



**Testimony before the  
U.S.-China Economic and Security Review Commission**

***Hearing on China's Relations with U.S. Allies  
and Partners in Europe and the Asia Pacific***

***"Chinese Influence Activities with U.S. Allies and  
Partners in Southeast Asia"***

A Testimony by:

**Dr. Amy E. Searight**

Senior Adviser and Director, Southeast Asia Program, CSIS

**April 5, 2018**

**Dirksen Senate Office Building, Room 419**

Thank you to the Commissioners for convening this hearing today and inviting me to testify. The Commission has asked me to focus on assessing China's relations with U.S. allies and partners in Southeast Asia—specifically, Thailand, the Philippines, Vietnam, and Singapore. I was also asked to address the various tools with which China seeks to influence these countries and their relations with the United States, and to provide related recommendations to the United States Congress.

The questions asked in this hearing today are important and timely. In light of recent revelations regarding Chinese Communist Party (CCP) influence operations in Western democracies, it is important to shine attention on the issue of whether CCP influence operations are being deployed elsewhere.<sup>1</sup> Southeast Asia is a region of high strategic significance to China where it is leveraging all instruments of national power – sometimes successfully, sometimes unsuccessfully – to wield influence. I will discuss these efforts and objectives later in my testimony.

Recent studies on Australia and New Zealand have demonstrated the extensive and centrally coordinated efforts through CCP-led mechanisms to influence public debates and policy outcomes in these countries. John Garnaut and Anne-Marie Brady have described these countries as “canaries in the coal mine” of Chinese political influence efforts. If countries with strong democratic institutions like Australia and New Zealand are vulnerable to Chinese influence and domestic political interference, one can imagine that countries in Southeast Asia that have weaker governance, less transparency and higher levels of corruption will be even more susceptible.

While there is extensive study of China's diplomatic and economic influence and activities in Southeast Asia, it is notable that United Front Work Department (UFW) efforts have not been a focus for those studying these dynamics. I think there are several reasons for this, but I do hope this hearing helps spur U.S. Southeast Asia experts – academics, think tankers, government experts including the intelligence community – to focus more time and attention on this issue.

### **China's strategic objectives**

China's objectives in its relations with U.S. allies and partners in Southeast Asia cover many dimensions, including expanding commercial opportunities and developing connectivity with China at the center of an integrated Eurasia. At the strategic level, China seeks to supplant the United States as the dominant external actor in Southeast Asia. China seeks to undermine U.S. security partnerships with each of these partners over time. It does not necessarily aim to replace the United States as a security partner of choice (at least in the near term), but it does seek to use its economic heft to degrade willingness to work closely with the United States.

---

<sup>1</sup> John Garnaut, “How China interferes in Australia,” *Foreign Affairs* 9 March 2018 <https://www.foreignaffairs.com/articles/china/2018-03-09/how-china-interferes-australia>; Anne-Marie Brady, “Magic Weapons: China's political influence activities under Xi Jinping,” <https://www.wilsoncenter.org/article/magic-weapons-chinas-political-influence-activities-under-xi-jinping>

China also seeks to weaken Southeast Asian unity on political-security issues, as a divided region is in China's strategic advantage. This is most obvious in matters related to China's maritime expansion, but also holds true in its interactions with states along the Mekong river. Ultimately, China seeks to build a new order in Asia on its own terms, where countries in the region will enjoy the benefits of economic linkages for the price of paying political deference to China's interests and prerogatives.

### **Instruments of influence**

China's primary means of exercising influence are traditional tools of statecraft – aid, investment, commercial linkages, and active diplomacy. The Belt and Road Initiative (BRI), along with the Asia Infrastructure Investment Bank (AIIB), have become the primary tools for China's economic diplomacy, through which China offers vast amounts of investment in badly needed regional infrastructure.

