our President publicly repeat Chinese propaganda phrases like "peaceful rise"[1] while simultaneously allocating billions of taxpayer dollars to counter China's increasingly aggressive military posture?

The answer to this conundrum lies in the concept of the "Reality Distortion Field." This is a phrase that was coined by associates of the late Steve Jobs to describe his uncanny ability to induce compliance and agreement in those around him even when they knew Mr. Job's statements were untrue and even when they were fully aware that they were being manipulated and even exploited. In the last decade, the Chinese Communist Party (CCP) has expanded its domestic Big Lie propaganda system into a global reality distortion field.

Americans are aware of China's overt, internal information control system, which includes media and Internet censorship along with the brutal suppression of public dissent. What many don't see, even while in-country, is the pervasiveness of the

Chinese propaganda system. Professor Anne-Marie Brady of the University of Canterbury, New Zealand has noted that "propaganda and thought work (*Xuānchuán yǔ sīxiǎng gōngzuò*, 宣传与思想工作) have become the very life blood (*Shēngmìngxià*, 生命线) of the Party-State."[2]

The new head of Central China Television (CCTV), Hu Zhanfan, made this clear last year, when he chastised CCTV news workers who fancied themselves "journalists" rather than accepting their proper role as "mouthpieces" and "the Party's propaganda workers." Mr. Hu went on to call "Strengthening education in the Marxist view of journalism . . ." a matter of "extreme urgency."[3]

This ideological thinking does not stop at China's border as their state controlled news outlets expand across the globe. China's overseas distortion field goes by many innocuous names including "foreign affairs" (*Wàishì* or 外事), "foreign policy" (*Dùwài zhèngcè* , 渡外政策), and the pleasant sounding "foreign friendship" (Duìwài guānxì 对外关系).

While all nations conduct official and unofficial efforts to manage their reputations abroad and project their values, an aggressive dictatorship in sheep's clothing presents a very special challenge.

America's ever-hopeful policy of engagement, careful not to offend China's hypersensitive rulers, has driven a very soft official U.S. stance on issues of Chinese domestic behavior, as well as on its increasingly aggressive geopolitical and military posture, even among those who should know better. Those who don't know better – are less informed about what is actually happening in Beijing, in Africa, and in the South China Sea – in the media, academia and business take their queues from a timid Administration and a diffident State Department. Our government's public behavior clearly implies that Communist China is a normal nation, to be treated the same as Canada or India. This tacit endorsement has established an environment that allows the Chinese state-propaganda-machine to run wild and free in America and use our most powerful institutions to project the Communist Party's world-view.

China's rulers are the world's experts at lying and at getting others to lie for them. In Communist China, truth is defined by the power of the authority doing the speaking rather than an objective evaluation of what is said. Domestically, the Party utilizes brute force to intimidate dissidents. Externally, they must co-opt foreign apologists. Sometimes this is a straightforward monetary transaction, but the most valuable targets are those whose honesty gives them credibility.

The first step is the subtle tactic of getting an honest target to knowingly accept and publicly repeat an innocuously small part of the Big Lie for the sake of politeness or convenience. The victim is now a partner in fraud, however minor, and will be compelled to defend that point or lose face. They find themselves annoyed with those who insist on all the little truths and more at ease within the comfortable newspeak inside the distortion field.

The prime example of the Small Lie is, "People's Republic of China" or simply the "PRC." While we all know that this authoritarian dictatorship does not belong to its people and that it is by no definition a republic, we acquiesce rather than argue in hopes of moving on to more constructive talk. However, once we've accepted "People's Republic", phrases like "Harmonious Society" and "Peaceful Rise" lose the Orwellian flavor that should put us all on high alert. We tell ourselves, "It's just the way the Chinese are," (i.e. chronic benders of the truth) and move on in the vain hope of reaching constructive agreements. Western CEOs and politicians regularly find themselves surprised at the audacious way Communist Chinese routinely ignore signed business contracts and international agreements. When we consider this in the context of the name of an entire country being an obscene falsehood, nothing should surprise us.

Academia

American schools and universities are increasing full of CCP apologists who expertly convey China's thought work. NYU Adjunct, Ann Lee, wonderfully praises China's leaders, downplays the CCP's propaganda campaign, and scorns a major human

rights figure in a single astounding sentence form her book *What the U.S. Can Learn from China:*

The fact that the Nobel Committee awarded the 2010 Peace Prize to a locked-up dissident, Liu Xiaobo, instead of Hu Jintao for leading a billion people to prosperity in a peaceful way is a testament to the huge failure of public relations on the part of the Chinese to communicate their position and present their image to the world.[4]

Sadly, this is becoming the dominant paradigm in America's Universities and Lee, whose biography notes that she has advised Chinese officials[5], continues without irony:

China is still being perceived as undemocratic and antiliberal by the West, but the problem can be easily corrected with more astute public relations training.[6]

Professor Lee also presents China's vision of reeducating America's youth with their Confucius Institutes (CI):

This strategy of bringing students from other parts of the world to China is similar to the strategy Julius Caesar used when he conquered Gaul. Since Caesar didn't have enough Romans to run the region, Caesar took the sons of the conquered elites and raised them as his own instead of throwing them into Jail. By caring for them in such a way, ***he turned Gauls into Romans who could be trusted to run Gaul for the Roman empire.***[7] [Emphasis added]

Clearly, the Central Propaganda Department did their homework when they chose Confucius as a mascot. Sneaking a "Mao Institute" into your child's elementary school would not go over so well with the PTA. However, the CI curriculum was not developed in some temple on a misty mountain, but in a Communist Party office in Beijing. Interestingly, curriculum from real Confucian scholars wouldn't be allowed in China anyway. Mao suppressed Confucianism and the Party views it as a competing authoritarian philosophy incompatible with Marxism. Just last year, the master's statue was unceremoniously booted from a display adjacent to Tiananmen Square.[8]

While the Chinese claim that the CI are a function of their Education Ministry, it was politburo member Li Changchun who toured Europe and dispersed funding to cooperative European educational institutions.[9] As Brett Decker and William C. Triplett II report in their book, *Bowing to Beijing*, "Li is a nasty piece of work"[10], heading up the CCP's propaganda and censorship units and personally initiating China's 2009 attacks on U.S. based Google.[11] Europe is not alone, according to Decker and Triplett, the University of Nebraska took $270,000 for setting up a CI and Stanford University is rumored to have accepted $4million.[12]

While ignoring God, Confucianism does include spiritualism and the ceremonial worship of ancestors, with temples dedicated to venerating its sages. The obvious separation of Church and State issue that should be raised here remains hidden by the reality distortion field. Further, the Confucian support of the Divine Right of Kings (Mandate of Heaven) and of accepting one's place in society (filial piety to rulers and elders) is hardly in keeping with the American principal of "All men are created equal."

The Confucius Institutes also reveal how the reality distortion field drives American duplicity in dealing with China. Consider that America's relationship with Saudi Arabia is very similar. We run a chronic trade deficit with that authoritarian kingdom and we routinely overlook its human rights abuses and its support of those who wish to undermine liberty, democracy, and tolerance. To their credit, at least the Saudi's aren't selling organs or building a massive anti-U.S. military machine. What would the reaction be to the Saudi's establishing hundreds of Mohammed Institutes in our schools, designed to teach Arabic and introduce Arab culture to young Americans? If that doesn't seem acceptable, then why are we allowing a communist state that has a growing nuclear arsenal aimed at America to infest our schools with their ideology?

In my own experience as a student and a former faculty member at the University of California, the growing concentration of Chinese students, studies, and special relationships is damaging the formerly international diverse flavor of our the

academic experience. There was a time when we'd have a very broad mix of international students from Asia, Latin America, and Europe in an MBA classroom. Now, there is often the Mainland Chinese cohort and "everyone else." Let me be clear, individually most of these students are fine scholars, do good work and contribute to the school. The issue I have is with their overwhelming predominance and the presumption that there is some special bond between America and Communist China. Further, there is a sense of fatality within academia, which seems to accept the notion that China must inevitably eclipse the U.S. in business, research and education; so, we'd all better get on board with the Chinese now to protect our future careers.

There are more than 125,000 Chinese students in U.S. Universities, far more than any other nationality.[13] They are particularly dominant at the graduate level and in the economically critical hard sciences, engineering and business departments. A big part of the reason for this is the money they bring in with out-of-state tuition fees and in the funding of special chairs, institutes and grants. The China Daily blatantly advises:

Applicants from China should look at state universities in the US and lesser-known small colleges which need their dollars. One good bet is California. . . . California cut funding for the University of California this year by $650 million . . . A University of California commission recently recommended that the university system increase enrollment of nonresident students to as much as 10 percent of all undergraduates.[14]

My University has a growing number of relationships with Chinese universities and a newly endowed, "U.S. China Institute for Business and Law." The purpose of which is described by the Dean of the Law school:

"We are at a unique moment in the history of our two countries in which it is especially important to build bridges between them in business and law. And ***in each country, the legal system provides a unique framework within which business can flourish****."*[15] [emphasis added]

This last sentence represents an astounding level of naivety when one honestly considers what the Chinese legal framework is. The Chinese constitution guarantees freedom of the press, speech, assembly and religion, but the Chinese state detains thousands without trial for religious and political purposes. Many prisoners have been beaten, tortured and used as involuntary organ donors.[16] Many business people have told me that extortion; property seizure, kidnapping, and assault are routine occurrences, conducted by Chinese gangs with the tacit approval or open cooperation of Chinese police and courts.

