

Chairman Gallagher Opening Remarks
CCP Transnational Repression and Suppression
10.23.23
as prepared for delivery

A year ago, horrified by the Chinese Communist Party's crimes in Tibet and Xinjiang, a brave group of Chinese students spoke out against their government.

They were angry that the world allowed China to host the Olympics and couldn't understand the indifference in their community.

So, continuing a proud Chinese tradition, they risked their safety to put up posters.

The posters called out the CCP's repression of LGBT individuals, denounced Xi Jinping for "bailing out" Vladimir Putin's "blood debt" in Ukraine, and dared to suggest that the CCP's internment of millions of Uyghurs and censorship of the Chinese people was incompatible with the Olympic spirit.

Then the backlash began.

A student association demanded that the protesters be "punished severely," for posters that represented "a naked attack on the Chinese nation."

The University President stated that he was "personally offended by the posters" and "saddened by this terrible event." He promised to "undertake an effort to determine who is responsible" for the "offensive posters."

You might think - well, it's China, it's not surprising.

But these events didn't take place in the People's Republic of China.

They took place at George Washington University, right here in Washington DC.

I met with some of these brave students, and I am glad that GW's President has since admitted the reaction was a mistake.

However, when anti-CCP posters returned in October, they were torn down and no effort was made to find the perpetrators.

Unfortunately, this story is not unique to George Washington. It is a challenge bigger than posters or protests, and it is faced by everyone in this room. At its core, this challenge is born out of two truths.

The first is that the American higher education system is the best in the world, and one of our core national strengths because it reflects our national values of openness and collaboration. It draws brilliant minds from across the world, who enrich our nation with their innovation and drive. With three degrees, I'm the product of, and an unapologetic cheerleader for the ideals of the American system of higher education. It's precisely because I believe in your mission that I'm here tonight.

The second truth is a lot harder: for decades, the Chinese Communist Party has exploited the very openness at the heart of American society, and our higher education system in particular, twisting this strength to the Party's own advantage.

The Chinese government is not shy about this. They even have a phrase for it: "picking flowers in foreign lands to make honey in China."

The Party's goal is not mutual benefit. The CCP's goal is to leverage technological advances, spread its coercive influence, and enmesh dependencies to strengthen its international position while eroding ours.

Thanks to its strategy of Military-Civil Fusion, there is no truly private enterprise, research or otherwise, in the PRC. The CCP will commandeer any technological advances that can strengthen the Chinese military or surveillance state.

Three decades ago, the United States bet that as China liberalized economically, it would also liberalize politically. But the very opposite has occurred.

The CCP has used technology to create a surveillance state that the totalitarians of the 20th century could only have dreamed of, and is increasingly exporting it abroad. Its threats against its neighbors, especially Taiwan, grow stronger by the day. It has undertaken a peacetime military buildup unprecedented since World War II. And worst of all, in Xinjiang, it is conducting genocide and the largest internment of an ethnic minority since the Holocaust.

When the facts change, our policies need to change.

The question — as I see it — is how do we respond in a way that preserves our free and open society—including our higher education system with all its natural strengths—while maintaining our moral, intellectual, and financial integrity?

One point that bears emphasis: even as we have candid conversations about the threat posed by the CCP, we must always remember to differentiate between the Chinese Communist Party and the Chinese people, who are the Party's primary victims. Just look at the Great Leap Forward, the PLA's shelling of Tibet, the Cultural Revolution, Tiananmen Square, and the ongoing genocide of the Uyghur people.

With that said, I'd like to talk about three areas where American higher education must be more clear-eyed about the threat posed by the CCP, perhaps with some guidance from Congress.

First, universities must do better to protect their students. The Chinese Communist Party cannot be allowed to compromise academic freedom, undermine our values, or expand their Orwellian police state to U.S. soil. But that's exactly what the CCP is doing.

I have met with dozens of students from the PRC across the country who have shared story after story of being harassed, followed, and physically attacked for simple offenses like hanging posters or organizing panels — anything at all that strays from the CCP party line.