China also resorts to economic coercion, both to directly punish countries that act in defiance of its interests and to demonstrate to others the cost of defiance. For example, when the Philippines challenged China's seizure of Scarborough Shoal in the South China Sea in 2012, Beijing sought to punish Manila by cutting off imports of bananas and other farm goods. When the newly elected President Duterte signaled an accommodating approach to China in 2016, Beijing quickly offered the Philippines billions of dollars of investment in infrastructure projects. Another example involves Singapore's limited military cooperation with Taiwan, which has been ongoing for many years. In 2016, after conducting a joint training exercise on Taiwan, nine armored but unarmed troop-carrying vessels that had been used in the exercise were impounded by Chinese customs officials from a commercial container vessel that had stopped in Hong Kong en route to Singapore. Soon after the seizure of the vehicles, China's Foreign Ministry formally demanded that Singapore "strictly abide by the one-China principle" and abstain from "any official contacts with Taiwan, including military exchanges and cooperation." The *Global Times* chimed in with a telling message, calling Singapore a "small country" that "used to know its boundaries," and warning that if Singapore did not assume a more "balanced" approach it could result in Beijing adjusting its policies that would "profoundly impact Singapore's economy."<sup>2</sup>

Defense cooperation is another part of China's toolkit. China has small but expanding defense engagement with many countries in Southeast Asia, including Thailand, the Philippines and Singapore. Sino-Thai military relations in particular have been warming rapidly. Thailand regularly conducts counter-terrorism exercises with China and launched its first ever joint air force training exercise with China in 2016. Thailand has also agreed to purchase Chinese submarines and battle tanks, and recently announced plans to develop a joint military repair and maintenance facility. With the Philippines, China has donated assault rifles, sniper rifles and ammunition to the Philippines, which President Duterte eagerly accepted after the U.S. Congress prevented the sale of M4 rifles to the Philippine National Police. Singapore has held regular naval exercises with China since 2015 and has spearheaded the effort to launch the first China-

---

<sup>2</sup> Ai Jun, "Singapore's Hypocrisy Exposed by Seized Military Vehicles," *Global Times* (Beijing), 27 November 2016, [www.globaltimes.cn/content/1020583.shtml](http://www.globaltimes.cn/content/1020583.shtml)

ASEAN joint naval exercise, which is expected to take place this year. While China's defense relationships in Southeast Asia currently pale in comparison to the depth and complexity of U.S. defense engagement, they do have the potential to impact U.S. interests over time.

Finally, cultural exchange and public diplomacy are naturally part of the toolkit. Chinese party leaders started using the term "soft power" a decade ago, and began focusing on ways to enhance China's international image through public diplomacy and promoting Chinese culture. The government began pouring billions of dollars into "overseas publicity work" and "external communication," and academics began discussing the "China model" of rapid economic development under authoritarian rule as a potential export of soft power.<sup>3</sup> Xi Jinping took this discourse a step further at the 19th Party Congress last fall, when he described the China model as a "new option" for countries that "offers Chinese wisdom and a Chinese approach to solving the problems facing mankind." Although Xi later said that China would not seek to export the China model, it has become clear that China has growing soft power ambitions and that more active and expansive public diplomacy is geared towards enhancing its international image. It is also clear that China's appeal as a model of miraculous growth under one party rule is not lost on autocratic rulers in Southeast Asia.

### **Influence versus interference: lessons learned from Australia and New Zealand**

Recent examinations of China's political influence activities in Australia and New Zealand have revealed a number of mechanisms through which the CCP seeks to influence domestic debate in these countries. At the heart of most influence activities is the United Front Work Department (UFW). UFW efforts have focused heavily on overseas Chinese populations in Australia and New Zealand, including businessmen, community leaders and students. But their efforts are not limited to ethnic Chinese, and increasingly target non-ethnic Chinese people in these countries. Influence activities are broad and varied in these countries, but the allegations that have sparked the most concern include Beijing-linked political donors buying access and influence with party politicians; universities being coopted by financial largesse for research institutions that have dubious neutrality in their academic pursuits; and voices that are coerced and silenced by networks on college campuses and elsewhere that are mobilized to silence criticism of Beijing.

