

China's Influence and American Interests - Condensed

(This is a condensed version of the original study made by the Hoover Institute at Stanford University on this subject published in 2019.)

This report is the result of an attempt to document the extent of China's (PRC's) expanding influence operations inside the United States, including different sectors of American society that have been targeted by the Chinese government.

Key findings:

- The Chinese Communist Party (CCP) leverages a broad range of party, state, and non-state actors to advance its influence-seeking objectives, and in recent years it has significantly accelerated both its investment in and the intensity of these efforts. Many nominally independent actors including Chinese civil society, academia, corporations, and even religious institutions are also ultimately beholden to the government and are frequently pressured into service to advance state interests.
- China seeks to identify and cultivate rising politicians in American federal and state politics. Chinese entities employ prominent lobbying and public relations firms to cooperate with influential civil society groups, interfering with the US's domestic affairs.
- Confucius Institutes, Chinese language and culture centers set up through partnerships between universities in western countries and Hanban – an organization under China's Ministry of Education. These centers provide the Chinese government with access to US student bodies on university campuses, and have had the positive value of exposing students and communities to Chinese language and culture. But more rigorous university oversight and standards of academic freedom and transparency should be exercised over these institutes.
- At think tanks, researchers, scholars, and other staffers report regular attempts by Chinese diplomats and other intermediaries to influence their activities within the United States. Meanwhile, China has begun to establish its own network of think tanks in the United States.
- China has used its companies to advance strategic objectives abroad, gaining political influence and access to critical infrastructure and technology in the business sector. Many US companies have been pressured to trade their business access with Beijing's stance on territorial integrity issues.
- China has co-opted existing Chinese-language outlets and established its own new outlets in the American media, while severely limiting the ability of US and other Western media outlets to conduct normal news-gathering activities within China.
- Among the Chinese American community, China has long sought to influence, even silence voices critical of the PRC or supportive of Taiwan, which interferes with freedom of speech within the United States. Beijing also views Chinese Americans as members of a worldwide Chinese diaspora that can help protect Chinese interests and form allegiance to the so-called Motherland.
- China is engaged in economic espionage, theft, forced technology transfers, and has obtained much valuable new technology through its investments in US high-tech companies and through its exploitation of the openness of American university labs.

- China's influence-seeking activities in the United States are mirrored in different forms in many other countries, including Australia, Canada, France, Germany, Japan, New Zealand, Singapore, and the United Kingdom.

Congress

The Chinese government has been trying to influence the US Congress since the start of the normalization process in 1972. As a response, the US Congress has generally served as a brake on executive initiatives to “engage” China at the expense of other US interests that members have historically valued, such as maintaining good relations with Taiwan, interacting with the Tibetan government in exile, and expressing support for human rights. Because of this increasingly competitive, even adversarial, new climate, Chinese influence and information operations are widely coming to be seen as expressions of a political system whose values are antithetical to those of the United States and as a threat to the integrity of Congress and our democracy. Follow-on congressional oversight will go far toward educating Congress, the media, and the public about promoting transparency, integrity and reciprocity.

State and local government

Subnational entities, such as local governments, cities, and states, face challenges and opportunities when dealing with China's intent on maximizing its influence in America and across the globe. As most PRC attempts to influence American opinion and practices occur at the local level, and as local media, universities, companies, and advocacy agencies are often involved in these efforts, local leaders, just as much as national leaders, need an understanding of PRC goals and strategies. The age of innocent engagement is over, and this is now true for American local officials as well as for representatives of the US federal government.

The Chinese American Community

Diaspora communities worldwide have been key sources of legitimacy and support for whatever government held power in Beijing, but just as often they have been centers of anti-government agitation. With PRC influence-seeking activities now expanding, China's long-standing focus on diaspora communities has also intensified to become an important element in overall US-China relations. It is essential that we not allow overseas Chinese as an ethnic group to fall under any kind indiscriminate cloud of suspicion. Above all, it is important to bear in mind that while ethnic Chinese can be quite naturally expected to take an interest in things Chinese, it is the Chinese Communist Party that puts a target on their backs.