When Xi Jinping, the anointed next dictator of China, came to California last month, the Dean of Pepperdine's Graziadio Business school wrote, "We are **honored** to host Vice President Xi Jinping's delegation at the Graziadio School in the hope that our discussion and interaction will increase business opportunities and cooperation between our two countries."[17] [emphasis added]

Media

The ubiquitous China Daily newspaper is the strongest outward manifestation of Communist Chinese influence in the U.S. I find it all over campus and on nearly every corner here in DC. It is clear that the vast majority of Americans have no idea that this is a publication entirely owned and operated by a foreign government, which routinely engages in combative behavior with America and our allies.

A China Daily editorial on August 8, 2011 entitled "China must punish U.S. for Taiwan arm sales with 'financial weapon'" suggests "China should consider how to build a direct link between the U.S. Treasury bond purchase and US domestic politics . . ."[18] The intention to directly interfere in American affairs is totally clear.

Outrageously, The China Daily inserts a monthly print and daily online supplement into *The Washington Post* entitled "China Watch."[19] The site features the large, bold, black masthead of the *Washington Post* in the upper left corner. Hidden, below the title "China Watch" on the right is the tiny disclaimer "A paid supplement to The Washington Post." When I showed about a dozen associates the China Watch site

and asked, "What organization is doing the reporting here?" the unanimous response was, "The Washington Post."

Zhao Qizheng, who as director-general of China's State Council Information Office,[20] and the Communist Party's Office of Foreign Propaganda[21] promised to expand the projection of the values of China's communist government and to "exert influence on the foreign public. . . "[22] In an interview Zhao describes his efforts to sanitize China's human rights record abroad as "fairly systematic and penetrating."[23] Repeating the big lie – in this case that China is a society ruled by law – is critical to maintaining the reality distortion field. Even the public repetition of familiar charges against China, in a sterile atmosphere filled with calm and smiling Chinese diplomats in business suits desensitizes the Western mind.

In the U.S. the Party controlled state television China Central Television (CCTV) has essentially unrestricted access to American cable viewers, while in China American networks have very limited access to "select" viewers under the watchful eye of the State Administration of Radio, Film, and Television (SARFT) which censors the political content of broadcasts.

The Mandarin language CCTV channel 4 is directed at the Overseas Chinese community and Americans of Chinese decent in particular. Nurturing a stronger sense of Chinese nationalism in America is a critical function of CCTV 4. Chinese dissidents in the U.S. tell me that the deep pockets of CCP backed Chinese language TV and newspapers in the U.S. have driven formerly anti-communist media to the margins in the rapidly growing Chinese-American community. Anne-Marie Brady writes that a Chinese training manual on foreign propaganda explicitly suggests acquiring influence in Overseas Chinese groups in order to, "turn them into propaganda bases for China."[24]

CCTV channel 9 is designed to put a friendly face on China's brutal regime for English speakers in America, Canada, and Great Britain. Brady has written that CCTV 9 executive refer to their channel as "soft propaganda" and that its "senior editorial

staff and journalists were all forced to write self-criticisms" for reporting honestly on Chinese coal mine disasters.[25]

Chinese state news organizations such Xinhua, People's Daily, and China Daily generate a vast amount of English language web content directed at insinuating Party approved messages into the mainstream U.S. Internet media and blogosphere. The sheer volume of this material and the laziness of some U.S. reporters insures that excerpts from and links to these Communist press releases routinely turn up in American branded reporting.

Many U.S. websites like cnn.com are routinely censored or blocked at various times and places. The less censored, "privileged" Internet is offered in "Western Hotels" both as an accommodation for American guests as well as to hide from Westerners the level of thought control that the average Chinese citizen endures.

Business

While American multinational corporations are increasingly dependent on China's, subsidies and currency manipulation, American consumers are not fond of the "Made in China" label. More than half of them report that they actively avoid Chinese made products[26] and a quarter of them identify China as an "Enemy of the United States."[27] This compels firms to defend China and ironically to cover up their association with China even when their Chinese hosts have repeatedly cheated them.

No case of cooption has been more blatant than that of General Electric CEO, Jeff Immelt. In July of 2010, Immelt told a group of Italian executives in Rome that he was "really worried about China." He warned of the ongoing Chinese "colonization" of resource rich countries, and complained of increasing Chinese market protectionism saying, "I am not sure that in the end they want any of us to win, or any of us to be successful."[28]

Just three months later Immelt announced plans to transfer nearly $2billion of American capital into joint ventures with Chinese state owned firms.[29] In January of

2011 he met with Chinese dictator Hu Jintao and President Obama[30] and with a straight face said, "There is a multitude of ways to succeed in China." Two days after that, the President appointed Immelt Chair of the White House's new Council on Jobs and Competitiveness, aka "Jobs Czar." Since then GE has towed the Chinese line, accelerated investment in China[31] and moved an entire business division to Beijing.[32] Immelt has also agreed to offer GE's sensitive advanced avionics technology to Communist[33] state owned firms that compete with U.S. aircraft firms.

To hide the Chinese nature of their products many nominally American firms skirt the FTC's country of origin regulations. "Made in China" labels are carefully concealed or designed to fade or fall off in transit. The attached photos of a Nike Baseball bat[34] are representative of this practice. Permanently emblazoned on the highly visible barrel end of the bat is the wording "Crafted by Nike – Beaverton Oregon," while a small, insecure "Made in China" sticker is hidden under the handle.[35]

The case of Los Angeles based CODA Automotive is both an egregious attempt to disguise a Chinese product and a disturbing demonstration of how American political appointees benefit from support of China's reality distortion field. At the most recent LA Auto show, CODA's staff and executive spokesperson openly described their firm and car as "All American." However, when confronted, they reluctantly admitted that 65% of the vehicle is imported from "overseas", doing everything possible to avoid saying "China." [36] In fact, the car is the Saibao III chassis from Hafei motors with batteries from another Chinese state owned firm.[37] Yet, there was no reference to the vehicle's Chinese origin in the sales literature nor on the major pages of the website.[38] It is certainly reasonable to believe that consumers could purchase this car without knowing it comes from China. CODA has good reasons to hide their China connection as their partner, Hafei motors is wholly owned by a Chinese state weapons conglomerate, China South Industries Group. [39]

Shockingly, Hank Paulson, who as U.S. Treasury Secretary supported China's economic reality distortion field for years by denying China's obvious currency

manipulation, is an investor and advisor to CODA. Clinton Chief of Staff Mack McLarty is also an advisor and our current Commerce Secretary, John Bryson, served on the CODA board.[40]

Conclusion

Overall my findings are:

The Chinese Communist Party views Americans and their leaders as naïve, short sighted and easily coopted.

China is very actively involved in manipulating the American media to promote the Communist Party agenda, while actively constraining reciprocal American access to their media.

China has carefully targeted our schools, universities and multinational corporations as agents for Chinese propaganda.

Former and current US government officials have been uncomfortably financially intertwined with Chinese state owned business leading to a real question of their ability to speak or act objectively in regards to China.

American political leaders, business leaders, and pundits are increasingly out of touch with the reality of Chinese propaganda and with mainstream American views on Communist China.

I would like to thank Brian McAdam, formerly of the Canadian foreign service, for his knowledgeable input

Appendix A - Photos

Endnotes

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[1] http://www.telegraph.co.uk/news/worldnews/northamerica/usa/9083140/President-Obama-we-welcome-Chinas-peaceful-rise.html
[2] Anne-Marie Brady, *Marketing Dictatorship: Propaganda and Thought Work in Contemporary China*, Rowman and Littlefield, 2008. p. 1.
[3] http://cmp.hku.hk/2011/12/05/17324/
[4] Ann Lee, *What the US Can Learn from China: An Open Minded Guide to An Open-Minded Guide to Treating Our Greatest Competitor as Our Greatest Teacher*, Kindle Edition, 2011 p. 5
[5] http://professorannlee.com/?page_id=7
[6] ibid
[7] Lee, p. 194
[8] http://www.nytimes.com/2011/04/23/world/asia/23confucius.html
[9] http://www.ucd.ie/news/2010/09SEP10/280910-Irish-and-Chinese-governments-to-co-finance-new-building-for-UCD-Confucius-Institute-for-Ireland.html
[10] Brett Decker and William C. Triplett II, *Bowing to Beijing*, 2011. Pg. 164
[11] http://www.guardian.co.uk/world/2010/dec/05/the-us-embassy-cables-china
[12] Brett Decker and William C. Triplett II, *Bowing to Beijing*, 2011. Pg. 165
[13] http://the-diplomat.com/2012/03/03/the-risks-of-china's-students/
[14] http://www.prolinkin.net/?p=620
[15] http://merage.uci.edu/longinstitute/Default.aspx
[16] For a detailed investigation of the organ harvesting crimes against humanity please see Bloody Harvest: Organ Harvesting of Falun Gong Practitioners in China by David Matas and David Kilgour.

