

Center for Strategic and International Studies

## Online Event

# **“China’s Power: Up for Debate 2020 – Keynote Address by Rep. Rick Larsen”**

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FEATURING:

**Representative Rick Larsen (D-WA),**  
*Co-Chair, Bipartisan U.S.-China Working Group*

CSIS EXPERT:

**Bonnie S. Glaser,**  
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Bonnie S. Glaser: Welcome to the fifth and final debate of the 2020 China Power Debate Series. I'm Bonnie Glaser, director of the China Power Project at the Center for Strategic and International Studies. Thanks to all of you for joining us today virtually.

Before we begin our debate, we have a special guest joining us to talk about U.S.-China relations. I'm delighted to have with us Congressman Rick Larsen, who represents the 2nd Congressional District of Washington state and, importantly for this conversation, is the co-chair of the Bipartisan U.S.-China Working Group, which was created in 2005 to providing accurate information to members of Congress on critical issues pertaining to China and to provide a forum for discussion with Chinese officials and leaders. And in this capacity Congressman Larsen has really made a significant contribution to the understanding of China within Congress. He has frequently engaged with experts on China as well to discuss China's internal developments and its evolving approach to the world. And I admire his determination to help Congress understand China, and his dedication to protecting American interests and to promoting better understanding between our two countries.

So, we're going to start with some framing remarks from Congressman Larsen, and then I'll pose a few questions. If time allows, we'll take a few questions from our viewers. And if you want to submit a question, you can go to the CSIS page for this event and click on the "Ask Live Questions" button. So, with that, I would like to hear, Congressman Larsen, your perspectives on U.S.-China relations at this really challenging time for our country and so many people around the world.

Representative  
Rick Larsen:

Yeah. Thanks, Bonnie. And thanks to CSIS China Power for asking me to say a few words and take a few questions. I'm coming to you live from Everett, Washington today. It's early in the morning out here in Washington state.

And for your viewers who might be interested in a couple things unrelated, I am flying back later today. There does seem to be inklings of a deal on the omnibus spending bill to keep the government open and fund it through September 30th. And so, it sounds like we may be filing that package today with the House representatives voting Wednesday or Thursday, with the Senate following. And as well, Covid-19 negotiations continue. But I mean, we're nearly out of time, but there are only a few issues really left to consider. And I think just as – for people who are interested in the functioning of your federal government, I think that's important and I make that note to everybody.

I want to thank you for a chance to say a few words about this relationship, because it has evolved since 2005 when Mark Kirk and I started the U.S.-China Working Group in Congress. And we began that, as you noted, to help educate members of Congress about the relationship that exists between the United States and China. And one of the fundamental tenets of the U.S.-China Working Group is that we don't think there is one relationship between the U.S. and China. There's various relationships depending upon the issue. And over time, depending on the issue, things have gone well, and things have gone poorly.

I think right now, if you look at the general direction of the overall relationship it's not going very well at all. That's not breaking news, I'm sure, for anyone. But I do think it has an implication for the incoming administration and implications for Congress as well. One of the – one of the ways I've tried to categorize members of Congress – and, you know, this is my – this is my political science in me. You know, one day I want to

be a political scientist. So, finding ways to classify and categorize things is important. We've always talked about the, you know, hawk and dove metaphor when talking about how we approach national security and foreign policy.

And with regard to China, we had, you know, economic security hawks – those are the – kind of the trade protectionists, China's eating our lunch folks; national security hawks with concerns about military modernization and the – not just the rise of China economically but the rise of China militarily; and then human rights hawks, those members of Congress who focus a lot on issues like – these days like Hong Kong and Xinjiang. But that classification really isn't, I think, accurate – an accurate description or as helpful as looking at members of Congress and their approaches a different way. And so, I've got a different way to think about them: as punishers, decouplers, and salvagers.

That is, from a legislative perspective we've got, what, 300, 400 pieces of legislation introduced just this – in this 116th Congress on China where members of Congress are taking an approach to punish China. Think of sanctions on individuals as an example. So those are the – kind of the punishers.

Then there are the decouplers, looking at the economic relationship but trying to really sever that economic relationship.

And then the salvagers, which I would put me in that category and people like Darin LaHood, a Republican who's the co-chair of the U.S.-China Working Group, recognizing there's areas where we're going to conflict, where we're going to compete, but there are areas where we need to cooperate. And so, trying to salvage parts of that relationship in a way that keeps a process open to think about this relationship strategically.

