As prepared for delivery.

Good afternoon. This is a hearing of the Congressional-Executive Commission on China. The title of this hearing is “The Broken Promises of China’s WTO Accession: Reprioritizing Human Rights.”

We will have two panels testifying today. The first panel will feature House Democratic Leader Nancy Pelosi and former Member of Congress Frank Wolf.

The second panel will include: Michael R. Wessel President of The Wessel Group & a Commissioner on the U.S.-China Economic and Security Review Commission; James Mann, author of The China Fantasy and several other books on China and U.S. foreign policy; Jeff Gillis, Husband of American businesswoman Sandy Phan-Gillis, detained in China for the past two years and Sophie Richardson, China Director at Human Rights Watch.

Thank you all for being here to discuss an issue that I believe has growing significance not simply in terms of our economy, and our national security but also in terms of the principles that animate our foreign policy.

Last October when the CECC released its flagship Annual Report, we noted that December 2016 would mark 15 years since China’s accession to the WTO. In fact this Commission was created in connection with debate surrounding whether or not to grant China Permanent Normal Trade Relations (PNTR), in response to concerns by many Members of Congress that granting PNTR would deprive Congress of a legislative mechanism to examine and debate China’s human rights record every year.

At that time proponents of normalized trade relations with the Chinese government argued that increased trade and economic growth would result in greater political liberalization, improvements in human rights and the expansion of rule of law.

Some stalwart supporters of human rights, including His Holiness the Dalai Lama, were among those who saw the merits to this approach. In a May 2000 interview with
Reuters, he said, in reference to China’s WTO entry, “I have always stressed that China should not be isolated. China must be brought into the mainstream of the world community.”

Other advocates for WTO entry, and PNTR were found in more traditional spheres—namely the business community. Their arguments for passage of PNTR were naturally economically oriented, though interestingly, as one of our witnesses Jim Mann notes in his prepared testimony, rarely did advocates for PNTR—be they in the business community or political leaders—feel comfortable making the case on economics alone.

Against this backdrop—despite the brutality that the world witnessed at Tiananmen Square—the notion that increased trade and investment would necessarily bring about greater political openness took root. Republican and Democrat administrations alike embraced this premise. It has been a bedrock of U.S.-China relations for the last three decades.

And it has proven to be utterly false.

Without question, China has experienced vast economic growth—now the second largest economy in the world. Chinese government officials rarely miss an opportunity to tout how many of China’s citizens have been lifted out of extreme poverty as a result of this rapid economic growth.

China is the largest provider of U.S. imports and one of the largest markets for U.S. exports. It also owns a sizeable portion of U.S. debt and contributes significantly to the U.S. global trade deficit.

But, this growth, which has resulted in a much richer ruling Communist elite, has not been accompanied by greater human rights protections or the rule of law. Quite the opposite.

Instead we see a China today that is more repressive and less free than it was at the time of WTO accession.

Human rights lawyers are rounded up with impunity, reports of torture are rampant.

Labor activists and women’s rights advocates are arbitrarily detained; televised, coerced confessions are on the rise.

Chinese citizens who desire to peacefully worship and live out their faith are viewed with suspicion and face increasing repression as documented in a Freedom House report released just yesterday which found that “Combining both violent and nonviolent methods, the (Communist) Party’s policies are designed to curb the rapid growth of religious communities and eliminate certain beliefs and practices.”

This is true for Christians (Protestant and Catholic, Registered and Unregistered), Uyghur Muslims, Tibetan Buddhist and Falun Gong practitioners.
The Commission’s Annual Report outlines the deteriorating trajectory for human rights and rule of law in China in painstaking detail. And, a cursory glance at the Commission’s Political Prisoner Database reveals the very real human toll of this repression.

So too, China is emboldened in its extraterritorial reach. It is chipping away at the autonomy guaranteed Hong Kong. It is collaborating and colluding with other authoritarian states about how best to stifle independent civil society.

It has engaged in brazen cyberattacks on the U.S. government and U.S. commercial interests. Intellectual property theft is rampant. It is arbitrarily detaining American citizens—we are very pleased to have with us today Mr. Jeff Gillis, the husband of one such American.

Meanwhile U.S. companies, including major household names, daily weigh the enticement of the Chinese market against staying true to their own core principles and missions. Do they curb speech to gain access? Do they curry favor with the authorities by sharing sensitive technology that can be employed by the Communist Party to further surveil and repress Chinese citizens?

Does a Hollywood producer self-censor before the Chinese censors have a chance to, in order to gain market access for a new film? Does an American university, home to a Chinese-government funded Confucius Institute, opt not to invite the Dalai Lama to speak at their campus for fear of losing financial support?

I’m afraid we know the answers to many of these questions and they point less toward a changed China and more toward a changed America.

What I hope today’s hearing will make clear is that if you care about China honoring its trade agreements, then you must care about the imprisoned rights lawyer seeking to foster rule of law within China. If you care about intellectual property theft, then you must care about the American businesswoman arbitrarily detained in China. If you care about China being a responsible stakeholder, then you must care about the Catholic priest in China fearfully administering the sacraments this Ash Wednesday.

Much remains unknown about what type of foreign policy the new administration will pursue. President Trump’s statements before taking office tended to focus more on the trade dimension of the relationship.

Just yesterday, Secretary of State Tillerson met with Chinese State Councilor Yang Jiechi. The State Department’s read out of the meeting underscored that the two discussed “maintaining a mutually beneficial economic relationship between the two largest economies” but included no mention of human rights concerns, no names of political prisoners.
I hope today’s hearing will underscore that any policy toward China that does not prioritize human rights and rule of law is shortsighted at best.

Not only is there a moral imperative to prioritize these issues in our bilateral engagement with China, there is a strategic imperative. No nation that fears its own citizens and daily tramples on their most fundamental rights can reasonably be expected to be a responsible global stakeholder that abides by its international commitments and obligations.

With that, let’s turn to our first panel.

Leader Pelosi and Congressman Wolf represent the left/right coalition that existed in Congress and among civil society organizations in opposition to granting China PNTR. A liberal Democrat from California and a conservative Republican from Virginia were united in their belief that it was a strategic misstep and morally indefensible to delink China’s egregious human rights abuses from America’s trade policy. They are a tangible reminder of the bipartisan nature of these issues, which is part of the DNA of this Commission and they are also a powerful reminder of the important role that Congress has to play in shaping U.S. foreign policy.