[17] http://www.marketwatch.com/story/pepperdine-universitys-graziadio-school-of-business-and-management-to-host-chinas-vice-president-xi-jinping-business-delegation-2012-02-06
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[22] http://www.thehindu.com/news/international/article1487217.ece
[23] http://www.humanrights.cn/zt/magazine/200402004729162226.htm
[24] Wang Zhongshen, Duiwai xuanchuan chulun (Introduction to Foreign Propaganda), 2000 via Anne-Marie Brady, *Marketing Dictatorship*, 2010 edition, p. 163.
[25] Anne-Marie Brady, *Marketing Dictatorship*, 2010 edition, p. 167.
[26] http://www.gallup.com/poll/28552/american-consumers-showing-aversion-made-china-label.aspx
[27]http://www.rasmussenreports.com/index.php/public_content/politics/current_events/china/74_see_china_as_bigger_threat_economically_than_militarily
[28] http://www.ft.com/cms/s/0/ed654fac-8518-11df-adfa-00144feabdc0.html#axzz1q5oHXOYh
[29] http://www.bloomberg.com/news/2010-11-09/general-electric-to-spend-2-billion-on-china-technology-finance-ventures.html
[30] http://www.nypost.com/p/news/business/immelt_sorry_summit_jIcMvTdTgHgIK1gz0szMjL
[31] http://www.chinadaily.com.cn/cndy/2011-12/21/content_14296397.htm
[32] http://online.wsj.com/article/SB10001424053111904772304576467873321597208.html
[33] http://online.wsj.com/article/SB10001424052970204226204576601211373125234.html
[34] taken by the witness at Dick's Sporting Goods in Yorba Linda, CA in March of 2012.
[35] The author observed about half the bats missing this label.
[36] See video at: http://www.deathbychina.com/coda
[37] http://www.deathbychina.com/archives/560

[38] You have to dig into the FAQs where formerly it was in a hidden section of text. Since our LA Times article CODA has expanded the FAQ coverage on China.
[39] see details at: http://www.deathbychina.com/archives/560
[40] http://articles.latimes.com/2011/dec/11/opinion/la-oe-autry-coda-20111211

Mr. ROHRABACHER. Your time is up. But I think what we could do is perhaps during the question-and-answer period go through some of your specific suggestions, which are basically trying to alert people when they are confronted with an official propaganda arm of a dictatorship, of a foreign dictatorship.

Now I know that Mr. Daly probably has some opinions that are a little bit different than what we have heard. And so, we are going to give you a little bit more time to state your case. We are very happy you are with us, Mr. Daly.

Thank you, Mr. Carnahan, for helping arrange that.

Go right ahead.

STATEMENT OF MR. ROBERT DALY, DIRECTOR, MARYLAND CHINA INITIATIVE, THE UNIVERSITY OF MARYLAND

Mr. DALY. Thank you, Mr. Chairman, for inviting me here today.

And I want to thank you, too, for the 70th anniversary birthday you threw for the Voice of America China Branch a few months ago. I had the honor of attending that. I am a weekly talking head on current events in U.S./China relations in Chinese at VOA. The work that you have done on behalf of the Voice and the Branch is very much appreciated.

I also want to thank the ranking member for giving me an opportunity to speak to you today on issues that I have worked on now for over 25 years, beginning with formal training in public diplomacy by the United States Information Agency. That was the launch of my career, and it was a very fortuitous launch for me.

As you say, I do have different views from those that have been expressed thus far, but not entirely. I take these questions very seriously, and most of the cautions that have been raised about how we deal with China, its public diplomacy initiatives, about reciprocity, these are all well-placed. There are, however, some things that I think need to be said to balance some of what has been mentioned so far.

Confucius Institutes and the overall characterization of them as being run out of the Chinese Government through the Ministry of Education and, yes, Chinese leaders have said very explicitly this is part of their propaganda effort, that is all true. Confucius Institutes, or sometimes I will call them CIs, the individual institutes are run by American directors who are hired by the host university. Most American directors that I have spoken with and met with manage their Confucius Institutes with a very high degree, bordering on total, of autonomy and in accordance with the needs and standards of the American host institutions.

Most of the cultural programs of the Confucius Institutes, moreover, are apolitical by design. As public diplomacy officers on the Chinese side, they are actually quite shrewd. Chinese culture is not presented as, they don't have programs on the glories of the Communist Party. They don't have, for example, programs on reevaluation of China's position in the South China Sea on human rights.

They tend to deal in culture as decoration, culture as celebration, culture as friendship ritual. If we are going to criticize their programs, one of the things we can throw at them is that they are often, actually, can be sort of dull and uninteresting in those ways.

If you are picturing, based on the testimony of my three colleagues, a series of programs that are trying to sell people on communism, I would caution that that really isn't what the Hanban is dealing with. There have been some cases of heavy-handedness, to be sure, at some of the Confucius Institutes, and we could talk about those.

Again, I think that caution about the Confucius Institutes is reasonable. Of course, we should not take every pronouncement which the Chinese side makes on Confucius Institutes at face value. Of course, our universities should remain self-critical regarding their motives for establishing Confucius Institutes, and they must, as my colleagues today have said, remain alert to the possible implications of having Chinese-Government-funded offices on campus.

But in advocating vigilance, which I am, I am not claiming that Confucius Institutes are dangerous. Because no matter how well-founded our initial skepticism may be, Confucius Institutes in America now also have a record, and I think that it is on that record that they need to be judged.

I would invite any of you to come on up to Paint Branch Elementary School in Prince George's County, to go out to Jenks School System or any of the 10 others in rural Oklahoma that have K-through-12 Chinese language programs, in part, through the facilitation of the Confucius Institutes as well as Americans, and actually get into the classrooms and see for yourselves what is going on.

I would argue that the record of the Confucius Institutes to date, with some heavy-handedness in a few cases that I would probably agree with my colleagues here are also egregious, has been a pretty good record.

Confucius Institutes are primarily concerned with providing Mandarin training to American professionals and K-through-12 students. And I want to emphasize, given some of what has been said today about embedded messages and long-term goals of the Chinese side, American students who study Chinese throughout primary and secondary school are likely to take Chinese in college. They are likely to live in China and to gain an understanding of China's people and its cultures, and to bring that knowledge and an ability to communicate with Chinese counterparts into their careers. Americans who begin Chinese studies in adulthood are likely to develop a nuanced understanding of the challenges in U.S./China relations and to help us meet those challenges.

In other words, Chinese language training, which the Confucius Institutes help to provide, is profoundly in the American interest. Would I rather that we were paying for it in our interest? Well, yes, I would, but that is not what is happening right now. We have some institutes and some initiatives, but the Confucius Institutes are supporting those.

There is, furthermore, nothing about gaining fluency in Mandarin that inclines a student to support the Chinese Communist Party or its policies. I had the privilege, as you mentioned, of working with about 250 of our top young Mandarin speakers when I was the American director of the Johns Hopkins University-Nanjing University Center for Chinese and American Studies. I have worked with them closely. I have lived with them for 6 years.

I have stayed in touch with them as they have gone on to careers in, among other things, human rights. One of them is running for Congress.

They are Americans who have lived and worked in China. They are as aware of China's failings as any of us. And I would argue, in fact, that America's Mandarin speakers are among our most effective and constructive critics of China. They often see more clearly, because they have the deepest experience and knowledge of China, what China, with all of its talent, with its worth ethic, with its great ancient cultural traditions, and its ambition, could be if its people were free.

Don't we want to have Americans in every profession, in every field of endeavor, to have that ability? Don't we want them to be able to make some of the arguments that have been made today to Chinese in Chinese? Wouldn't that be a good way to go about our public diplomacy?

So, studying China's languages, its history, and its culture doesn't dull our insights as Americans; it deepens them. I feel very strongly about it.

This is why Americans who see China only as a congenial partner and those who see it only as a threat, and those in between, should all be able to agree on the necessity of Chinese language training in America.

Do the CIs raise any kinds of questions? Yes, they do. I think there are two kinds of questions, one that you have raised, I think correctly, about balance and reciprocity. Our Bureau of Public Diplomacy does stand ready to open up more cultural centers, more American libraries staffed by Americans with American cultural programming in China. They are not allowed to do that. Such centers would be welcomed by the Chinese people. So, I do want to associate myself with all of the remarks on reciprocity.

The second question which has been raised broadly is whether our universities' collaboration with the Chinese Government and various agencies of the Chinese Government, not only on Confucius Institutes, but on many other programs as well, presents a threat to academic freedom. Again, I think that it is a legitimate question, but I would want to point out that American universities have ample experience in dealing with donors of various kinds, including nations, including corporations, and including individuals, who want to shape higher education through their giving.

So, Hanban doesn't present challenges that are new in kind. It is a familiar set of challenges to American universities, which are also honed to most of our leading China scholars who, as has been mentioned, are skeptical and they take a role in shaping their university's response.

Just in closing and in trying to summarize this vast question of public diplomacy very briefly, I think that we need to be a little bit more confident about the institutions of our civil society that are founded on freedom and their ability to engage with China across the board actively here and there to, yes, gradually, slowly, at a pace that doesn't satisfy any of us, but still inexorably does change the state of play on the ground in China.

