Lawfare Hearing Opening Remarks

Chairman John Moolenaar – as prepared for delivery

9.19.24

In China, there is no justice. There are no rights. There is no free speech. There is no rule of law. Anything said or done that goes against the wishes of the Chinese Communist Party, whether that be a mention of Tiananmen Square or an ethnic minority simply trying to survive, can be squashed by the CCP with no due process. General Secretary Xi Jinping has said the judicial and law enforcement departments should <u>"uphold the absolute leadership"</u> of the Chinese Communist Party. Suspected criminals who end up in court are found guilty <u>99% of the time</u>. China is an authoritarian country with an authoritarian judicial system to match.

By contrast, America's democratic governance and the rule of law is upheld in our judicial system. We believe that all people, no matter their birth or creed, have the God-given rights of freedom of speech, freedom of expression, and the right to pursue happiness. Our courts reflect our fundamental respect for freedom and rule of law. As our Founders believed, government should secure the rights of the people, rather than functioning as a tool in the arsenal of those at the top.

Our liberties terrify the CCP. This is because the Chinese people that the Party rules with an iron grip could look at our freedoms and demand them for themselves.

So the Chinese Communist Party that has already squashed freedom at home now seeks to export its authoritarian model of control across the globe. It is now trying to exploit the American legal system. This hearing will expose this emerging trend and help chart a path forward to stop it.

Over the last year, the Select Committee has noticed an alarming trend. Researchers, business owners, and academics who expose the truth about a Chinese company- whether it be the Party's theft of genomic data, forced labor, or malign trade practices- have suddenly found themselves slapped with frivolous lawsuits.

Whether the charge is defamation or libel- it's all the same. American citizens and institutions are suddenly faced with the enormous burden of fending off large Chinese companies, their sham complaints, and their army of attorneys funded by seemingly unlimited budgets. All mobilized in an attempt to intimidate the authors into silence. Chinese companies also refuse to comply with valid court judgments, use bankruptcy proceedings to steal national security tech, and use the Patent Trial and Appeal Board to thwart the innovation of American businesses.

These Chinese Companies are not independent actors. Every company in China is subject to control by the CCP and the Party's "national security" laws. That means that any company operating in China has to do the bidding of the CCP when asked. So, when the researchers reveal the truth about the unethical practices of Chinese companies, they face the wrath of the Chinese Communist Party and all the money and coercive power that comes along with it.

These defendants are faced with a choice: be silent and back down against the CCP's pressure campaign or continue to tell the truth and face the tremendous reputational and financial costs of these lawsuits alone.

One of our witnesses here today has chosen to speak out. Ms. Anna Puglisi has exposed the truly evil work of Beijing Genomics Institute or BGI and has authored several reports on China's use of state power to manipulate markets and dominate industries.

In June 2024, Anna received a cease-and-desist letter from BGI, threatening legal action against her if she did not take down her research about the company, which it alleged to be false and defamatory.

Rather than kowtowing, Anna has bravely decided to fight back and speak out here today for the first time. Anna, we're honored to have you here today and we are so impressed by your commitment to the truth.

Our other two witnesses, Jamil Jaffer, Founder and Executive Director of the National Security Institute, and Dr. Jill Goldenziel, a Professor at the National Defense University, are both experts in their own right on this issue and can speak on China's strategy to subvert the rule of law in the United States and abroad. We are thrilled to have you both.

Today's hearing will demonstrate how the Chinese Communist Party uses the American legal system to silence those who might expose them in America. This is lawfare, plain and simple. And it needs to be stopped. The Select Committee stands with those who have experienced these intimidation tactics and I look forward to hearing from our witnesses on how Congress can take this issue on.