And I think that's where we sit today, and I think that's what the administration – incoming administration needs to consider, that Congress has changed, the center of gravity on China has changed in Congress; and that as the Biden-Harris team approaches Congress for nomination fights or for even crafting legislation or crafting an approach, when they're talking to members of Congress keeping in mind that there is a – that center of gravity has changed, that there are folks who are punishers and decouplers, and salvagers as well. And so, I think it's going to be – it's going to prove to be an interesting time because the administration probably doesn't have a lot of time to get – you know, to accept this from Congress and adjust. So as we think about the Biden-Harris team and who they're putting in place in these positions, I think they need to be thinking about how they're going to approach members of Congress, how they're going to approach the Senate for confirmations, keeping this change in the center of gravity in mind.

Finally, I would note on two points – one point with two, an A and a B here. There are two areas where I don't think there's a lot of wiggle room from Congress.

One is on human rights. I've seen several pieces of legislation on Xinjiang pass. We've seen Congress taking a – the House and Senate taking a much stronger vocal and rhetorical stance on what's going on in Hong Kong with the national security law and its implementation. And many – not many, but several members of Congress, like myself, we've met some of these folks in Hong Kong who have been arrested and have had conversations with them in the past. We know them, the young and the old. And

so, I think that there's not a lot of wiggle room on the role of human rights and how we approach that from the U.S. perspective.

The second where I think there's not a lot of wiggle room is in the issue of technology. You know, folks have – not me; I won't claim this as mine, but I'll say it – some folks say we're not in a trade war with China, we're in a tech war. And I think from a congressional perspective, most members of Congress who follow this issue believe that's true. And so having an approach on technology, on technology transfers, on 5G investment, on the role of artificial intelligence and its uses, the development of algorithms and who gets their hands on those, the administration is going to really have to keep that issue really close at heart because I think in Congress we see technology and this fourth industrial revolution as a – as a(n) economic advantage that we don't want to lose. If we are losing it, we want to get it back. And so probably not a lot of wiggle room for the incoming administration on that either.

So those are some thoughts I'll toss out for you, Bonnie, and the good folks at – on the podcast and the webinar to think about and turn it back over to you.

Bonnie Glaser: Great, Congressman. Thanks so much for those really thoughtful remarks. I like your categorization of the different groups in Congress, and they reflect to some extent the broader constituencies and other communities that follow China.

But let me ask you whether you really think that there is a bipartisan consensus, at least on some issues. So many people who talk about views of China today in Congress do say there is now a bipartisan consensus, and not just in Congress but across other groupings, where there's a view that China is now seen as posing the biggest challenge to the United States, as you said technology seen as a central area of competition. And we know that in the Trump administration that the U.S.-China relationship was framed as one of strategic competition and China was labeled a rival. So, if there are areas of consensus in Congress, what do you see as those areas? And what are the key areas of difference?

Rep. Rick Larsen: Yeah. Well, I think that the – there's a variety of areas that cause levels of concern for members of Congress, and the approaches that we generally have taken have been areas where – steps that we've taken that don't really reflect an offense, but rather the United States getting defensive. I'm thinking of on technology. The administration's approach – the current administration's approach has been less about trying to, you know, beat China at its own game if you want to call it that or, you know, invest and get our own house in order if you want to call it that, the kinds of things that we can do to make the United States stronger relative to whatever China is doing on technology much less any other country is doing, so that we provide that other choice that – or another set of choices for others to make when it comes to 5G investment and the like.

What are we doing about being active on standards setting when these groups meet to set standards on technology? Are we being active, or do we have an offensive approach going into these meetings, well-laid-out plans working with our friends and allies to ensure that the U.S. ideas about transparency and openness, and as they translate into actual standards setting, is that getting reflected? And I think that's where we lack.

So it's not so much, you know – my main criticism is, really, not that there isn't a

consensus and that consensus has kind of changed the center of gravity to be more negative, it's that we haven't done – we haven't taken the action to look at things beyond just a relationship between the U.S. and China. Now, China doesn't necessarily look at the U.S.-China relationship as strictly its only relationship, as strictly a bilateral relationship and there's nothing else going on in the world. We've tended to look at the U.S.-China relationship as a bilateral and nothing else is going on in the world that impacts that. We need to do a better job – and this will sound like a broken record – a better job of addressing that consensus and bringing our friends and allies and partners in as part of that, and sometimes taking the lead from our friends and partners and allies as well.

So, I think that's where we should be headed. Again, I don't think that's going to be news to anyone, but I think that's a change that I'd like to see happen in the incoming administration.

Bonnie Glaser: You mentioned Hong Kong and human rights as being areas that will continue to receive attention from Congress, and we know that President-elect Biden during the campaign had some tough words to say on both of those issues. And in fact, his campaign did say that what is taking place in Xinjiang in these camps is genocide, and that goes beyond what the Trump administration has said. But the Trump administration did take many actions, particularly in Hong Kong, to change that relationship fundamentally and to try to punish people in Beijing who are responsible for essentially violating one country, two systems and not respecting the autonomy that promised to Hong Kong and, of course, actions taken on Xinjiang as well.