John Garnaut draws a useful distinction between political *influence* and political *interference* operations. Political *influence* includes traditional diplomatic tools to enhance a country's soft power or explain and promote its foreign policy positions. Political *interference* on the other hand are attempts to manipulate public opinion through efforts that are covert, corrupt, or coercive. It is political interference operations that are of greatest cause of concern because they are less visible and more manipulative, and more challenging to counter with traditional tools of public diplomacy.<sup>4</sup>

---

<sup>3</sup> David Shambaugh, *China Goes Global*, pp. 207-210.

<sup>4</sup> John Garnaut, Testimony to US House Armed Services Committee, 21 March 2008, <http://docs.house.gov/meetings/AS/AS00/20180321/108048/HHRG-115-AS00-Wstate-GarnautJ-20180321.pdf> See also Christopher Walker and Jessica Ludwig, "The Meaning of Sharp Power," *Foreign Affairs*. 3 April 2018, <https://www.foreignaffairs.com/articles/china/2017-11-16/meaning-sharp-power>

These analyses of “Western” democratic allies and partners point the way for questions that should be investigated in the cases of U.S. allies and partners in Southeast Asia. These investigations are only beginning to be launched. Simply put, despite widespread scholarship on China’s involvement in Southeast Asia across many dimensions, there has been little study anywhere on the specific subject of Chinese political interference. Neither I nor the broader Southeast Asia analytical community in the United States and around the world have focused substantially on the issue of UFWD influencing domestic debates and policy in Southeast Asia. This is a clear gap in our understanding of these regional dynamics and the strategic significance of these questions calls for intensive empirical research.

However some things are clear. UFWD proxy groups are present and active in all of the four countries I have been tasked to examine. These groups include:

- The China Council for the Promotion of Peaceful National Reunification (CCPPNR), which advocates against the recognition of Taiwan
- The Chinese People’s Association for Friendship with Foreign Countries (CPAFFC), which works to build positive relations with other countries to improve their opinions about China
- The China Overseas Friendship Association (COFA)

The China Zhi Gong Party (CZG) also contributes to influencing domestic attitudes towards China and other issues in Southeast Asian countries. The CZG is a UFWD-led party that focuses heavily on outreach to overseas Chinese individuals and communities, particularly through its Overseas Friendship Committee. Membership is granted to any Chinese individual who is currently or has returned from living overseas, individuals with overseas relations, and “intellectuals” who are representative of other countries and are willing to abide by the party’s constitution.<sup>5</sup> Specific activities pursued by the CZG in Thailand, the Philippines, Vietnam and Singapore are outlined in the appendix.

Chinese state-owned media outlets, including television stations, radio programs, and newspapers, maintain a presence in all four countries. Among the most notable of these outlets are the 24-hour channels CCTV-4 and CGTN (China Global Television Network); China Radio International, which is available in the local languages of all four countries; and Chinese language newspapers that are either owned by CCP-controlled media groups or are staunch proponents of the party line. In Thailand, the Chinese-language Sing Sian Yer Pao newspaper maintains a publishing partnership with the CCP-controlled Nanfang Media Group. In the Philippines, the World News newspaper serves as a mouthpiece for pro-CCP sentiments as the country’s largest Chinese-language newspaper in terms of circulation. While there is no direct evidence of CCP involvement in the ownership of World News, its leadership maintains strong ties to pro-China organizations in the Philippines, many of which have collaborated on outreach initiatives with the Chinese Embassy and the Chinese People’s Association for Friendship with Foreign Countries.

---

<sup>5</sup> China Yearbook 2004, [http://english1.english.gov.cn/2005-08/16/content\\_23650.htm](http://english1.english.gov.cn/2005-08/16/content_23650.htm)

Confucius Institutes are also part of the mix. Although they are affiliated primarily with the Chinese Ministry of Education, Confucius Institutes share deep ties with the United Front Work Department. They are present in all four countries, at the university level as well as “classrooms” at the secondary level. However they are not equally present – they vary widely in distribution, with Thailand hosting the most Confucius Institute programs, while Vietnam has only one, as seen in the table below:

#### **Confucius Institutes in Southeast Asia<sup>6</sup>**

	University programs	Secondary-level “classrooms”
Philippines	4	3
Singapore	1	2
Thailand	15	20
Vietnam	1	0

#### **Caveats and considerations**

The above examples of activities of UFWD subsidiaries and proxies, as well as media operations and Confucius Institutes, demonstrate that Chinese influence efforts are present in Southeast Asian countries. However, the extent of UFWD operations and their influence are not well documented.