I think we can be a little bit more confident that Americans who have a free press and many sources of news will see CCTV,

Xinhua, and the China Daily for the most part for what they are. I think we have a pretty good nose for it.

I actually think your idea of having a very clear designation, "This is provided by a foreign government," that seems to me well worth considering.

But I think we can go into this very confidently. There may be one restaurant in LA that has this Maoist theme. There are Hard Rock Cafes all over China with pictures of Bob Dylan in them and young Chinese there until two o'clock in the morning. There are Starbucks and McDonalds and KFCs and American universities, corporations, images, popular music.

We have a public diplomacy deficit with China, but we have an enormous soft power surplus that I think we can be very proud of and confident in. We don't have to go into a defensive crouch over these issues, although I would agree that we should be paying attention to these questions of reciprocity.

Thank you.

[The prepared statement of Mr. Daly follows:]

U.S. House of Representatives
Committee on Foreign Affairs
Oversight and Investigations Subcommittee
"The Price of Public Diplomacy With China"
March 28, 2012

Testimony offered by Robert L. Daly
Director, The Maryland China Initiative
The University of Maryland

Thank you, Mr. Chairman, and thanks to the Subcommittee, for convening this hearing on the role of public diplomacy in U.S.-China relations. Thanks, too, to Congressman Carnahan for giving me the opportunity to speak to you today on issues that I have worked on since 1986, when I joined the United States Information Agency as a Foreign Service Officer. USIA, as many of you know, is the agency that was responsible for American public diplomacy until it was folded back into the State Department in 1999 as the Bureau of Public Affairs and Public Diplomacy.

You have invited me here to discuss recent developments in "the public diplomacy contest between the United States and China," with emphasis on American universities' growing involvement with China.

I would like to begin by pointing out that this topic touches on two related, but distinct, forms of bilateral interaction: formal public diplomacy on one hand, and the broader cultural and institutional channels of influence now collectively called *Soft Power* on the other.

Public diplomacy refers to the efforts of governments to influence the opinions and values of foreign publics. It is distinct from traditional diplomacy, which is conducted through government-to-government channels. U.S. public diplomacy is most important when a bilateral relationship is new or when conditions in a country make it impossible or unattractive for American non-governmental actors—including corporations, media, universities, and NGOs—to get involved there. When I served at the Beijing Embassy in the late 80s and early 90s, there were few American academic or media organizations in China. Our public diplomacy programs offered one of the few avenues Chinese had to learn about the United States. Today, however, people-to-people and corporate relations have long since eclipsed public diplomacy as transmitters of American culture to China. Our soft power has grown. Today's Chinese cities are a cornucopia of American products, images, entertainment, fashion, and ideas. I will return to this point at the conclusion of my remarks.

Regarding **American public diplomacy in China**, the major recent development has been our government's enhanced use of social media to reach Chinese opinion leaders and the general public. In addition to *Dipnote*, the State Department's official blog, which is published in English, we have *Wild Geese from Foggy Bottom*, a Chinese-language blog about the United States, and an expanding slate of Chinese-language bloggers at the Voice of America. In January of this year, the State Department launched an occasional Chinese-language webcast called *Live at State*, which gives Chinese journalists an opportunity to interview American

diplomats, in Chinese, about U.S. policy. I was honored to participate as a guest commentator in the first of these webcasts, which focused on American universities and student visa policies. The American Embassy and Consulates in China, and the many American government agencies represented there, are continually expanding their Mandarin internet presence.

These efforts can bear fruit in unexpected ways. The Embassy in Beijing has long used Twitter to publish its own data on the city's level of Pm2.5 small particulate matter—dangerous pollutants that the Chinese government did not used to include in its public assessments of the capital's air quality. The Embassy's tweets were intended primarily for expatriate Americans, who needed to know whether it was safe to let their children go to soccer practice. The Embassy kept publishing its Pm2.5 data despite protests from the Chinese government. When Beijing citizens began to believe the American data, to complain about air pollution over the Internet, and then to buy their own monitors and publish their findings On-line, China changed its policy. In January of this year, Beijing began issuing hourly Pm2.5 reports. The Chinese government has announced that 30 cities will begin publishing PM2.5 levels in 2012, with 80 more to follow in 2013. This was not public diplomacy—not deliberate public diplomacy, anyway—but these events do indicate what well-designed and *unfettered* social media campaigns might achieve.

China's public diplomacy in America is well-funded and rapidly expanding. It takes two major forms.

1. The first is the **Confucius Institutes**. Confucius Institutes, or CIs, are Chinese government-funded centers for Chinese-language teaching and cultural programming modeled after initiatives like the British Council and Germany's Goethe Institutes. The first CI in America was established at the University of Maryland in 2004. There are now about 75 CIs in the U.S., most housed in universities or colleges. CIs typically do not offer credit-bearing courses to enrolled students; they focus on adult education for part-time learners and, through the Confucius Classrooms, on K through 12 programs in public and private schools. Confucius Classrooms offer textbooks, curriculum guides, technology, and teachers to students in a growing number of American schools who would not otherwise have an opportunity to study Mandarin.

The 350 CIs around the world are funded by a Chinese government agency called the Hanban, which is affiliated with the PRC's Ministry of Education. Hanban's mission is to build China's global soft power. To that end, Confucius Institutes conduct language classes and cultural programs that present China to foreign publics as an unthreatening, rapidly developing nation with a rich traditional culture. The Hanban has recently begun to fund professorships and research projects in American universities as well. Most CIs are run by American directors hired by the host university. Although American universities are paired with Chinese universities and sometimes have deputy directors dispatched to the U.S. by their Chinese partner, American directors manage their CIs with a high degree of autonomy in accordance with the needs and standards of the American host institutions.

The vast majority of CI cultural programs are apolitical by design. They focus on traditional Chinese visual and performing arts, aesthetics, uncontroversial aspects of the safely distant past, and the beauty of China's natural scenery. In an extensive but incomplete survey of CI cultural programming, I have found little that smacks of serious cultural criticism and no hints of political

indoctrination. I know of no CI programs that defend China's claims in the South China Sea, its currency policies, or its human rights practices. That isn't what the Hanban is about.

The growth of CIs in the United States has been viewed warily by some Americans, including academics and China watchers in government and the media. Their caution is reasonable. We should not take every pronouncement which the Chinese side makes on CIs at face value. Our universities should remain self-critical regarding their motives for establishing CIs and alert to the possible implications of having Chinese government-funded offices on campus. But in advocating vigilance, I am not claiming that Confucius Institutes are nefarious. No matter how well-founded our skepticism may be, CIs now have a record in America, and it is by that record that they should be judged.

To date, the record is pretty good. There have been several reports of heavy-handedness. At Stanford, Hanban officials offering to fund a new professorship "expressed concern that (an) endowed professor might discuss 'politically sensitive things, such as Tibet[1].'" North Carolina State may have declined to host a lecture by the Dalai Lama at the suggestion of its CI[2]. But the Hanban, taking note of the objections of its American partners, the scrutiny of American media, and the attitudes of the American public, has backed off. It has adapted. It seems likely to me that the Hanban's prime directive is now *Do No Harm*—its charge is to cooperate, to be liked, to fill American demand for Chinese-language training in accordance with American standards.

CIs are primarily concerned with providing Mandarin training to American professionals and K-12 students. Students who study Chinese throughout primary and secondary school are likely to take Chinese in college, to live in China, to gain an understanding of its people and cultures, and to bring that knowledge and an ability to communicate with Chinese counterparts into their careers. Americans who begin Chinese studies in adulthood are likely to develop a nuanced understanding of the challenges in U.S.-China relations and to help us meet those challenges. In other words, Chinese-language training, which the CIs help provide, is profoundly in the American interest.

We have nothing to fear from CI Chinese-language programs.[3] There is nothing about gaining fluency in Mandarin that inclines students to support the Chinese Communist Party. I had the privilege of working with about 250 of our top young Mandarin speakers when I was American Director of the Johns Hopkins University—Nanjing University Center for Chinese and American Studies in Nanjing, China, from 2001 to 2007. I can assure you that they are as patriotic and as aware of China's failings as any of us. In fact, America's Mandarin speakers are among our most effective and constructive critics of China. They are the Americans who have lived and worked in China, who have made friends and, in some cases, marriages, there. They see what China, with its talent, its work ethic, its unsurpassed cultural traditions, and its explosive

[1] *Confucius Says: Debate over Chinese-funded institutes at American universities,* Elizabeth Redden, Inside Higher Education, January 4, 2012: http://www.insidehighered.com/news/2012/01/04/debate-over-chinese-funded-institutes-american-universities#ixzz1qBcE0hjA

[2] *China Says No Talking Tibet as Confucius Funds U.S. Universities,* Daniel Golden, Bloomberg, Nov 1, 2011 http://www.businessweek.com/news/2011-11-08/china-says-no-talking-tibet-as-confucius-funds-u-s-universities.html

[3] Note that I am not making any claims here about the *quality* of the Chinese classes and curricula offered by Confucius Institutes. I suspect that it varies widely from program to program.

ambition could be if its people were free. Studying China's languages, history, and culture doesn't dull those insights; it deepens them.[4] That is why Americans who see China only as a congenial partner *and* Americans who see China only a threat—and everyone between the two poles—can agree on the need for greatly enhanced Chinese-language study in the U.S. My own view is that Chinese should be offered beginning in the first grade and should be second only to Spanish in public schools, but that is a topic for another day.