So, my question is: What more do you think can be done by Congress or the executive branch in the next administration to try and influence Chinese policies in that area? As you know, it's really hard to influence China's decision making on those particular issues. So, is there more that we could do and that we should do?

Rep. Rick Larsen: Yeah. Let me make two points before I answer that. Human rights is a long game. And standing up for human rights is a long game. And I think from a rhetorical perspective the U.S. is going to have to continue to show that leadership in Beijing that we are in for human rights for the long term. It's not going to be something that we turn on or off. And I – frankly, that's where Congress is, Democratic and Republican. It's very bipartisan. And so that's – so I hope the Biden team can continue with their – with the strong rhetoric on human rights.

The second is finding a way to – finding a way to operationalize that in the relationship. It may become an annoyance to – or an outright insult to the Beijing leadership. I don't think that members of Congress are going to care about that. And so the administration's going to have to make some – the incoming administration will have to make some decision about how strongly they want to continue to press this, because they will get pressure from Congress on finding ways to continue to address human rights in China.

You know, I guess a third thing I'd say – just one more thing – is that – I mean, I like how you framed the – you know, the administration – the Trump administration has really pressed on human rights. I would say, you know, we wouldn't have had to, right? We didn't make the choice to pass the National Security Law. We didn't make the choice to set up labor camps in Xinjiang or try to wipe out the Uighurs. We're not making those choices. The Chinese leadership is making those choices. And I think

we have more – I think the U.S. has more friends on this issue than China does. And we need to as well address this from a multilateral and collective perspective.

Bonnie Glaser: Recently the Trump administration did announce sanctions on 14 members of the National People's Congress Standing Committee, which includes asset freezes and travel bans. And this was taken in response to the ongoing crackdown in Hong Kong and, as you mentioned, the imposition of the national security laws. And of course, the NPC is Congress' counterpart organization. So, I wanted to ask specifically what you think of that action and whether you think that that will in any way affect your interactions with the Chinese going forward. And do you think this was an appropriate action? Is this this kind of thing we should be doing? Is it mostly symbolic, or do you think it's more than that?

Rep. Rick Larsen: Well, it's going to be mostly symbolic until the Chinese ban me from travel to China. That's much less symbolic. The only thing stopping me right now from traveling to China is COVID-19 and the issues around that. And you know, I was half-joking on that, but I think that the – if we're going to get to a point where the U.S. and China are in fact trying to work through this era where we're competing but there are areas where we need to cooperate, then banning travel among leaders – like those on the Standing Committee – probably isn't – well, it isn't a good idea, because these are the folks who we need to talk to them, they need to talk to us.

I know the NPC is a rubber stamp, but I do know that they're also communicators with others in the Chinese leadership. And, you know, they – we need to have the opportunity to tell them what we think. I always tell folks, it's – I've been to China 11 times. And a few of my colleagues criticized me for going that many times. But I tell them, it's like, you know, you get to stand outside the room and yell at China. I'm inside the room yelling at – yelling at the Chinese leaders who need to hear from us.

We're better off being in the room across the table – literally across the table from each other, being frank, and honest, and open in these discussions, than lobbing press releases or, you know, for me, reading China Daily to read what they, you know, really think of the United States. I'd rather be one-on-one or, you know, five-on-five, or however many folks we'd get over there to talk to them directly. And so, travel bans like this kind of get in the way of continuing those discussions and those debates.

Bonnie Glaser: I'll give you a question from one of our viewers, Soray Harasan from Marubeni America Corporation, asks: How does Congress generally frame the U.S.-China competition? Is it Cold War 2.0, with the resulting end state producing a winner and a loser? Or is it about finding a sustainable state of coexistence? So, as you've said, there are multiple views in Congress, but how would you respond to that question?

Rep. Rick Larsen: Yeah. Thanks. Generally, I don't sense that Congress – you know, as a collective group – we don't – we don't categorize it as Cold War 2.0. I think it's – some of your viewers may not understand this reference, but a few years back on the Halloween episode of Saturday Night Lives Tom Hanks played this character called David S. Pumpkins. And it was quite a cultural – swept the cultural milieu here in the United States for a couple of – a couple of weeks. And he said – at one point in the skit he goes: I'm my own thing. And I think that's probably the way to describe this U.S.-China relationship. It's its own thing. It's not a Cold War 2.0. It has its own dynamics. Obviously, the leaders are very different as well.

