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All Roads Leading to Beijing? The CCP's Global Development Offensive

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Chairman Moolenaar, Ranking Member Krishnamoorthi, and distinguished members of the Select Committee:

It is a privilege for me to submit this testimony about the Chinese Communist Party’s (CCP) global ambitions and its development offensive. Through efforts like the Belt and Road Initiative (BRI), the CCP is seeking to make the world safe for tyranny and unsafe for liberty. Countering Beijing’s efforts will entail more than reactive policies to offer alternative development deals to third party nations.

Washington policymakers must go on the offensive, identify the weak nodes of Beijing’s foreign policy, and exploit them. Only through persistent dedication to implementing and testing competitive strategies will the United States gain the upper hand against the People’s Republic of China (PRC) in this new cold war.

THE BELT AND ROAD INITIATIVE

In September 2013, Xi Jinping launched his gambit to change the world. The Belt and Road Initiative (BRI) has grown from a Eurasian venture into a global undertaking. What started as a land and sea project has expanded to include the Digital Silk Road, the Polar Silk Road, the Health Silk Road, and several other iterations. The projects have likewise spanned from infrastructure and port construction to telecommunications technology and personal protective equipment—the vast majority of which are underwritten by Chinese-backed loans. The BRI has spawned film festivals, diplomatic summits, and business conferences covering all aspects of Xi’s five-point outline: policy coordination, transit infrastructure, unimpeded trade, use of local currencies, and people-to-people exchanges.¹

At its core, the BRI is the CCP’s “great game” to shift the world’s economic orientation away from America and toward the PRC, much like imperial Britain and tsarist Russia maneuvered for control of Eurasia in the nineteenth century. In China’s case, however, their objective exceeds a single continent. To the CCP, winning means exerting political dominance across the entire globe.

In many ways, Beijing has made great strides. Of the world’s 195 countries, roughly 150 of them have signed BRI memoranda of understanding with the PRC (see Map 1). Even so, Xi is running out of time to pull off his master plan, as China’s demographics sour and its economic growth slows. In 2022, China’s government reported a population decline, a trend the United Nations has forecasted to continue until at least 2100.² Corresponding economic woes are calling into question the long-accepted conventional wisdom that China would eventually surpass the United States economically.³ Of course, these assumptions are just that. Whether the CCP’s striving for greatness amounts to a sprint or a marathon, the party is not going anywhere, and neither is the BRI.

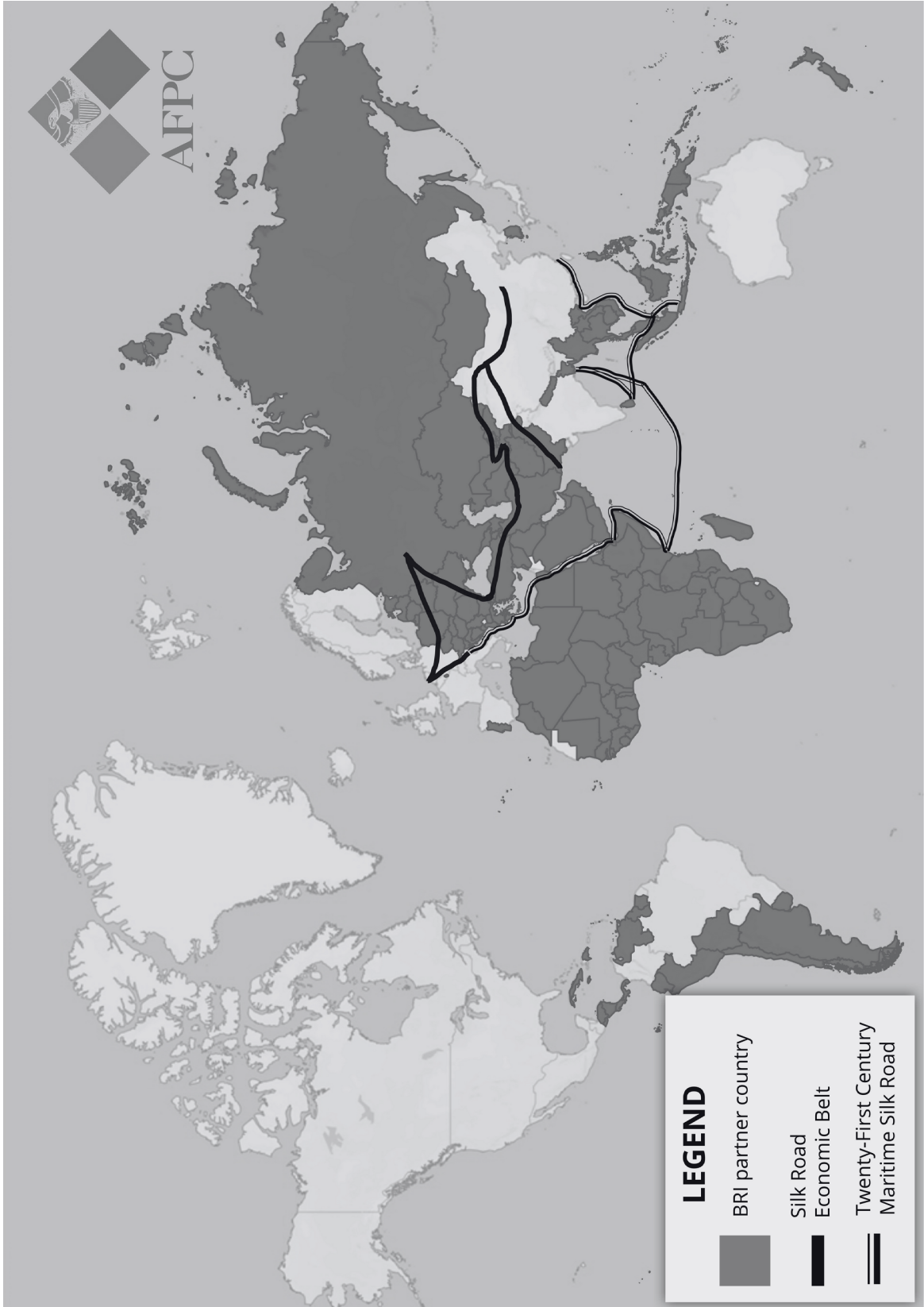
1. Xi Jinping, “Work Together to Build the Silk Road Economic Belt,” *The Governance of China* (Beijing: Foreign Languages Press, 2014), 317.