Should the spread of CIs in the United States raise any questions? Yes, of two kinds.

The first question is one of balance. In setting up the American CIs, the Chinese government is taking advantage of conditions here that they do not allow to us in China. This imbalance—what we used to call a lack of reciprocity—is problematic, even in Chinese terms. A line from the Confucian Book of Rites that is still in popular use tells us that it is bad form to be a guest in someone's home and then not to extend to him the courtesies that you enjoyed when it is your turn to host. Our Bureau of Public Affairs and Public Diplomacy is prepared to set up American libraries and cultural centers throughout China, but the Government in Beijing forbids it. Such centers would be welcomed by the Chinese people. Were we given the freedom of action in China that China enjoys here, we might staff our cultural centers with young Americans who learned Chinese in Confucius Classrooms.

The second question, which has been raised repeatedly, is whether our universities' collaboration with the Chinese government on CIs and other programs presents a threat to academic freedom. The form this question often takes is: would a university that cooperates with or takes funds from the Chinese government be willing to host a visit by the Dalai Lama? There have already been test cases and, while the evidence is inconclusive, the answer seems to be "sometimes *Yes*, sometimes *No*." Our universities' receptivity to people not received in Beijing may be declining. In 1989, many U.S. universities held programs and protests on the Tiananmen Massacre. Many gave fellowship support to Chinese students and dissident writers who reached America. My sense—and this is purely anecdotal—is that enthusiasm for hosting Chinese exiles is fading in academia. How many public programs did American universities hold on the treatment of the disappeared artist Ai Weiwei or Nobel Peace Prize winner Liu Xiaobo?

I do not mean to suggest that such events aren't held due to lobbying efforts by CIs. I know of no cases of CIs interfering in American university administration. My concern is that American universities may be tempted to self-censor because they now view themselves, correctly, as having *interests* in China. This is a recent development. U.S. universities not only conduct research and offer courses related to China, they now have relationships with the Chinese government. They are paid to train Chinese officials, they send their undergraduates to study abroad programs in China, and they conduct joint research and offer joint degrees with Chinese universities, all of which are managed by the Chinese government. Duke and NYU are investing tens of millions to build entire campuses in China, to pick but two examples from a vast pool of American university China programs. Do such collaborations have the potential to compromise

[4] The same is true, of course, of the many Chinese who study in the United States. Living in another country and speaking its language doesn't blind you to that country's shortcomings, but it does tend to inoculate students against *simplistic* criticism of the host nation.

the standards of academic freedom, integrity, and rigor that make American universities the finest in the world? I hope that more American academics will study the question.

American universities, it must be remembered, have ample experience in working with donors of various kinds—nations, corporations, individuals—who wish to shape higher education through their giving. Hanban's willingness to fund professorships and research does not present us with an unfamiliar set of challenges. And it is not just American universities that have interests in China. Our states, cities, counties, elementary schools, businesses, professional associations, etc., all have China interests—China *policies*, if you will. And properly so. China has an impact on nearly every academic field, every profession, every business, every individual, and that impact is likely to grow. To manage U.S.-China interaction to our benefit, and to China's, we need to engage as many American institutions and train as many Americans as we possibly can.

2. The second major development in China's public diplomacy toward the United States has been the **expansion of Chinese television and print media in America**. As you know, in 2009 the Chinese government committed at least 6 billion USD to the establishment of the state-run Xinhua News Agency's North American headquarters in Times Square (it opened in May, 2011) and the China Central Television (CCTV) studio complex on New York Avenue here in Washington. Both Xinhua and CCTV have begun broadcasts. CCTV is building toward a 24-hour, worldwide, English-language news presence. The China Daily, the Chinese government's flagship English-language newspaper, now appears as an advertising supplement in the Washington Post and New York Times. China's English-language magazines have begun to appear on news racks across America.

The efforts of China's state-run media pose little threat to the United States. American readers and viewers are accustomed to free and varied news sources and they know that China's government controls its media. Most will approach CCTV, Xinhua, and China Daily reports skeptically, if they approach them at all. I suspect that most will ignore them.

As with the Confucius Institutes, the issue is not that Chinese state media harm America. The issue is a lack of balance in our public diplomacy. As you know, in 2010, 650 Chinese were given visas to work in the United States as government journalists. In the same year, only two journalists working for the American Broadcasting Board of Governors (BBG) were given visas to work in China. Chinese broadcasters in the U.S., moreover, have access to as much American airtime as they can purchase. BBG's broadcasts to China are jammed and its webpages, along with those of Facebook, Twitter, and Youtube, to name but three of thousands, are blocked by the "Great Firewall of China," which is run by the same Xinhua agency that has hung out its shingle on Times Square. Nor is any American commercial news network permitted to broadcast directly to Chinese viewers.

In its language, culture, and media initiatives, China is taking advantage of opportunities here that they will not grant to us there. They do so at a time when their determination to fund public diplomacy ventures is strong, and ours is weak.

Does this imbalance mean that the United States is losing a public diplomacy contest with China? Not really. America's public diplomacy deficit with China is more than offset by the influence

exerted in China by our culture, our corporations, our people-to-people exchanges, and the work of American universities and NGOs. We may have a public diplomacy *deficit* with China, but we have a vast soft power *surplus*. The Chinese people's interest in—and access to—American products, entertainment, and thought overwhelms first-time American visitors to Chinese cities. China's bookstores feature translated works by our Founding Fathers, best-selling biographies of our statesmen and entrepreneurs, works on world religion, art, and philosophy, and Chinese-language versions of the Harvard Business Review, Sports Illustrated, and Cosmopolitan. Perhaps more importantly, an increasing number of Chinese hospitals, universities, corporations, NGOs, media outlets, and even some government agencies are adopting and adapting American professional practices. Tens of thousands of Chinese matriculate at American universities each year. Most will work in the U.S. for several years before either becoming American citizens or returning to China with American educations and professional experience. It has long been true that there are more people learning English in China than speaking it in the U.S. China's contemporary culture, meanwhile, offers little that is attractive to the American public.

This does not mean that China is Americanizing. The Chinese are proud of their ancient glory and recent rapid development. Most are determined to be true to what is best in the Chinese tradition even as they continue to modernize. It *does* mean that our culture, our values, and our behavior at home and abroad exert influence in China.

It has been said that China in the 1990s achieved the greatest increase in human happiness in any decade in human history (as measured by the number of people escaping poverty, gains in public health, etc.). I don't expect everyone here to agree with that view. Still, I would like to propose a twist on the formulation: In the 1990s, the United States had a greater influence on China than any large nation has had on another through peaceful means in any decade in human history. Americans can take pride in that influence, even if they believe it has not gone far enough. We would do well to remember, however, that we have had an impact on China primarily as a *catalyst*, rather than through targeted policies.

The catalysts have been American universities and colleges, corporations, NGOs, local governments, publishers and producers, and individual travelers, including our Chinese-language students. I thank the Committee for its continued support of their work.

Mr. ROHRABACHER. Thank you very much, and we did give you a few extra minutes to make sure that we were able to balance off the opinions there.

I will start off the questions with a challenge. Mr. Mosher didn't get his Ph.D. We have got the Chinese Government channeling money into our educational institutions. And the first thing you know, you have got a guy who does a study on the one-child China policy and all of its horrendous implications, the murderous implications, and he is denied by the faculty of one of our major universities an academic credit in order to placate these vicious monsters who are actually initiating the murder of every unborn child that is the second child of a woman in China.

Now wouldn't you say, if they are going to be able to pollute the decisionmaking process of the top faculty at a major university, doesn't that make you fearful of the incredible influence they could have on everybody else who perhaps are not as educated?

Mr. DALY. Well, I would have to hear Stanford University's side of it. I have only heard one characterization of these events. I believe they happened quite a while ago, long before the advent of Confucius Institutes.

Mr. ROHRABACHER. Yes.

Mr. DALY. You could correct me if I am wrong. So, I wouldn't want to conflate that with the Confucius Institutes. They may be related, but they are separate issues.

I do think that the broad question stands. I would encourage you to meet with actually academic leaders—we don't have academic leaders on this panel today—to talk to them about this question of, does the fact that universities, not only now teach about China and conduct research about China, but understand themselves as having interests vis-à-vis China that are not necessarily academic interests per se, does that have implications for the universities? I applaud the question. I am not sure this is the right panel to address it to. I think it would be a good idea to bring in a number of American university faculty.

But I would also point out that it is not only American universities that now have China interests, and in some sense it is China policies, which, therefore, yes, could be subject to certain kinds of suasion. Local governments, county governments, city governments, corporations—China and America now are interlinked at all levels. China is very much present at the United States, and there are interests even in public school systems.

So, it is not simply the university side——

Mr. ROHRABACHER. Well, our question is not the university side.

Mr. DALY [continuing]. But our NGOs. We all have to address this issue.

Mr. ROHRABACHER. What I was asking, and the reason I asked that, because, demonstrably, as the universities should be, if nothing, more immune to this type of negative influence.

