

Mr. Chairman, I appreciate the opportunity to speak today on US policy on China. I believe it's one of the more important questions facing our country today.

I loved the serving as US Ambassador to China. One of the most rewarding jobs I've been honored to have.

I won't rehash all the relevant points in the relationship. China's amazing rise and the points of tension we are dealing with. Instead, I'll offer some suggestions.

I think it's important for Americans to be aware of what I call the American exceptionalism trap where we assume that if we keep working with another country, in this case China, American exceptionalism will prevail. They'll be more like us and differences will be manageable. It's an assumption I think we need to examine.

Although China and the US both strive to enhance the well-being of their people in profound ways our two countries are very different.

We Americans pride ourselves on our western Judeo-Christian values and democracy. On our democratic elections. Our constitution. Our bill of individual rights. Freedom of speech and press. Separation of powers where power is spread among three different branches. Our independent judiciary free from influence by the government.

We're proud people. We're Americans. We have the world's best form of government. We've kept the peace since WWII. We lead. We help forge disputes between countries upholding our values and our approach to government. We think, no, we assume that our way is best and with patience and perseverance others will see that, too. They'll agree with us.

China has another view. China is just as proud if not more so than we Americans. After all it has had thousands of years of history. Its Middle Kingdom was the center of the universe up until the last two centuries when China was invaded and controlled by Japan, US, UK, France. Otherwise known as the two hundred years of humiliation. They now see their rightful place in world history returning.

China is authoritarian. It has one party rule. There are no elections. Very weak independent judiciary. Little free speech or rule of law. Instead, the party is everything. The party sees its role as taking care of the people. So long as they can keep people happy with rising incomes, addressing air and water pollution, food safety and health care, they believe they will indefinitely stay in power. It's the Faustian bargain that both the people and the party have upheld since they came into power in 1949. We take care of you and you don't question our legitimacy.

At the recent 19th party congress, the party strengthened its reach in virtually every area of society. China believes that a

very strong party is necessary not only to maintain control but necessary to grow and develop their country. The party is everything.

I'll never forget President Obama and President Xi explaining each country's role in November 2014. President Obama explained that human rights is absolutely fundamental to our democracy. It's in our DNA as well as our constitution. President Xi explained that the party is absolutely fundamental to their government. The party is everything and it is the duty of the party to care for the people trumping human rights.

It's not too simplistic to note that whereas we Americans believe in fairness and dispute resolution procedures enshrined in our constitution and laws, China, without those protections, is more results oriented.

While the United States tends to be ad hoc in its foreign policy decisions, China takes the long view. It has a vision. China is patient. China's One Belt One Road, it's Asian Infrastructure Investment Bank, it's Free Trade Agreements with countries it wants to do business with are all examples of China's vision to turn itself into a major or not the major economic power in the world.

This long view enables them to take small steps at a time. South China island building is reminiscent of its board game, Weiqi, taking one small step at a time so no one notices until the game is over.

China is opportunistic. They saw an opportunity when we pressed for an agreement on Climate Change, enabling them to pour immense resources into renewables such as solar and wind power at the expense of our solar and wind industries.

They saw another when Eric Snowden revealed US espionage efforts, enabling them to pass national security statues under the pretext of protecting their security interests but also allowing for discrimination against our foreign technology.

China is very different from the United States. We each have interests and different philosophies of government. Neither, at least in the indeterminate future, will persuade the other that it's better. We're different. We must understand and respect that.

So, what do we do? What should our US policy be with regard to China.

First, I urge each of you to go there. See China. Develop personal relationships. 80% of life is showing up. Load up a 747 with members of congress, the executive branch, some businessmen, NGO's and the media and fly to China. For at least two weeks. Visit as many provinces as you can. Talk to party secretaries and leaders as well as to the cab drivers. Then go back at least once a year. After a while you'll start to learn about China and develop personal relationships. You need to

see it for yourselves to properly understand the scale and magnitude of China's rise in the last 40 plus years.

I know that sounds fanciful, but if that plane were to take off I guarantee you'd see productive results.

Second, the US must develop a strategy. A strategic plan. One that defines our long-term interests. Provisions that show how we will execute it. China has a plan. We need one, too.

The plan should include US engagement not withdrawal in the region.

The most important geopolitical matter to cross my desk while I was in Beijing was the Trans Pacific Partnership. It was so important that I took it upon myself to fly to DC two months before the election to explain its importance to members of congress, both sides of the aisle and both parties.

Many SE Asian ambassadors pleaded with me to stay in the agreement so that they could play China off against the US.

Singapore icon, Li Quan Yew, personally urged president Obama to join TPP when they met in 2009 saying that otherwise the US would cede trade to China.

It was a huge mistake for the United States to pull out. Economically and geo-politically.

It's no wonder that the remaining TPP countries are going ahead without the United States.

Third, after we develop a plan, a course of action for the region the US must press its views and stand up to China when their actions are against our interests.

The Chinese understand and respect strength better than any other people I know. They can sense weakness better, too.

We did stand up and protect our interests at least several times while I served. Two involved our national security. One our economic interests.

It was with great frustration that we watched China dump sand on submerged reefs in the South China Sea converting them into features which they called islands.

During President Xi's visit to the US in March of last year President Obama in a very small group privately told President Xi that it would be a mistake for China to invade a specific South China Sea island. It worked. China didn't occupy it. We stood up.

Another time, when the US threatened sanctions on China over Chinese hacking of the Office of Personnel files, China quickly

sent over their top party national security official to negotiate a settlement with the US.

There are other examples I could mention if we had more time.

Standing up to China or having self-respect means being candid and speaking truth to power.

When I first arrived in China I would listen to the official across the table read his or her prepared talking points verbatim. The interpreter and everyone on his or her side of the table would be reading the same points.

After a few months of this formality I decided this was a waste of time. So, I interrupted him or her mid-sentence. Broke right in. Could you give me an example, or explain that more fully? I would ask. They liked it. It was more honest, more real.

I would also often ask the Thucydides Trap question. Your GDP will double in ten years, your military spending in six, I would say. The trend line shows that your economy will exceed that of the US in ten years. What are we to think? I'd ask. What are your intentions? In fact, deeds are more important than words, I'd remind them. What actions or deeds can you point to that show you want to work with US?

I thought it was important to speak truth to power. Speak honestly, directly. Not with an edge or condescension but constructively. It was the basic question that had to be asked.

They just listened. They never answered or addressed the question.

I asked it so often that soon President Xi Jinping raised it at a meeting with a cabinet secretary saying there's no trap. Later President Obama raised it with President Xi at a summit in 2015, also saying the trap isn't real.

My view is that we have to constantly keep asking that question both for China and for ourselves to better assure the trap doesn't spring shut.

That's my prescription. First, Go to China. Often. Second, develop a long range strategic plan. Third, be strong with China in the best sense of the term. Show there will be consequences if they take actions that are not in our best interest. It'll better assure that we'll find agreed upon solutions.

It's the best way to avoid the Thucydides Trap for the well-being of the peoples in both our countries.