2. Laura Silver and Christine Huang, “Key Facts About China’s Declining Population,” Pew Research Center, December 5, 2022, <https://www.pewresearch.org/short-reads/2022/12/05/key-facts-about-chinas-declining-population/>.

3. Jasmine Ng, “China Slowdown Means It May Never Overtake US Economy, Forecast Shows,” *Bloomberg*, September 5, 2023, <https://www.bloomberg.com/news/articles/2023-09-05/china-slowdown-means-it-may-never-overtake-us-economy-be-says#xj4y7vzkg>.



Map 1: The Belt and Road Initiative



Source: Michael Sobolik, *Countering China's Great Game: A Strategy for American Dominance* (Anapolis: Naval Institute Press, 2024).



At its core, the BRI is not an economic venture. It is a geopolitical gambit. China's slowing economy is largely responsible for the reduced pace of BRI projects, true enough. But Xi's "project of the century" has entered its second phase: leveraging yesterday's investments for today's political and military ends. Xi Jinping will never do away with the Belt and Road Initiative because, on balance, it is strengthening Beijing's strategic position from Southeast Asia and the Pacific islands to Africa and Latin America.

The BRI is the apotheosis of the CCP's grand strategy. What America needs is a blueprint to counter it. Crafting such a blueprint will involve testing Beijing's red lines on its most sensitive issues and will inevitably lead the United States to two primary targets: Xinjiang, China's preeminent BRI hub; and the Great Firewall, the party's censorship mechanism and inspiration for the Digital Silk Road.

XINJIANG

Of the six BRI land routes currently envisioned and under construction, three pass through Xinjiang (see Map 2). The China-Pakistan Economic Corridor, the flagship \$62 billion project that provides China with land access to deep water ports in the Indian Ocean, originates in Kashgar and runs through Tashkurgan Tajik county, on China's border with Kashmir. The New Eurasian Land Bridge originates on China's east coast, but cuts across the XUAR before it passes through Kazakhstan and Central Asia on its way to Europe. Finally, the China--Central Asia--West Asia Economic Corridor originates in the XUAR and cuts westward across the continent before terminating in the Balkans.⁴

BRI's logic necessitates an integration of the entire Eurasian landmass. Shifting Europe's political orientation away from Washington is indeed a principal objective of the effort—one made significantly easier if the Middle East, West Asia, and Central Asia are tilting eastward as well. As Chinese state-controlled outlet Xinhua explained in 2014, Xinjiang "connects Pakistan, Mongolia, Russia, India and four other central Asian countries with a borderline extending 5,600 km, giving it easy access to the Eurasian heartland."⁵