Most students spoke to us under the condition of anonymity because they fear reprisal from the Chinese Communist Party against them and their families in China.

For a comment about Taiwan or a rally for Hong Kong, their relatives in China are terrorized by police. Many students never return home, afraid of what awaits. Among those who do, some are detained. They are surveilled on US campuses, electronically tracked, reported back to Chinese Security Services.

This is a reality in America today, on campuses across the country.

We must decide: Will America remain a haven from persecution or become a hunting ground for authoritarians?

While Confucius Institutes have received the lion's share of public scrutiny when it comes to CCP influence on college campuses, Chinese Students and Scholars Associations are actually a bigger problem.

As of 2021, there were 150 CSSA chapters across the United States. Created in the aftermath of Tiananmen, when Chinese students played a key role in organizing demonstrations, these groups ostensibly exist to support the unique needs and communities of Chinese students studying abroad. In practice, they often double as a mechanism for the Party to restrain the free speech and liberty of the same students they are supposed to serve. As one Foreign Policy report found, many CSSAs “officially describe themselves as under the ‘guidance’ or ‘leadership’ of the (Chinese) embassy.” A 2018 report found that the Georgetown CSSA received roughly half its total budget from the Chinese government, while the University of Tennessee CSSA mandated members “protect the motherland’s honor and image” and required students from Taiwan to support “national reunification.” Tellingly, as more attention has focused on the state-supported nature of CSSAs, many chapters have taken to deleting, obfuscating, or otherwise concealing their financial connections to the CCP.

Policymakers should set a clear standard: organizations designed to support the unique needs of foreign students are good. Organizations that act under the control, influence, or direction of

adversarial governments are not. Policymakers should prohibit the operation of any student group that receives funding or direction from governments like China's that we know seek to repress students on American campuses.

Second, universities must rethink how they collaborate with CCP and PLA-affiliated researchers and institutions.

The Chinese Communist Party's goal—backed by the enormous resources of the Party and the PRC state—is to exploit the openness of our academic institutions to fuel the PRC's military modernization, to obtain technology critical to dominating the future, and to use American technology to refine and retrench its repressive surveillance state.

These are not empty words. Here is what we have seen the CCP do:

The Chinese Communist Party operates nearly 500 foreign talent programs. Its members are contractually obligated to return to China with secrets and expertise, gained in foreign universities and labs, in order to drive military modernization and other technological development.

According to the Australian Policy Institute, over the past 15 years, “the PLA has sponsored over 2,500 military scientists and engineers to study abroad” in order to acquire technology and technological know-how to modernize the PRC's military.

Research conducted by Strider Technologies has uncovered over 160 researchers that, after conducting sensitive military research at Los Alamos National Laboratory, returned to China and drove key breakthroughs in the PLA's military modernization, including in hypersonics, deep-earth penetration, and unmanned autonomous vehicles.

Other examples were found in a 2020 unclassified analysis of resumes and research papers, conducted at the Department of Defense, which revealed more than 100 Chinese students associated with blacklisted entities (military, intelligence, etc.) conducting research at four universities in the Washington, D.C. area, each with dozens of DoD research grants.

Not all of this campaign is clandestine. In fact, an overwhelming majority of it occurs right out in the open, in the form of fundamental research collaboration.

Currently, there is no clear restriction, even on DoD fundamental research, involving U.S. researchers who concurrently collaborate on fundamental research projects with PLA-affiliated entities.

One no brainer, reflected in language in the House-passed NDAA, is to restrict DoD-funded research collaborations, including in fundamental research, with institutions that we know are affiliated with the PLA.

Earlier this summer, the Select Committee initiated an investigation into TBSI, UC Berkeley's joint institute with Tsinghua University and the Shenzhen government in China.

TBSI has collaborated with PLA-linked universities, companies on the Commerce Department's Entity List sit on its advisory board, its alumni have gone on to work at PLA-linked institutions, and it has supported research that could be leveraged by the PRC for military and intelligence purposes.