There is a level of competition to it, but I think with a country – with two countries that are so integrated to each other and two countries that are so integrated in the global economy, just to start, that it really doesn't lend itself to the Cold War 2.0. So I think – I would just say it's its own thing without getting too far into trying to describe it – exactly how to characterize it. I know what – I know what it isn't. But trying to define what it is these days – it's not going well. That's enough.

Bonnie Glaser: So, we have a question from Charles Kimball from the Korea Center for International Finance. And he wants to know whether you can address the issue of China's growing role in Latin America and what the U.S. is doing to counter it and expand our influence. Is that something that you personally, your office, or other members of Congress are paying attention to?

Rep. Rick Larsen: Yeah. Other members are paying attention to that. I obviously do track that, but I think they're going to see with our incoming chair of the Foreign Affairs Committee, Gregory Meeks from New York City, he's the incoming chair. And he has talked about the U.S. role in Latin America, more as a partner than anything, and trying to ensure that we up our game there. And this gets into the broader question too of the Belt and Road Initiative, and whether the United States or U.S. and its allies and partners have an alternative – not a one-for-one dollar alternative to the BRI. I don't think that's going to be possible. But we don't need that as much as we need to have a plan to – a plan to have presence, a plan to be there. And this would apply to countries in Africa. It would apply to regions like Latin America as well.

And we've put some pieces in place. We need to fund those pieces. You know, we had the export import bank. We've changed OPIC, the Overseas Private Investment Corporation, through legislation recently to create a – through, actually, some of the help from some of your colleagues at CSIS as well. So, I think it's a matter of upping our game so that the U.S. is seen as being more of a partner.

Our challenge is we don't run U.S. incorporated. And I think that's a big challenge to counter the BRI, because China as a country, as a government, its policy – it's basically taken its industrial policy and trying to, you know, export that model a little bit. But we don't do that. We actually – you know, we use – you know, the private-investment markets usually lead on investment for – in the United States. And we want to use that model. But the U.S. government can be a facilitator and enabler of companies, and we need to do a better job on that. So that's how we're thinking about that.

Bonnie Glaser: So one last question from Colin Cho from the University of Malaya. The race for technological edge, especially in the spheres of quantum and 5G and AI, has been increasingly putting the U.S. and its superiority – I don't know if that's the right word, but our edge in these areas under tremendous challenge and pressure.

So, what is the U.S. doing? What should we do to ensure that the advantage, basically, is still in the direction of the United States? And I would add to that question, since you just referred to industrial strategies, do you think that we should be developing more in the United States? Is this the right response to compete with China's industrial policies?

Rep. Rick Larsen: Yeah, thanks. I think the first thing is we just need to declare that we're going to lead. And we need to set those aggressive goals. For instance, I think about the Chinese

leadership officially says, you know, they want to lead in AI, be the world leader in AI in 2030. And our response in the United States has been to, you know, pull our hair out.

I think our response ought to be to say, fine, well, you'll be behind us because we're going to be leading by 2029. All right, we should just set the goals and start doing these things, taking the actions we need to take to continue our technological edge.

The national defense bill, which we passed in the House and the Senate over the last week – the president has said he's going to veto it over unrelated issues. If he does, we will override it. And that national defense bill has the CHIPS Act in it. The CHIPS Act is a separate piece of legislation folded into the defense bill that makes a serious United States investment in semiconductors, which is a foundational technology for a lot of what has to happen to maintain a lead in technology. So, we're taking action there.

I have legislation – actually, it's law now – where we're expanding the education in the Defense Department about AI, what artificial intelligence is, what it isn't. We're not trying to create 2.2 million coders as much as we're just trying to be sure that we have a model where we're educating people. What is AI? Why is it important? And this is a model based on what Finland has done.

So, there are big things we need to do. There are little things we need to do. But we are not going to, as some have suggested – even in the United States, surprisingly – have suggested that the U.S. ought to just nationalize some of this stuff. You know, I'm a Democrat, but I'm a capitalist. We're not going to be nationalizing large parts of our economy. We are going to do it the way we've always done it. There are opportunities to work with likeminded partners, likeminded allies, who support transparency and openness in markets as a different model. But we need to get started on that because that race has already started.

Bonnie Glaser: That's great. I really appreciate all of your really thoughtful remarks and the hard work that you are doing in Congress for America, and hopefully to help us manage the U.S.-China relationship going forward.

We do have a few other questions, but I'm afraid that we have run out of time. And I know that you have work that you have to get to.

Rep. Rick Larsen: Yeah.

Bonnie Glaser: So, thank you so much, Congressman Larsen, for joining us today for the last session of the 2020 China power debates.

Rep. Rick Larsen: Thank you very much, Bonnie. And thank you to everyone at CSIS; appreciate it. Happy holidays.

Bonnie Glaser: Happy holidays to you, too.