Xi himself has telegraphed the XUAR's centrality to his foreign policy in word and deed. When China's helmsman announced the Silk Road Economic Belt—the BRI's terrestrial component—in 2013, he did so in Kazakhstan, just across the border from Xinjiang. Nine years later, Xi was even more blunt when he referred to the XUAR as a "hub" for Eurasian commerce.⁶ He made these comments while praising the Party's crackdown on Uyghurs. The CCP, long fearful of separatism and terrorism, seems to view the pacification of Xinjiang as a necessary condition for integrating Eurasia on its terms. Even if the toughest of existing U.S. sanctions—the effective import ban on all products produced with Uyghur slave labor—were fully and consistently enforced, the existing transportation infrastructure in Xinjiang would remain in place, commerce would continue to cross borders, and connected BRI

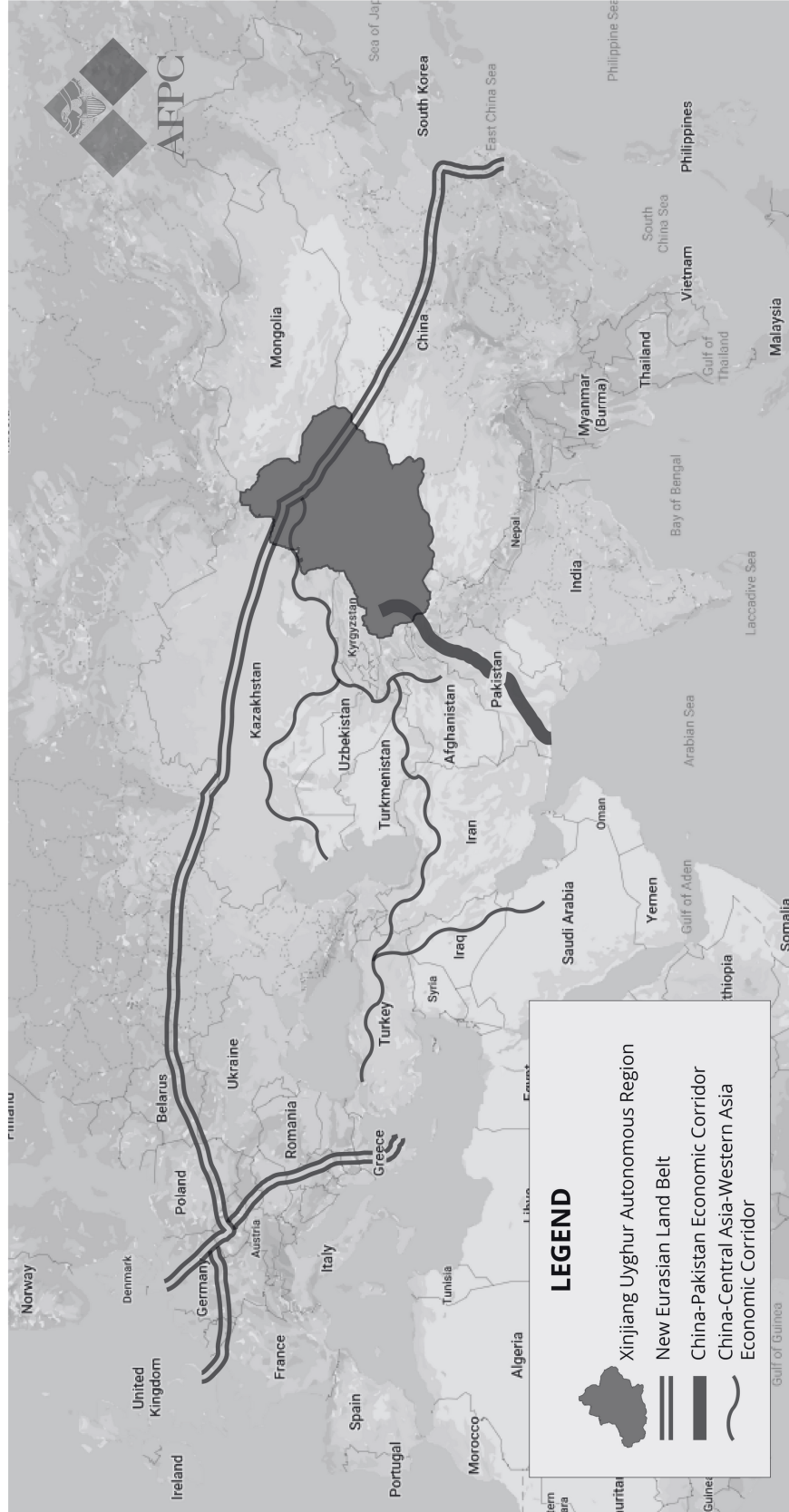
4. See Michael Sobolik, *Countering China's Great Game: A Strategy for American Dominance* (Anapolis: Naval Institute Press, 2024), 137-140.