Universities

US universities and American society have benefited significantly from the education-related exchange, and from the presence of international students generally. Chinese students have helped to diversify the makeup of US student bodies; they often contribute positively in the classroom, and they have made a real contribution in joint research projects with university faculties. Many have remained in the United States past graduation to pursue professional careers, build their lives, and become American citizens. This is a sizable contribution to U.S. society, economy, technological innovations and knowledge base. However, there have been growing concerns about Chinese “influence-seeking activities” in the United States, exemplified by the Confucius Institutes and Chinese Students and Scholars Associations. Confucius Institutes have been accused of not providing total transparency and compliance with norms of academic

freedom, resulting in a number of terminations to this program. The Scholars Associations often alert PRC diplomatic missions about events on campus that offend official PRC political sensitivities, including speeches or discussions on Tibet, Taiwan, Xinjiang, human rights, and Chinese politics. Once notified, the local PRC mission has sometimes contacted university faculty or staff members to prevent such events from proceeding.

Think Tanks

China has become a priority field for US think tanks concerned with international relations, and most now have staff members devoted to researching and publishing China. There is significant interaction between American and Chinese think tanks—as think-tank researchers need to visit China as well as host and receive visitors in the United States to be well informed and to perform their own research work. A number of scholars noted a marked shift in the nature of their interactions with Chinese colleagues and research projects over the past few years. While long-standing dialogues continue on issues such as cyber policy, nuclear policy, and US-China interactions in third countries and regions, overall China appears not as open, robust, and productive as in the past. When dialogues do occur, the conversations have declined in productivity. There has also been attempts from China to interfere with the US's domestic affairs. Chinese outreach to American think tanks takes several forms, including via embassy and consular officials, via Chinese think-tank scholars, and via representatives of China's state-run media.

Media

At a time when Western media outlets are challenged by the internet and weakened by uncertain business models, China's rise as a major player in the media landscape around the globe has become all the more worthy of attention. The Chinese government's campaign to "grab the right to speak" from Western media outlets and independent Chinese voices has come with a rapid expansion of China's English-language media operations, a concerted campaign to control overseas Chinese-language media, and ongoing efforts to block attempts by Western media to contend inside China. China's social media giant WeChat is another major source of news within the Chinese American community. But it is more than that; for many users in the United States, China, and around the world, WeChat is a digital ecosystem so ubiquitous that it constitutes a lifestyle—a drumbeat that determines the rhythms of the day. In the United States, as in China, WeChat censors news and comments in accordance with rules set by China's Communist Party. Indeed, WeChat is an example of how China is now exporting PRC media censorship overseas.

Corporations

China is influencing the corporate sector through three lenses: 1) business-related organizations in the United States; (2) Chinese companies operating in America; and (3) Chinese pressuring and manipulation of American companies. All three approaches are causes for concern, yet the pressuring and manipulation of American corporations have generally attracted less attention. China is supporting an increasing number of local chambers of commerce in the United States with direct ties to CCP officials. As Chinese companies have become more global, they have also grown more sophisticated in their efforts to socialize and localize themselves in their new American communities, as well as acquiring political influence in the United States. China has also increased its efforts to pressure and sometimes even coerce foreign corporations with the aim of influencing politics in their home countries.

Technology and Research

While Chinese cyberthreats and clandestine spying against the United States dominate the public discourse, a far more serious threat is posed by China's informal or "extralegal" transfers of US technology and intellectual property. Operating under the radar, by groups and individuals in the United States, these quiet diversions of US technical know-how erode America's technological edge and ability to compete in international markets. China's aggressive policy is threatening the advantages the United States has long enjoyed as a scientifically creative nation. This is occurring as a declining number of US students are getting advanced degrees in science and technology, R&D funds are dropping off, and the nation's manufacturing base is shrinking. When combined with a more scientifically competent China that is also illegally using the discoveries of others, the future of US competitiveness comes into question.

Original Version of this report can be found at:

https://www.hoover.org/sites/default/files/research/docs/00_diamond-schell-chinas-influence-and-american-interests.pdf