Let me just note I participated in a hearing, in a congressional hearing, at Stanford University. It was a hearing, and I brought up the issue of graduate students from mainland China receiving training in technology projects that are vital to our national security, meaning people don't have to steal some file if they put the file in the head of their Ph.D.'s, and the Ph.D. goes back to China

and develops their weapons system that is now capable of obliterating American lives.

The president of Stanford University couldn't understand that. "No, no, we are an educational institution. We are not here for national security purposes."

Mr. DALY. Right.

Mr. ROHRABACHER. Something is wrong with that. I think that the Chinese money has helped grease this misperception. And I mean Chinese money, I mean tyranny money, money from tyrants and gangsters who control a large portion of humankind has created this monstrous misperception of even the heads of our major universities that they don't have to worry about that.

Mr. DALY. Right.

Mr. ROHRABACHER. Mr. Mosher, we have been using you as an example there. Maybe you will have a comment all the way down the line, but we will start with you, and then we will go to Mr. Carnahan.

Mr. MOSHER. Well, the last witness made an eloquent defense of learning about Chinese culture and learning the Chinese language, with which I heartily agree, having learned about Chinese culture and language at the Chinese University of Hong Kong many years ago, and being in the position now of encouraging others to do the same thing. Because China, despite the shortcomings of its current political system, is an important international player.

Our point here is no one is saying that we should avoid learning those things, only that a party-run organization probably should not be funding setting the curriculum parameters and providing teachers for American students to learn these things. Because in the process of developing that curriculum and providing those teachers, they are certainly putting certain things out of bounds.

I run a nonprofit organization. I am very aware of the kinds of pressure that funding organizations, be they individuals or foundations or governments, can put on you. I guarantee you that the directors of the Confucius Institutes are very clear about who is filling their rice bowl and are very careful not to raise subjects that would irritate those who have the power to break that same rice bowl.

Mr. ROHRABACHER. Mr. Chen?

Mr. CHEN. I have been actively involved in the protest in southern California in a school district called Hacienda La Puente Unified School District, which the Chinese Consulate and Hanban targeted to implement their Confucius classrooms. I examined the materials that they provided. We successfully protested and denied the funding of that program by the Chinese Government.

But the school authorities accepted the material, which I examined and in which I found many, many instances that can be termed "poisonous," to say the least. But just to say that what you don't say in the classroom is often more important than what you taught in the classroom.

For example, there is a picture of Tiananmen Square, Tiananmen Gate, in that material. When you show this material to the students, are you going to mention who is the one, the image, that is on the Tiananmen Gate? Who is hanging there? What did they do? Are you going to mention that in the school in

your classroom programs? Are you going to mention the Tiananmen Square massacre when you see that image? No, you are not going to mention that and you avoid that subject. By avoiding that subject, you are brainwashing American students, thinking this is a normal program, thinking this is a normal country.

The Chinese map, when I reviewed this program's material, the first thing they see, the students will see, what China looks like. So, they see a Chinese map hanging there. It says, "People's Republic of China." When you accept that title, you are already being poisoned. That is one thing.

Another thing is the border including Taiwan and the South China Sea and everywhere that the Chinese authorities claim, and are you going to explain to the students that those are legitimate claims?

Mr. ROHRABACHER. Let's make sure that we understand exactly what you are referring to. Chinese maps are different than perhaps the maps that we might get here in the United States. The maps that China would present as part of their educational institution without perhaps alerting people would have the South China Sea as part of China's sovereign area, as well as perhaps those areas in India and elsewhere that are being claimed. Also, just even when we take a look at some of the other claims, for example, of Tibet and Taiwan, of course, wouldn't be mentioned at all, and those things.

So, you have some very good points. I don't think that is in conflict with what Mr. Daly is saying, but let us put it this way: It could be.

Mr. DALY. It could be. My experience in the classrooms—and I am sort of bothered by the same thing. When I see these maps, I am aware that there is some legitimacy to these criticisms, but I think that it is overblown and that brainwashing is going way beyond the pale.

The People's Republic of China is also the name that the United Nations, the United States Government, and the House of Representatives uses to refer to China. Are they drinking poison every time they say that? No, they are using the name that they use that people can understand.

Mr. ROHRABACHER. We don't all, but we don't include a big picture of Mao Zedong on the front page of a document to them.

Mr. DALY. Well, I haven't seen it. Again, I think that it is a good idea to get beyond characterizations of the Confucius Institutes based on our suspicions and based on several anecdotes. A survey might be very much in order. I don't think that they are not concerns, but what we have heard primarily is surveys about what may lie behind them and a few anecdotes.

When I have been in these classrooms with children, they are not looking at the nine-dash line, if it is there on the map. They are learning that "Da Hai" is "ocean" and trying to remember it and trying to learn how to write the character.

And then, later, when they go to high school and university and they take political science, they learn about these issues. It is not a Manchurian Candidate kind of situation where these old maps will be rising up to find them sympathizers. I actually don't believe that.

Mr. ROHRABACHER. I guess if there was a regime that still had big pictures of Adolph Hitler around, I guess there would be a lot of people who would be naturally suspicious that perhaps the values being taught by the money that was put out by the regime that still had the pictures of Adolph Hitler prominently displayed and quotes from Chairman Hitler, that there would probably be legitimate concern there that maybe there were some other bad messages going in there.

Mr. Chen, you wanted to make one more point?

Mr. CHEN. One more point.

Mr. ROHRABACHER. Yes, sir.

Mr. CHEN. The very use of the Confucius name, the Confucius classroom, is problematic to American values. I think it is fundamentally Confucianism is against American values.

For example, Confucianism is not a philosophy. It is a political ideology. It is a behavior code by which people behave according to their birth, gender, social positions, trade, governmental positions, by birth. That is diametrically against American ideals that we are all created equal.

So, by simply using Confucius as a title creates a value conflict between the United States and this program. I have to stress that point.

Mr. ROHRABACHER. So, you see that Confucianism itself as—obviously, the Chinese see it as something. The Chinese Government is not doing—let's put it this way: The motive of the Chinese Government in trying to put these Confucian centers all over the United States, I have to assume that they are not just doing it because they are benevolent and love us and like us, but maybe they have some other purpose in mind. But maybe I am just too suspicious.

Mr. Autry?

Mr. AUTRY. I wanted to concur with my fellow witness that learning Mandarin is certainly an admirable goal. I have my own son in high school in the Yorba Linda Placentia School District learning Mandarin. I struggle with it myself. That is obviously not the issue. And getting us to argue about that is, rather, a complete red herring.

Of course, the Confucius Institute material is bland and boring, as he points out, because the Chinese Government has learned a lot since the Cultural Revolution. They are going to be very, very subtle and very, very patient with their propaganda.

And the first goal of the propaganda is to normalize the appearance of a brutal totalitarian state with aggressive military goals aimed at America's allies and America's people. The first step in this is, indeed, getting people in the United States Government to utter the lie "People's Republic." And I would challenge the witness to tell me that "People's Republic" is not a lie, along with the rest of the constitution of the People's Republic of China which guarantees things like freedom of religion, freedom of expression.

We should never have anything in our public education system financed by a foreign government who is fundamentally hostile to the values that America represents and is building a military aimed at the people of the United States and doing what it does to its own people.

Mr. ROHRABACHER. Okay. Okay. You just stated a proposition, and my last question will be for Mr. Daly. Then, I am going to let Mr. Carnahan have as much time as I have had here.

What about that proposition? Should we permit a government that obviously is even an anti-democratic government, whether we call it China or whether we call it Nazis, or whoever they are, should we permit them to finance educational forays into the American educational system and have them presented as something that is an equal philosophy to be considered by our children?

Mr. DALY. I am all for the truth-in-labeling components of what has been suggested, but I think that the costs of limiting our own freedom and openness to speak, as other countries are not open and free, I think that those costs are far too high, and that we can let them in in the spirit of reciprocity, and we should remain true to our values. We should fight hard for reciprocity.

Mr. ROHRABACHER. But you do believe in reciprocity?

Mr. DALY. There is the question of how we fight for that, which we haven't touched on much today.

Mr. ROHRABACHER. Okay.

Mr. DALY. And we can let them in, confident—I think the issues that have been raised, many of them I agree with. I think that I am just more confident that our openness, our values, our institutions, the vibrancy of our culture, the multitude of voices that people will hear, are going to overcome the nuance of the fourth graders——

Mr. ROHRABACHER. Okay, but your answer, then, is it is okay as long as that government is agreeing to a reciprocity for us to put ours in their society? Is that your answer?

Mr. DALY. And even when there are problems with reciprocity as there are, we can have the confidence to not threaten our own openness just because other countries are not themselves open, yes.

Mr. ROHRABACHER. Okay, but if they don't, if they are not, if there is no reciprocity, you would not make that a stumbling point? If they are not going to permit our people to have or something financed by our Government or by people here to present our position there in their schools, you would not say that—demanding reciprocity, you wouldn't demand that then?

Mr. DALY. Well, where we sit today, I would have probably fought for it a little bit harder upfront at the get-go. But given where they are now, no. Again, I think that we can be very confident in our institutions and our ability to discern propaganda, and in the meantime be very glad that more Americans are learning Chinese. It is in our interest.

Mr. ROHRABACHER. Okay, but the answer to my question is no? Is that correct?