5. "Xinjiang Aims for Financial Hub on Economic Belt," Xinhua, November 8, 2014, http://us.china-embassy.gov.cn/eng/zt/Xinjiang/201412/t20141202_4917317.htm.

6. Chris Buckley and Amy Qin, "China's Leader Visits Xinjiang for the First Time Since Imposing Crackdown," *New York Times*, July 15, 2022, <https://www.nytimes.com/2022/07/15/world/asia/china-xi-xinjiang.html>.



Map 2: *The BRI's Intersection with Genocide*



Source: Michael Sobolik, *Countering China's Great Game: A Strategy for American Dominance* (Anapolis: Naval Institute Press, 2024).



projects throughout the continent would continue to operate.

The slave labor dimension is ancillary to Xinjiang’s geographic potential. The CCP seems to view the pacification of Xinjiang as a necessary condition for integrating Eurasia on its terms. Geopolitics, not subsidized cotton production, is the *raison d’être* of the CCP’s campaign in Xinjiang.

If a regime feels compelled to commit genocide for its most important foreign policy priority to function properly, something has gone deeply wrong at a practical level. The Party is exposing itself to immense financial risk as it conducts high volumes of dollar-denominated trade through a region soaked in blood. Beijing certainly hopes to convert more of its trade into RMB to ease this financial risk, but that would not protect BRI partners in other countries that rely on the U.S. dollar.

If Washington is serious about targeting the party’s strategic logic, policymakers must account for this reality. Here, a clear opportunity exists, for the United States unquestionably has the power to punish China’s genocidal racket in Xinjiang. Doing so will require a unique category of sanctions, one powerful enough to strike a blow at the BRI’s roots.

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After the terrorist attacks of September 11th, 2001, the United States understood that protecting the homeland required more than eliminating terrorists. America needed to target the financial networks that bankrolled groups like Al-Qaeda. By their very nature, illicit networks are complex and adaptable. The trick was identifying choke points where the United States held leverage of some sort. It took barely a month for Republicans and Democrats to find it. On October 26th, President George W. Bush signed the Patriot Act into law to “give intelligence and law enforcement officials important new tools to fight a present danger.”⁷ While the Act is most well-known for its wiretapping and domestic surveillance provisions, it also gave the U.S. government tools to isolate and dismantle terrorist finance networks. The logic was simple: leverage the dollar’s reserve currency status to force banks to close the accounts of illicit actors.⁸

This gambit, codified in Section 311 of the Patriot Act, was a highly effective competitive strategy that Washington has used to great effect not only against terrorists, but also against nation-states like North Korea. The reason is simple. America has something the rest of the world wants and needs: a universally acknowledged global currency. As such, Washington has the ability to regulate how the dollar is used—or, in the case of terrorist financing, not used.

To be sure, adversaries like China, Russia, Iran, and North Korea all are keen to demolish the dollar’s dominance and clearing transactions with commodity swaps and digital currencies. Even so, the greenback’s demise appears to be a possibility instead of a problem. “To date,” according to the

7. George W. Bush, President Signs USA PATRIOT Act, October 26, 2001, <https://georgewbush-whitehouse.archives.gov/news/releases/2001/10/images/20011026-5.html#:~:text=President%20George%20W.,the%20President%20in%20his%20remarks>.

8. See Juan Zarate, *Treasury’s War: The Unleashing of a New Era of Financial Warfare* (New York: (PublicAffairs, 2013), p. 151.



Congressional Research Service in 2022, “there is no evidence of a shift away from the U.S. dollar as the dominant reserve currency.”⁹

When it comes to the Uyghur genocide, then, policymakers should consider leveraging its monetary advantage. Instead of merely blocking slave labor-produced goods from Xinjiang, Washington could sanction all commerce passing through the XUAR with the creation of a similar designation: a “jurisdiction of primary humanitarian concern.” Instead of targeting individuals or entities with visa restrictions and asset freezes, this sanction would mirror existing anti-money laundering provisions by restricting American banks from providing financial services to any entity facilitating or benefiting from commercial activity within a region of gross human rights violations.

