OPENING STATEMENT OF VICE CHAIRMAN CAROLYN BARTHOLOMEW HEARING ON "CHINA'S ROLE IN THE WORLD: IS CHINA A RESPONSIBLE STAKEHOLDER AUGUST 3-4, 2006 WASHINGTON, DC

Thank you Chairman Wortzel. Welcome to our panelists and guests. Today, we are focusing on China's role in the world. It is admittedly a big topic to fit into a day and a half of hearing. Rather than an exhaustive review, we hope to bring to the forefront a number of common questions and themes that are raised by Chinese government strategy and actions around the world.

China is playing a greater and greater role on the world stage. As it does so, the scrutiny of its actions and its intentions is, not surprisingly, also growing. There is much to question.

The Chinese government likes to characterize itself as engaging in a "peaceful rise." Yet, its active engagement with and assistance to countries which others in the international community have condemned as human rights abusers or threats to international peace raise serious questions about its intentions. And the world's understanding of China's intentions globally, like most of its governmental affairs, suffers from its lack of transparency.

Today's experts will try to break through some of that lack of transparency, testifying on China's economic diplomacy, its energy diplomacy, and its engagement with pariah states. We will consider the nature of the relationships China is establishing with countries around the world and the impact of those relationships on U.S. interests.

In Africa, for example, China seems focused on resource-rich states, buying up oil, natural gas, and other minerals, from the Sudan, Chad, Nigeria, Angola, Algeria, Gabon and Equatorial Guinea. In 2005, Chinese official sources reported total investment of \$175 million in African countries, primarily on oil exploration and infrastructure projects. When China signs an oil contract, development aid often follows in the form of medical supplies, infrastructure investment, debt relief and lowered trade barriers. International organizations have reported more than a few cases where China has ignored standards of international law, humanitarian concerns, and human rights when these conflict with China's resource acquisition needs. How are Chinese investment practices affecting U.S. initiatives to increase the effectiveness of foreign assistance, to promote transparency and accountability, and to end human rights abuses?

As part of our mandate to advise Congress whether China is likely to be a reliable diplomatic partner, we will explore these issues as part of the broader theme of how trade and energy security are linked in China's diplomatic strategy in countries around the world.

Despite the press of world events, the U.S. must remain focused on nuclear proliferation in Iran and North Korea. Success in addressing those threats requires Chinese cooperation. This Commission attaches such importance to China's actions

regarding those countries that we will devote a separate hearing in September to this topic.

As today's panelists address China's relationships to countries of concern including North Korea and Iran, I look forward to hearing their views on China's alignment with other regimes and governments including those in Sudan, Venezuela, and Burma. How do we reconcile those relationships with China's supposed interest in being a dependable partner for the U.S.?

Thank you, again, Mr. Chairman and our witnesses. I look forward to their statements. At this time, I will turn over the microphone to Commissioner and Hearing Co-Chair Dan Blumenthal for his opening remarks.