Mr. DALY. I would not close down the Confucius Institutes, even if they did not open up American cultural centers, but I would fight for the opening.

Mr. ROHRABACHER. Okay. So, why would we ever expect them to open cultural centers of the United States then? So, we wouldn't. But that is okay. I mean, we are confident that our system is open and our people understand these things.

Mr. Carnahan, you can have as much time as I had. Go right ahead.

Mr. CARNAHAN. Thank you, Mr. Chairman.

I have appreciated this exchange really covering a broad range of issues and answers here.

I wanted to get back on the exchange programs that we spoke about earlier. Over the last decade, there has been strong bipartisan support in Congress that building these person-to-person relationships has been a critical contribution to our national security.

I wanted to really ask each of the witnesses, what type of exchange programs are we seeing in China now? What kind of results we are seeing from them? And, of course, the numbers are very uneven. They send more students here than any other country. Yet, I think the U.S. I see here is listed, I think, fifth in terms of U.S. students. China is the fifth destination in terms of numbers. Finally, what can we do to encourage more Americans to study in China, to help get us back to closer equilibrium here?

Why don't we start with Mr. Chen?

Mr. CHEN. Yes, thank you.

I think, as far as I know, if you are selected by the Chinese Government to teach English in China, there are some rules you cannot break. You cannot mention Tiananmen Square. You cannot mention Falun Gong. You cannot mention the Great Leap Forward. You cannot mention the Great Famine. You cannot mention Cultural Revolution.

Then, what is the purpose of teaching if you set up all these tabu areas when you teach English in China? Once you touch those areas, you are expelled from their country. You are denied a visa next time, the next round.

This is how they control academia in America. That means, if you publish a paper in the U.S. that is critical of the Chinese Government, next round they will not issue you a visa. They will blacklist you.

Mr. CARNAHAN. I understand and appreciate what you are describing, but my question had to do with exchange programs in terms of what is working and what can we do to help increase the number of American students that are studying in China and learning Chinese.

Mr. CHEN. Well, for me, fundamentally, the downfall of the Communist Party is the final solution. I don't know how to answer that question.

Mr. CARNAHAN. Okay. We will move on to Mr. Autry.

Mr. AUTRY. Okay. Thank you for your question.

You note that over the last decade that these exchanges have been an important part of our "national security" and I think our economic interaction with China. I would point out that, in my opinion, and the opinion of a number of people who I think are very educated on this subject, our economic and national security standings are much, much weaker than they were 10 years ago.

And a great deal of the reason behind that is due to the actions of the Chinese Communist Party in gutting America's manufacturing base and our military supply chain, in keeping us off-balance in places like Korea and the Taiwan Straits on purpose.

That said, what can we do about getting more American students to China? Well, first of all, our students are flooded, our schools are flooded with Chinese students. Many of them, frankly, are really

good students. I teach them. I would point out that I have been on the faculty at the Merage School of Business at UC-Irvine as a lecturer in business strategy, and as a Ph.D. student, I am teaching, assist, and interact routinely with faculty who are interested in this question.

Often, 25 percent or more of the students in a classroom can be from mainland China. This isn't the way that it used to be. We used to have a diverse international classroom 10 years ago. If I was in an MBA class, we would have students from Japan and Taiwan, Germany, Argentina. Now it is the cohort of Chinese students and a few others. It is actually, I think, not to the benefit of the school.

Secondly, why should American students want to go to China? Their universities are not at all respected, frankly, in the academic community because they are not open to outside thought. They are corrupt. When you go to a Chinese university—I spoke about a year ago at Chengdu Electromechanical College. I asked somebody what was this graffiti I saw, because you don't see too much graffiti in China because the police are pretty tough. But there would be these phone numbers sprayed all over campus, just a phone number.

I was told this is the phone number for the counterfeiters of academic records, and you can call and get fake test results. You can get whole fake college degrees if you call these phone numbers.

Well, why don't the police get rid of them? Because the counterfeiters work with the police. So, it is not a problem.

I have spoken to Chinese students in America who admit that academic fraud is the norm in Chinese universities. So, no, I don't see any reason why we would want to encourage more American students to go to a university system that is both subpar and politically manipulative.

Mr. CARNAHAN. Okay. Mr. Daly?

Mr. DALY. Well, a number of issues. One, I would agree that Chinese universities, there are a number of problems. They are in a state of crisis. But most Americans who go there don't actually go there to earn academic degrees. They go there to have an experience in China and to improve their Chinese.

And furthermore, they have access to a number of programs, including American programs in China that have been there for years. Often, those American-run programs or American-affiliated programs are the most rigorous. They are more rigorous than the Chinese universities.

The IUP program, Inter-University Program, run out of Berkeley, the Hopkins-Nanjing Center, Princeton and Beijing, Cornell's FALCON Chinese, these are proliferating fairly quickly.

I strongly support the 100,000-strong initiative that you have mentioned, which is at the State Department. I think that anything that the House could do to support that in the forms of scholarship support for more Americans to go, that would be helpful.

I feel that the single strongest need that we have is not so much study abroad—I think that can come later—as foreign language study, including Chinese study, K through 12 in the public schools. My own view, off-topic, is Spanish I think would be an obvious No. 1; I think Chinese would be No. 2.

It is in the individual interest of students to study Chinese. It is in their community interest to have these programs. And again, it is profoundly in the national interest to have a large group of men and women in all of the professions who speak Chinese fluently, who know China and how to function there, and still represent their profession.

So, I would actually put public school language programs ahead of study abroad. If we can get more students studying Chinese young, the study abroad will take care of itself. The demand will be there.

One of the problems we have now is most of our students start studying Chinese in the university, and that is a little too late to get true professional fluency. After they graduate, they are getting their graduate degrees; they are getting professional training, and Chinese becomes something that they used to do. It is not deep enough in. So, I see the issue as being one of Chinese in the public schools starting in the first grade.

Mr. CARNAHAN. Thank you.

Next, I wanted to look at the issues of censorship, and we have certainly seen the power of the internet and social media across the Middle East and North Africa. We have a pretty clear understanding of how effective and severe the censorship is within China. Given that fact and those challenges, what are some of the best ways to really ramp-up our public diplomacy efforts there?

We will start again with Mr. Chen.

Mr. CHEN. Thank you very much.

I have to mention President Ronald Reagan. He taught us a lot of things in dealing with such a regime. Well, first, you have to define the nature of the regime. Like Mr. Reagan said, an "evil empire," and "this Wall needs to be torn down," and "These people need to be free."

Every time Ronald Reagan went to the Soviet Union he demanded, first, to meet the dissidents. But today we don't see that. Every major U.S. politician, including Presidents, when they went to China, they don't want to see, they don't want to talk over the regime to the Chinese people. They don't want to talk to the dissidents. They ignore Liu Xiaobo, who is still languishing in Chinese jail, while inviting those jailers to the U.S. through a banquet.

And this is China must be changed with the outside message from the United States, like Ronald Reagan did tirelessly. Every time he stepped on the podium during the 1980s he talks about the principles of freedom, talks about America, talks about human dignity. That culminated through the 1980s into the Tiananmen Square protest.

But if we fail in that way, we either kowtow to the Chinese or appease the Chinese, we are only prolonging our agony.

Mr. CARNAHAN. Thank you.

Mr. Autry?

Mr. AUTRY. Yes, your question on the internet, I have been a victim of the Chinese internet a number of times. One event that comes to my mind was, 1 year ago December, I was traveling from Shanghai to Shenzhen, and I was going to meet an underground Christian minister, a victim of Tiananmen Square who had done

some jail time afterwards and a human rights advocate that was coming in from Guangzhou to meet me at the Shenzhen Airport.

My flight was delayed for 15 minutes for "ground control requests." And when I got to the airport, my party wasn't there. I called them on their cell phones and texted them, and their cell phones were apparently disconnected, not just unanswered, but disconnected.

I waited in the airport for quite some time at the McDonald's, our local American cultural institution. I, then, e-mailed them and said I was going to go to my hotel and I would be up until 10 o'clock, and if they wanted to get together, to get back to me.

So, I went to sleep. I woke up the next morning. I had an e-mail, and apparently my friends had been arrested by the police and then driven around until about 11 o'clock. They kept them away just long enough so that they couldn't meet with me, which was interesting to know that my e-mails or perhaps my text messages were being intercepted by the Chinese Government.

I sent an e-mail then and said, "Let's meet at the Shenzhen train station across from my hotel this morning." Within ½ hour, I got an e-mail back that said, "The police just called me telling me not to meet the American writer at the train station."

So, this is the level of what is going on in the Chinese internet, not to mention the fact I can't post on Facebook there without using a VPN and going to an internet café and bribing somebody to get a fake national ID card.

What I think we should do is prevent access to the U.S. market by Chinese firms, the same way that they cobble our firms, like making it impossible for Google to work well in China, making it impossible to get to Facebook at all.

We should also prevent Chinese internet firms from having access to U.S. capital markets. The absurdity that Renren, China's competitor to Facebook, gets millions of dollars from American investors in order to develop in a nurtured and protected environment to compete with Facebook that is not allowed in China galls me.

Mr. CARNAHAN. Thank you.

Mr. Daly?