This tool, if implemented and enforced throughout Xinjiang, could effectively sever half of the BRI in Eurasia from the international dollar-denominated banking system. The underlying objective is not to punish legitimate commercial activity, but rather to target trade that relies on—and exploits—persecuted and brutalized minorities. Much like laws prohibiting the importation of “blood diamonds,” this authority would stymie commerce that depends on, and is inextricably connected to, similar atrocities, such as forced sterilizations, population control, and systematic repression. In so doing, the United States could leverage its superior monetary position to exploit the CCP’s atrocities and strike a blow against the BRI.

INFORMATION

In the free world, information is viewed as a highly prized commodity, almost a currency unto itself. In modern China, however, information is radioactive material. If contained and channeled to state-sanctioned ends, it can achieve a great deal at low cost. If it seeps out, however, the Party risks radiation poisoning and, more broadly, the unpredictable fallout of public opinion.

Over a decade ago, senior CCP officials flagged these concerns in a notable memo colloquially titled “Document No. 9.” Five months before Xi announced the BRI, his henchmen were warning Party deputies against the corrupting influence of foreign ideas. The document lists seven “threats”: Western constitutional democracy, concepts like democracy and human rights, civil society, the private economy, Western journalism, criticism of the CCP’s history, and questioning CCP ideology. In its concluding paragraphs, the CCP General Office issued unambiguous marching orders: “We must not permit the dissemination of opinions that oppose the Party’s theory or political line, the publication of views contrary to decisions that represent the central leadership’s views, or the spread of political rumors that defame the image of the Party or the nation.” Practically, this requires total control over “public opinion on the Internet” with intent to “purify the environment of public opinion on the Internet.”¹⁰

Seen in this light, the Party’s considerable capability to control information begins to look less

9. Rebecca M. Nelson, and Martin A. Weiss, “The U.S. Dollar as the World’s Dominant Reserve Currency,” Congressional Research Service, September 15, 2022, <https://crsreports.congress.gov/product/pdf/IF/IF11707>.

10. “Document 9: A ChinaFile Translation,” *ChinaFile*, November 8, 2013, <https://www.chinafile.com/document-9-chinafile-translation>.



impressive. Beijing exports this technology abroad under the auspices of the Digital Silk Road not to increase the free flow of information, but to impede it. More specifically: to control it by censoring any and all information potentially damaging to the Party's domestic legitimacy within China. Americans witnessed this long-arm authoritarianism first-hand in 2018, when a social media employee at Marriott was fired for "liking" a tweet social media post from the Dalai Lama.¹¹ China exerted immense pressure on Marriott, and executives axed the worker.

As concerning as it is for an American company kowtowing to the demands of a foreign tyrannical government, the episode also revealed the incredible sensitivity of the CCP. It raises questions about the impact of China's search for legitimacy, and the lengths to which the party may go to secure it. When I asked Matt Pottinger, former deputy national security advisor, about the Great Firewall, he likened it to "a series of bricks" that could be dismantled. "Just like the Great Wall of China," Pottinger explained, "these things can be bypassed, undermined. People can break through, and people are doing that every day."¹²

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Unlike other conflict domains, cyber favors the offensive. Hacking is easier than fool-proofing. Whenever IT security experts talk about network resiliency, they assume that some level of penetration is inevitable. Nation-states and private actors can update coding regularly and improve malware detection, but they can never guarantee perfect protection. Cyber defense is a reactive game, one the CCP plays every day against its own people. The United States, however, appears to be disengaged and uninterested in exploiting this advantage. It is high time for America to enter that game—not merely in one-off cyber operations or espionage ploys, but as an offensive actor.

To be sure, the United States has a long track record of content production and dissemination in authoritarian states. Thanks to Voice of America and Radio Free Asia, America has been publishing and reporting in Mandarin for decades. The work of the Open Technology Fund has complemented these efforts by developing tactical workarounds to the Great Firewall, primarily in the form of virtual private networks (VPNs). This approach, however, puts the onus on the Chinese people. If they are caught evading party censors and consuming foreign media, they risk their own safety and wellbeing.