No American university should help the CCP develop or acquire technologies that strengthen the CCP's techno-totalitarian surveillance state or the PRC's military or intelligence capabilities.

Which brings me to the third point. It's not just the intellectual capital from our universities that's aiding China's military modernization, it's also our universities' capital capital.

Should your endowments be paying for China's aircraft carriers or underwriting the Chinese Communist Party's genocide against the Uyghur people?

These aren't hypothetical questions.

Earlier this summer, Ranking Member Krishnamoorthi and I launched investigations into major U.S. investment companies and venture capital firms for funding Chinese companies that the

U.S. government has blacklisted because of national security concerns or human rights abuses. Your endowments, and even the Federal government's own Thrift Savings Plan, have become financial backers of the CCP

U.S. venture capital firms, fueled by university endowments, financed the development of the PRC's leading semiconductor, AI, and facial recognition companies – all of which have become tools of military aggression and ethnic repression by the CCP.

Financial giants such as MSCI, BlackRock, and Sequoia funnel U.S. money to companies that produce the CCP's military aircraft, its aircraft carriers, its aerospace technology, its artillery shells and even its advanced nuclear technology.

We are quite literally funding our own potential destruction — and it needs to stop.

We can't allow tax-advantaged entities like endowments, foundations, and retirement plans to fund Chinese military technologies that may be targeting American servicemembers as we speak.

We're going to work to restrict these entities from investing in anything associated with Chinese military modernization, human rights abuses, or techno-totalitarian surveillance state.

If you're an endowment manager, I would think very hard about your fiduciary obligations - if you're thinking about entering these problematic Chinese investments now, how are you going to exit them? During the lifespan of those investments, I promise you Congress is going to act.

And we're not just concerned about intellectual capital and endowment capital going to China.

We also want to make sure we understand the money coming in from China and what it buys.

We need to ensure that Section 117 of the Higher Education Act, which requires universities to disclose foreign money, is enforced.

American universities have reported receiving more than \$1 billion in donations from China since 2013, but that figure is likely a vast understatement as universities routinely fail to report foreign money, and the PRC increasingly uses American 501c(3)s to avoid detection.

Section 117 is the law of this country, even if the current administration is not making this a priority, Congress will. U.S. universities must be transparent about financial ties with adversary regimes.

A Uyghur scholar named Rayhan Asat told Propublica that at US universities, “It is easier to take a stance against the United States than against China ... They are self-censoring themselves in order to recruit Chinese students for economic benefit.”

Earlier this year, I went with Representative Ritchie Torres to Columbia University to talk to Chinese students from across the country about their experiences with transnational repression.

We spoke with a young Columbia student, I’ll call her V and I’ve thought about her story a lot since.

Imagine you’re a young student like V in China. You’ve worked hard your entire life and earned admission to a top American university. Your parents and maybe other relatives have scrimped and saved to afford the astronomic tuition.

You’ve heard rumors about the freedoms people enjoy in the United States. You can’t wait to learn in an open environment, to see democracy up close. You have opinions you’ve had to keep bottled up your whole life that are just waiting to burst out. Finally you arrive. You’ve left China behind. So you thought. But on campus, you quickly learn you haven’t left China at all. You’re tracked. Surveilled.

Last November, the White Paper Protests against the CCP’s tyrannical Zero COVID lockdowns rocked China. They were the largest pro-freedom demonstrations in China since Tiananmen Square, and they spread to American university campuses, including Columbia.

One of V's friends on campus took part in the protest and was beaten by a Chinese man who was never found. We were told the university administration did little or nothing to help.

But that didn't stop her. She went on to help found a White Paper Society on campus, an underground group dedicated to making sure pro-freedom voices could be heard on Columbia's campus rife with repression.

I wish the whole country could have heard V's brave story. We need more students like her, not fewer, and we need to protect them. We cannot allow foreign students to be attacked, on American soil, for believing in — and exercising — fundamentally American values. To be worthy of V's faith in us, we need to uphold those values ourselves.