Mr. DALY. Yes, the original question was about censorship, including of the internet. I think here that we have to keep calling it as we see it. It is not a subtle problem. We do need to keep raising reciprocity, as this committee does, and we have to keep on pointing out that the Chinese press is not free and advocating for it, for example, to let the Broadcasting Board of Governors broadcast to China and its Web sites be unjammed and unblocked. I think that that is something that Congress has led in quite effectively.

I think we could perhaps also ask some of our commercial networks why, when they have Spanish language channels and Arabic and other languages, why do they not even venture for a Chinese language station. It would be an interesting thing to push for and to try.

I would agree with Kai Chen that a lot of American leaders of various kinds who go to China have perhaps become too accustomed to the Chinese way of doing things, and that they do not

raise issues of censorship, reciprocity, press freedom, human rights, as often as they used to. I think that that has been a discernible trend over the past 10 years. I would agree with that.

At the same time, we have to ask, if you wish to make a human rights representation—and I hope we continue to do so—how is that made most effectively so that you have the highest chance of actually freeing dissidents or changing policies and plans in China? We have to make our representations not only so that our domestic audiences can hear them and we can broadcast what we want to broadcast. The question is, how can we be most effective?

How can we make representations that we know are offensive to the Chinese, which we don't mind being offensive to the Chinese in many cases, while we also do have to work with them on a number of problems that are in the mutual interest? Part of the answer to that, as America, and I think part of our strength we can be confident about, is that we speak to China with a multiplicity of voices.

So that some elements of the government tend to be a little bit more hard-line and speak about human rights. Some others have to be more cooperative and work day-in and day-out with Chinese counterparts on issues of public health, pollution, in some cases international crime, trade, a whole number of issues. Those people simply can't be in the business of offending China, even if their principles are sound, if they are, in fact, going to work with China in the way that we need to.

And so, we need to have Americans who take different approaches to China, who speak to China with different voices, and, yes, who get into Chinese institutions, agencies, and even work closely with the Chinese Government to solve international problems and to model American best practices. We need people who pound the table about human rights and gradualists who work slowly through civil society organs and who work with public diplomacy. And the people who take the gradualist approach of working with China, they I think in the long-term would have the same goals as everybody here, but they deserve to pursue their work without being called sellouts or apologists or worse.

Mr. CARNAHAN. Okay. Thank you very much.

I am going to yield back my time to the chairman.

Mr. ROHRABACHER. All right. The Chair intends to have a very short closing statement on my part and, then, Mr. Carnahan. Or maybe I will let you go first. And then, what I will do is have a very short closing statement.

But I also would like to give our witnesses each 1 minute to summarize their thoughts. So, you may proceed, Mr. Chen, and we will just give everybody 1 minute. And then, we will have very short statements to close up the hearing.

Mr. CHEN. Thank you very much.

I just notice that we are focusing on what to do to China, but ignoring what China did to us. When I was with the school district, the protest, I noticed the method of infiltration is through the corruption of U.S. officials, through our human weaknesses. They invite your officials to go to China and give you red-carpet banquets, tour, women, everything. Then you come back and are pushing the

program for them. So, we should be concerned more about what they do to us now, instead of what we can do to them.

Thank you.

Mr. ROHRABACHER. Thank you, Mr. Chen.

Mr. Autry?

Mr. AUTRY. Mr. Daly I think made the comment that Congress has led quite effectively on this. You know, gee, I wish I could believe that.

But we have been treading water here for 22 years with China on issues of censorship, human rights, the rest of the thing, trying to be nice and take the gradualist approach. And all we are doing is getting run over. It is time to do something.

Mr. ROHRABACHER. Thank you.

Mr. Daly?

Mr. DALY. I would say that we have already done a great deal. We have done most of it as a catalyst through our soft power by engaging with China and letting a range of American institutions be involved with China. I think that has already had a transformative, albeit an insufficient, effect on China.

I went there first in 1987. Today, while many of the problems with freedom and censorship persist, it is, in fact, a far better, more humane country in which most Chinese citizens in their daily lives enjoy a far greater range of freedoms, of course, as long as they don't have great political aspirations or advocate that the Chinese Communist Party loses its monopoly on power. They lead richer lives. They are physically healthier. They have access to a great deal of information, despite censorship, and a lot of that is because of work that we have done in the United States. I think we can be very proud of it.

Mr. ROHRABACHER. Feel free to take an extra 30 seconds. I mean, you have actually been on the short end of some of the arguments. Do you have anything else you would like to say?

Mr. DALY. No. I feel I have already had the better of all the arguments. Thank you, Mr. Chairman. [Laughter.]

Mr. ROHRABACHER. All right. Good. Good come back. Excellent. Go right ahead.

Mr. CARNAHAN. Yes, I was going to make that point, too, Mr. Daly.

But I did really want to thank all of the witnesses here today and thank the chairman.

To Mr. Daly's point about the U.S. Government speaking with different voices, we have certainly heard some different voices here today. But I think that is a really healthy thing. This I think is a really healthy conversation for our country. I think it is informative and I think will help shape how we deal with some of these complex issues going forward.

China, no question, is complicated. I think that is one thing we can all agree on. But we need to really look at what works, what hasn't worked, and how we can really move forward in a smart way.

And again, Mr. Chairman, I appreciate you being an instigator on this conversation.

Mr. ROHRABACHER. Always the instigator. [Laughter.]

So, for my own closing statements, actually, this quote came to mind with Mr. Chen's original statement here, in reaction to my opening statement. And that is, there was an Irishman about 100 years ago who had a foreword to a book that I read. It said that every person in the United States has two flags, the flag of the United States of America and the flag of his or her ancestral home. But he added this: Every person in the world who loves freedom and liberty has two flags, the flag in the nation in which they live and the flag of the United States of America.

I think that our identification with the cause of freedom is something that our Founding Fathers wanted and that is something that gives America the strength, its ultimate strength and power in this world.

Mr. Chen, you also said something that was very profound. You talked about having people, a confusion of what freedom is and a confusion of culture versus the culture of freedom. And wearing a Mao button, I mean, that was a cultural thing, but that really did confuse basic values. You know, what did that mean? Kids used to wear Che buttons and they also have these Che T-shirts.

The communist movement over the world, over its history, has been one of the bloodiest movements in the history of humankind. The Chinese people are still being oppressed by those who adhere to that social structure, that concept.

I do not believe that we would have the same academic discussion if we were talking in the 1930s and the Nazi regime was offering to set up Nietzsche Institutes in our major universities. And I don't believe that we would have people who would be moving forward and talking about, "Well, this would help us understand the German culture and the richness of the German language."

The folks that still control China are still loyal to the philosophy that slaughtered so many millions and today is the world's worst human rights abuser on this planet. Today Falun Gong practitioners, as we speak, there's probably some people in the Falun Gong religion who are being thrown into prison, who will be murdered, and whose organs will be taken from them and sold to Westerners, whose values, as Mr. Chen pointed out, are confused.

When we lose sight of our basic values and that we value freedom above all these others, that will be the road that will take us down to the destruction of the United States of America.

So, today let us stand firm and let us again celebrate, as Mr. Carnahan noted, that we can all disagree and respect each other.

So, thank you all today. This hearing has been, I think, very worthwhile. We have got some areas where people will be able to discuss this in China and overseas and here at home as well with the local press.

So, I now say that this hearing is—we are not suspending it; what is the word I am looking for?—adjourned.

Thank you very much. God bless.

[Whereupon, at 4:35 p.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Hearing Record

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

Subcommittee on Oversight and Investigations
Dana Rohrabacher (R-CA), Chairman

March 27, 2012

You are respectfully requested to attend an OPEN hearing of the Subcommittee on Oversight and Investigations, to be held in **Room 2172 of the Rayburn House Office Building (and available live, via the WEBCAST link on the Committee website at http://www.hcfa.house.gov):**

DATE: Wednesday, March 28, 2012

TIME: 2:30 p.m.

SUBJECT: The Price of Public Diplomacy with China

WITNESSES: Mr. Steven Mosher
President
Population Research Institute

Mr. Kai Chen
Chinese freedom activist

Mr. Greg Autry
Co-Author, Death by China

Mr. Robert Daly
Director
Maryland China Initiative
The University of Maryland

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON *Oversight & Investigations* HEARING

Day *Wednesday* Date *March 28, 2012* Room *2172 RHOB*

Starting Time *3:06 pm* Ending Time *4:34 pm*

Recesses *n/a* (____to ____) (____to ____) (____to ____) (____to ____) (____to ____) (____to ____)

Presiding Member(s)

Chairman Dana Rohrabacher

Check all of the following that apply:

Open Session ☑
Executive (closed) Session ☐
Televised ☑

Electronically Recorded (taped) ☑
Stenographic Record ☑

TITLE OF HEARING:

The Price of Public Diplomacy with China

SUBCOMMITTEE MEMBERS PRESENT:

Chairman Dana Rohrabacher and Ranking Member Russ Carnahan

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not members of full committee.)*

None

HEARING WITNESSES: Same as meeting notice attached? Yes ☑ No ☐
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Prepared Statement of Mr. Steven Mosher
Prepared Statement of Mr. Kai Chen
Prepared Statement of Mr. Greg Autry
Prepared Statement of Mr. Robert Daly

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *4:34*

Subcommittee Staff Director