Of course, Washington should continue its efforts to reach the people of China, but it should also open up a new front: targeting their high-tech prison. The United States should begin finding ways to make the Great Firewall more costly and less effective. In an ironic twist, America would be turning the tables on one of Beijing's preferred tactics. Beijing's "Great Cannon," a counterpart to the Great Firewall, targets foreign websites the Party deems sensitive or troublesome with crippling cyberattacks.¹³ The West needs a "cannon" of its own to test the vulnerabilities of China's information

11. Wayne Ma, "Marriott Employee Roy Jones Hit 'Like.' Then China Got Mad," *Wall Street Journal*, March 3, 2018, <https://www.wsj.com/articles/marriott-employee-roy-jones-hit-like-then-china-got-mad-1520094910>.

12. Matt Pottinger, interview with Michael Sobolik, "Tearing Down the Great Firewall," *Great Power Podcast*, podcast audio, January 4, 2023, <https://podcasts.apple.com/us/podcast/great-power-podcast/id1593214289?i=1000592462741>.

13. Bill Marczak, Nicholas Weaver, Jakub Dalek, Roya Ensafi, David Fifield, Sarah McKune, Arn Rey, John Scott-Railton, Ron Deibert, and Vern Paxson, "China's Great Cannon," CitizenLab, April 10, 2015, <https://citizenlab.ca/2015/04/>



control. Targeting the system put the onus not on the Chinese people, but on the Chinese Communist Party. With this approach, CCP programmers instead of innocent PRC civilians would be on the hook for censorship failures.

Selecting targets must be done with care. Inserting malware in WeChat's and Baidu's code is categorically different from hacking the PRC's Ministry of Public Security, which oversees the Great Firewall. Then again, Chinese government-backed hackers have targeted American government agencies to great effect, most notably the Office of Personnel Management (OPM) hack in 2014.¹⁴ The following year, Xi Jinping promised Barack Obama Chinese commercial espionage would cease—a promise that China promptly broke.¹⁵ We, too, have items of interest inside the Middle Kingdom. Unlike the Party, however, our objective is not pilfering commercial secrets or personal information; the target is the system that concealed COVID-19, equips regimes around the world with high-tech straightjackets, and seeks to silence Americans. The United States is not out to steal code, but to insert it. Our objective is not to hide the truth, but to expose it—namely, the CCP's legitimacy problem with its own people.

AMERICA'S STRATEGIC OBJECTIVE

No doubt, some may balk at such brinksmanship as destabilizing and dangerous. Mindless hawkism, after all, is no less a betrayal of prudent statesmanship than pacifist appeasement. Even so, it is not incumbent on representative democracies like the United States to make allowances for the CCP's pathologies. Doing so would amount to strategic codependency. Nor is it America's responsibility to change China politically; only the Chinese people can do that. What Washington can do, however, is distract Beijing from its dangerous agenda, lull it into stagnation, and, hopefully, head off the CCP's rise.

[chinas-great-cannon/](#).

14. Ellen Nakashima, "Chinese Breach Data of 4 Million Federal Workers," *Washington Post*, June 4, 2015, https://www.washingtonpost.com/world/national-security/chinese-hackers-breach-federal-governments-personnel-office/2015/06/04/889c0e52-0af7-11e5-95fd-d580f1c5d44e_story.html#.

15. Eric Geller, "U.S., Allies Slam China for Brazen Cyberattacks as Trump Administration Indicts Hackers," *Politico*, December 20, 2018, <https://www.politico.com/story/2018/12/20/trump-administration-us-allies-condemn-china-for-brazen-cyberattacks-1070984>.



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Michael Sobolik joined AFPC as a Senior Fellow in Indo-Pacific Studies in September 2019. His work covers American and Chinese grand strategy, regional economic and security trends, America's alliance architecture in Asia, and human rights. Michael also hosts *Great Power Podcast*, AFPC's show about great power competition and U.S.-China relations. He is also the author of *Countering China's Great Game: A Strategy for American Dominance* (Naval Institute Press, 2024). Michael's analysis has appeared in the *Washington Post*, *Foreign Policy*, *Politico*, *Newsweek*, *National Review*, *Jane's Defence Weekly*, and *RealClearDefense*.

Prior to joining AFPC, Michael served as a Legislative Assistant in the United States Senate from 2014 to 2019. While in the Senate, Michael drafted legislation on China, Russia, India, Taiwan, North Korea, and Cambodia, as well as strategic systems and missile defense.

Michael is a graduate of Texas A&M University, where he studied political philosophy as an undergraduate. He also earned his Master of International Affairs degree in American grand strategy and U.S.-China relations at the Bush School of Government and Public Service.

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