It’s also important to note the distinction drawn above between political influence and political interference. Some activities fall well within traditional definitions of public diplomacy and outreach – diplomatic tools used by virtually all countries that are meant to influence, educate and persuade domestic audiences about particular issues and burnish the image of the country deploying these efforts. The greater concern is whether corrupt, coercive, and covert means of interference are being used to manipulate public debate in illegitimate and non-transparent ways.

The recent example of an academic expelled from Singapore is a case in point. Last August, the Singapore government announced that it had revoked the permanent resident status and ordered the expulsion of Huang Jing, a U.S. citizen born and raised in China who was the Lee Foundation Professor of U.S.-China relations at the Lee Kuan Yew School of Public Policy. Huang was accused by the Singapore Ministry of Home Affairs of “subversion and foreign interference in our domestic politics” for allegedly “passing privileged information” to senior officials with the intent of influencing their decisions on foreign policy. Although the “foreign country” for which Huang was accused of acting as a knowing “agent of influence” remained unnamed, the widespread understanding among informed Singaporeans is that the “foreign country” is China.

---

<sup>6</sup> Confucius Institute Annual Development Report 2016, <http://hanban.org/report/2016.pdf>

Beyond these rare public incidents that suggest in a visible way that covert interference operations are underfoot, it is difficult to gauge how widespread and influential these kinds of activities are in Southeast Asian countries.

Another important dimension that has to be considered and investigated is the role of overseas ethnic Chinese in these Southeast Asian countries. On the one hand, many of these countries have large overseas ethnic Chinese populations, which in theory may provide fertile ground for China's political influence operations, as they have in Australia and New Zealand. On the other hand, however, most of the ethnic Chinese in these countries migrated many generations ago, so their familial and direct ties with the mainland are heavily diluted or non-existent.

Another consideration that may limit the influence of CCP operations is the historical legacy of China's expansive communism in these countries. The CCP has enormous political baggage in Southeast Asia from the decades when the CCP sought to spread communist revolution across Asia. Countries such as the Philippines and Indonesia remain deeply wary – sometimes to the point of seeming irrationally leery – of Communism. Thailand and Singapore have strong anti-communist roots as well. The CCP therefore is playing in a hornet's nest, and perhaps is aware of this.

### **How should the United States respond?**

If China is actually using disinformation or other techniques to turn public opinion against the United States, we must be wary. However, our greatest strength are our own values and what we bring to the table. The people of Southeast Asia respect the United States and what we stand for. Although their governments do not always agree, large majorities of the people in these countries want representative government, free speech, and freedom of religion. They also want rapid economic growth, but they do not embrace the China model that Beijing increasingly wants to export. However, the United States appears to be ceding the playing field to Beijing, withdrawing from economic leadership as well as growing more quiet on democracy and human rights. This is a mistake, at a critical time. We want Southeast Asian countries to be democratic and well-governed, with individuals having rights and the ability to call out their leaders. To this end we need a diplomatic and public diplomacy surge, not the retreat that we have seen under Secretary Tillerson's State Department. We also need a compelling economic strategy for engaging the region.

For policy-makers addressing the issue of potential Chinese political influence and interference in Southeast Asia, it is important to first get the facts, through empirical investigation and analysis. We should also seek ways to promote transparency around these issues. But we should distinguish between categories of influence activities – although the categories are not black and white, it is still important to distinguish between legitimate forms of public diplomacy and illegitimate forms of disinformation and manipulation. Moreover, policymakers should not overreact to revelations, current or future, about China's influence efforts. We already know China is operating aggressively in Southeast Asia to court influence, across all dimensions. This may be one more way, and it should be taken seriously but it may not be a game-changer.

