



# EXECUTIVE SUMMARY **CHINA & THE RISK TO OUR DAILY LIVES**

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# HISTORY

1. The Chinese Communist Party (CCP) has governed the People's Republic of China since 1949, following the Chinese Civil War. In which the Communists, led by Mao Zedong, defeated the Nationalists.
2. The United States formally recognized the CCP as China's rightful government when President Jimmy Carter established diplomatic relations in 1979.
3. China's influence in the United States has been bolstered since the reign of President Xi Jinping began in 2013. The authoritarian leader has worked to strengthen state control, accelerate long-standing military and economic goals, and abolish term limits.

# FRAMING THE ISSUE

1. China has the world's second-largest economy, with a GDP of approximately \$16.1 trillion, while the US has the world's largest economy, with a GDP of roughly \$21.4 trillion. (Source: World Bank, 2022)
2. The Chinese government holds 384,000 acres of U.S. farmland, more than twice the size of Chicago and less than 1% of total foreign-held acres.
3. According to the FBI, "The annual cost to the U.S. economy of counterfeit goods, pirated software, and theft of trade secrets is between \$225 billion and \$600 billion."
4. China is the world's largest manufacturer, dominating the supply chain in rare earths and certain military defense products but also in a range of household products like dishwasher parts and laptop computers. A State Department-funded report found that China is leading in the development of 37 of 44 critical technologies like nuclear energy and advanced aircraft engines.
5. According to the FBI, "The Chinese government is like a giant company that's posing as a country, and they're fighting this economic war, and they're using all of the tools at a nation's disposal... to compete against US companies that are limited to traditional business tools."
6. China owns \$981 billion of U.S. debt and is the world's largest creditor, loaning \$1.5 trillion to 150+ countries. As mistrust continues to brew between China and the U.S., talk of "decoupling" grows. While for the U.S., decoupling involves discouraging imports to protect U.S. jobs and infrastructure, decoupling for China would be a way for the country to leverage its independence for advancement on the global stage.

# CHALLENGES & AREAS FOR REFORM

1. China's economy is slowing. The economic growth rate fell to 3% in 2022 after growing 8.1% the year prior. A real estate slump, shrinking workforce, aging population, and growing distrust from the West are a few reasons.
2. Fertility rates and population growth rates are on the decline. According to NPR, "The working-age group as a share of the population of 1.4 billion fell to 62% from 70% a decade ago.
3. The American and Chinese economies are nearly inseparably linked. With opposing ideals and values, but an economic dependency, there are important considerations to be made on how to proceed.
4. TikTok's parent company, ByteDance, is based in Beijing and is subject to the Chinese Communist Party's censorship and data collection policies. TikTok can track user interests and emotions to push content that is potentially harmful to users Communist Party Cells are embedded in TikTok's parent company ByteDance's corporate structure. Americans potentially unknowingly participating in this kind of surveillance can be dangerous.
5. Fentanyl contributed to the dramatic rise in drug overdose deaths in the U.S., which topped 100,000 in 2021. With China as a main source of drugs coming in through the southern border, there are concerns about how to stop this deadly crisis.

## WHAT YOU CAN DO

**01. MEASURE** Find out if the CCP owns farmland and real estate in your area. Are there Confucius Institutes or Illegal Overseas Police Stations located in a major city near you?

**02. IDENTIFY** Does the CCP's influence pose an academic, financial, business, or personal threat to you? Is your state's farmland at risk and what are your state's laws on TikTok?

**03. REACH OUT** Contact members of Congress to ask them to ban TikTok on government devices. Ensure your university is aware of any research funded by China and is pursuing risk management procedures. Contact the FBI if you come across any signs of economic espionage.

**04. PLAN** Set milestones based on your state's legislative calendar or local community calendar.

**05. EXECUTE** Read the news on current China and U.S. events. Stay up-to-date with the Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party. Ask yourself if you are using safe online practices. Research who owns the apps and websites that have access to your information. If possible, organize a community discussion about the protection of personal information online, CCP property ownership, and foreign funding of pensions.