



Hearing on “An Assessment of the CCP’s Economic Ambitions, Plans, and Metrics of Success”

Opening Statement of Vice Chairman Robin Cleveland

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Washington, DC

Our hearing today will provide an assessment of China’s past and current economic capabilities and plans and how the Chinese Communist Party (CCP) is shaping and evaluating future success. In studying China for some time, I often find we evaluate success through a western lens, which means we overlook the CCP’s key policies and practices and find ourselves surprised when they choose a course inconsistent with global obligations and responsibilities. I welcome the fact that nine of our 11 witnesses have not appeared before the Commission and so bring fresh, new thinking to the challenges ahead.

For the better part of the last two decades, U.S. policy makers have pursued a path committed to expanding market access and opportunities aligned with global trading rules. We have actively promoted international treaty obligations protecting Hong Kong’s democracy and sovereign rights in the South China Sea. We consistently advocate for human rights and lead the world in providing generous humanitarian aid, unconditional foreign assistance and unprecedented levels of debt relief for our poorest neighbors. We have collaborated with friends and allies in building a generation of innovation, prosperity and freedom. Throughout this history we have offered the reassuring refrain that we expect no nation to choose sides – privately, we have reassured the CCP that we neither ask nor seek a choice between engaging with the U.S. or pursuing interests in China.

The time has come to acknowledge that the CCP’s approach creates a false choice. We must recognize it for what it is—a scare tactic that the Xi regime has promoted.

Under Xi’s leadership, we face an unprecedented threat which requires a collective response. As our witnesses will describe today, the CCP is accelerating and intensifying past practices to promote future industries. Today we will look at current patterns and examine how the CCP is applying its approach in important and emerging sectors of cloud computing, new transportation models, biotech, and digital currency. The CCP’s past is the prologue of what is to come in critical emerging commercial sectors – our witnesses bring expertise in how the CCP will designate and subsidize national champions, impose limits on foreign firms’ access until local companies establish market dominance, restrict licensing agreements, engage in technology theft and transfer, promote massive

government guidance funds to shore up future enterprises and, we will learn more about the crushing coercive tactics used against any nation, firm, or person who disagrees with Xi's vision.

The choice is not between the U.S. or China—it is not between east or west. Indeed, localities, provinces and citizens in China are faced with the same difficult choice.

It is a choice between a world that pledges debt relief to poor nations suffering because of China's irresponsible management of the pandemic versus a world of Party-backed, privileged, state-owned companies wringing opaque, punishing concessions from sovereign borrowers and threatening termination of political ties in the event of default.

It is a choice between a world in which we promote the rights of Hong Kongers and Uyghurs versus a world where we accept crippling retaliatory restrictions on commercial enterprises who disagree with the CCP's slave labor policies.

It is a choice between free speech or surveillance and censorship—between free travel or economic sanctions and threats to airlines who identify Taiwan on their schedules.

It is a choice built on freedom and defined by generosity, innovation, and collaboration. Or, a world in which the Communist Party of China calls the shots.