## Implications

The first conclusion to draw from the overview presented here is that there is a pressing need to further our understanding of China's influence and interference activities in Southeast Asia, and in particular within countries that are allies or strategic partners of the United States. If Australia and New Zealand are "canaries in the coal mine" of Chinese interference operations, we should be concerned about Southeast Asia, a region with weaker institutions of governance.

There are several recommended steps Congress can take to help further our understanding of these dynamics and address the challenges of growing Chinese influence activities. They include:

- The Office of the Director of National Intelligence (ODNI) should conduct an assessment of Chinese interference activities in key Southeast Asian countries.
- Congress should fully fund State Department efforts on public diplomacy. It should also fully fund USAID, and support the National Endowment for Democracy, the International Republican Institute, the National Democratic Institute and other organizations that promote American values and ideals, and strengthen the democratic governance of countries in the region.
- The U.S. should reconsider joining the Trans Pacific Partnership (TPP). For countries in Southeast Asia, trade and economics is inextricably linked to security, and the U.S. withdrawal from TPP was viewed as a sharp retreat from economic leadership in the region. The blow was particularly hard for Vietnam, Singapore, Malaysia and Brunei, who are members of TPP (now launched as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, or CPTPP), but Indonesia, the Philippines, and Thailand had all expressed interest in working towards joining TPP when the U.S. was leading the effort.



### **Appendix: Activities of the China Zhi Gong Party (CZG) in Southeast Asia**

The CZG is a UFWD-led party that focuses heavily on outreach to overseas Chinese individuals and communities, particularly through its Overseas Friendship Committee. In his review of the party's activities in 2016, the CZG Chairman Wan Gang outlined a number of priority activities for the party to pursue in the future. These include:

- Improving upon external liaison platforms: CZG holds a number of events in China each year to which overseas Chinese are invited to, such as forums and summits;
- Strengthening communication with countries along the path of One Belt One Road (OBOR);
- Deepening the work of traditional overseas Chinese missions, including overseas Hongmen, and improve the party's influence in overseas Chinese communities;
- Strengthening contacts and exchanges with new immigrant groups, overseas students, and Chinese academic groups to expand the reach of liaison work;
- Strengthening and coordinating propaganda efforts to increase the appreciation of Chinese cultural values.

Because the CZG focuses on building interpersonal networks between overseas Chinese and the party apparatus on the mainland (rather than establishing a physical footprint or presence abroad), it is difficult to quantify the extent to which it is active in each of the four countries under consideration. However, documentation of interactions between the party and individuals from the countries in question assists in demonstrating the scale of CZG activities in Southeast Asia, as outlined below:

- [March 23, 2018](#) - CZG official met with the Commercial Counselor from the Royal Thai Consulate in Chengdu to discuss cooperation in medical and biotechnology fields.
- [January 16, 2018](#) – The CZG held an event in Nanjing for a delegation of Southeast Asian Chinese leaders, including individuals from Thailand and Vietnam. At the event, the delegation members discussed their local responses to OBOR and what problems could arise. The delegation was also brief on the CZG's liaison work.
- [November 30, 2017](#) – A CZG member travelled to the Philippines to conduct economic and trade exchanges with the Philippine Chinese Economic and Trade federation
- [September 15, 2017](#) – The CZG announced its partnership with the Guangxi Arts Institute to research the experience of Chinese living in Vietnam, cultural dissemination, and economic cooperation.
- [July 26, 2017](#) – The CZG sponsored a summer camp program for adolescents of Chinese descent. Teenagers from 11 different countries were present, including Thailand.
- [March 13, 2017](#) – Vice Chairman of the CZG Central Committee proposes the establishment of a Chinese cultural center in Hanoi to develop closer cultural exchanges and cooperation with Vietnam and other ASEAN countries.
- [December 6, 2016](#) – CZG Chairman Wan Gang travelled to Vietnam, where he met with Nguyễn Thiện Nhân, the Chair of the Central Committee of the Vietnamese Fatherland

Front and Vice Chairman Trần Thanh Mẫn to discuss the cooperation between Chinese and Vietnamese governments.