CHRIS STEWART AT "COMMITTEE ON THE PRESENT DANGER: CHINA" EVENT FRANK GAFFNEY:

I'm very pleased to say with the precision of a B-1 bomber pilot our next speaker has arrived right on time. I don't know how many of you know him. He is a man I've come to admire tremendously, both for his past service to our country in the uniform of the United States Air Force, I'm fond of telling this tale that he set the world record for round the world transport on an aircraft by flying his B-1B bomber with some help from his friends in the United States Air Force, to be sure, to achieve that record. It's remarkable, but it's only one of the many things I could tell you about, but I'm cutting into his time. He is, these days, the congressman from the second district of Utah. His name is Representative Chris Stewart. I'm extremely pleased that he's here, especially as he brings with it the expertise he has been developing both in uniform and as a member of the House permanent select committee on intelligence. And you have volunteered to talk about the assault by the Chinese communist party on intellectual property in this country and privacy. Congressman Stewart, welcome. [APPLAUSE]

CHRIS STEWART:

I'm a huge fan of Frank's. We've known each other since I think my first year in Congress, which is about six years ago, and been on his radio program and other events with him. And someone that I deeply respect, his commitment to defense of freedom and defense of democracy. And thank you for your continued efforts there. He did talk about the fastest non-stop flight around the world. That was a lot of fun. Turns out, flying jets is a lot more fun than being in Congress, if any of you want to know. [LAUGHTER] I can assure you of that. And also being on time, I used to take great pride in saying I could fly a seventeen or a twenty-one hour mission, drop bombs, plus or minus one second, which is pretty cool. Which is why I hate being late. And I won't be long. I've been given fifteen minutes and that's all I'll take and you guys would rather hear from, I think Senator Cruz is coming after me anyways, is that right? Ah, you guys don't want to hear from Ted. I'll just keep going with that. [LAUGHTER] And my – and I'm going to correct, just, so maybe we miscommunicated or not, I just think my view on this isn't necessarily on trade or intellectual property, although that's a part of what I will discuss here. It's more a view of China and the challenges we have there from an intelligence perspective, which, you know, which would make sense with my background there. I'm going to ask you to respond to this question, and I was out speaking at the space conference in Colorado Springs yesterday, asked this question again of people who – space is more than just space, it's obviously, you know, military and intelligence and other things as well. And I ask this of different groups and I'm going to ask this and then I'm going to make the point, how many of you think that the rise of China and their ambitions is the greatest threat facing our nation, generationally, from a national security perspective? Raise your hand if you agree with that. Okay, no surprise in this room. It's – part of the reason is because you're here, you obviously have an interest in that. [LAUGHTER] I can tell you this, that if I asked that to a group of people in, I think, in Washington, DC, just a group of normal folks, and if I asked that to a group of just normal folks, which I am, by the way, just a very normal folk, but if I just ask a group of people back home, you don't get that response. And you certainly didn't get that response two years ago or three or four years ago. You're beginning to get that response a little bit more now. And it's very, very important that we do. And I'm going to tell parts of the same story, phase one and phase two, and then make my point and then come back and conclude with this. I had an opportunity to meet with President Xi about five years ago, first time I'd met him, we were there with a couple of other senators and one other congressperson and we had a chance, cause it was a small group, to spend really quite a lot of time with him. And I remember asking him about this principle, this idea that many of you are familiar with, and I always butcher the name cause I've been mispronouncing it for turns out thirty years, but the Thucydides principle. And I mispronounce it there now, I think, but I've heard it mispronounced – or pronounced about a dozen

different ways. But it's this idea that you all are familiar with, the Greek philosopher, he said, if you have an established power and then a rising power, that they will always come into conflict. You're familiar with this idea? Well, most of us are. And if you look at history, if you look at the last five hundred years of history, it's about eighty percent of the time that proves to be true. Which is, you know, a notable amount. And I discussed this with the president and asked him his view on this and he adamantly disagreed. And he said, I don't believe that at all. We don't believe that as leadership. We think there's plenty of room for the United States and for us to exist and to have our spheres of influence and to have our own ambitions and our own goals and that they don't have to collide. And I appreciated that. Now, here's the reality. I'm going to come back to that in just a minute cause there's a little bit more to that story. From an intelligence perspective, there's nothing that I worry about more, and I have plenty of things to worry about. We have, you know, briefings almost weekly or, as some of the staff on the committee will recognize that we leave those briefings many times you're just, your jaw is on the floor, right? And you just think, oh, my gosh. I had no idea. Or, how are we going to deal with this or what's the answer to this? On a wide range of topics. You could talk about nuclear proliferation, you could talk about the mullahs in Iran, you could talk about the KGB thug who is leading the Soviet Union and will lead that until the day he dies, I'm sure he's not going to step down and go to the beach house and fish his last twenty years of his life. And the list is long. You want to talk cyber, you want to talk bio. By the way, if you want to see some interesting things, look at bio and some of China's initiatives there. But nothing worries me quite like China and I say all the time, they are the generational challenge that my children are going to have to figure out how we deal with this. Because, you know, in twenty years, Russia will be led by a KGB thug, but they are not going to be that generational challenge that China presents to us. Belt, road initiative, everyone in this room understands that. Most Americans don't. And I preach that all the time. Frank, how much time do I have? Till a quarter after? Okay. I talk to people all the time, go Google belt road. Go read about the belt, road initiative. And, you know, understand that, you know, the hundredth anniversary of the creation of the communist party in China, what their intentions are by 2048, that one hundredth anniversary. And, in my view, and I think this is informed, although I don't think they would describe it this way, but I think the way I'm about to describe it is exactly their intentions and that is they're not going to be a peer of the United States. That's not satisfying to them. That's not their intention. Their intention is to dominate the United States. And every other Western or free democracy. That is their intention, is to dominate, to be the preeminent power politically, militarily, diplomatically, economically, and other areas as well. And they're moving methodically towards that goal. Now, they're having a few stumbles along the way and I'm not naïve, I understand as well that they have some challenges, they have some internal challenges that are significant. But I believe that they are creative and committed and that they will deal with these challenges and not allow those to dissuade them or to move them away from this ultimate goal of what the belt, road initiative will lead to. By the way, if you've been to Djibouti or you're familiar with Djibouti, this is a great indicator of what that will look like. And if you go talk to the people and the leaders who are, you know, affected by that policy that they agreed to several years ago, almost without exception they regret that. And when you look at the domineering influence, the dominant influence and how they're treated now as if they are not the sovereign power within the confines of their own country, they're essentially told, well, I know that's what the agreement says, but this is what we're going to do, and we understand that, yeah, you are the premier or you are the vice, you know, vice-chairman or whatever, position of authority you might be, but this is what we're going to do. And that's an important model for us to broadcast and to advertise so that others who are considering these other types of partnerships are aware. I mean, the leadership in Djibouti should be the advocate, they should be the people that we're pushing out there all over the world to say, if you think this is a good idea, talk to these people. And ask them what their experience has been and whether they're glad they did it and whether the costbenefit has worked out to their benefit. Because they would not make that claim any longer. And that's a resource that we need to take advantage of. The Confucianism centers around the country that all of you, I suppose, are familiar with. And we're finally, now, having some success with getting

prominent and preeminent universities, not just, you know, small state universities or two-year colleges that many of us have never heard of, and I'm not going to mention them here, but prominent universities who are finally taking a second look at that and saying, this isn't what it's purported to be. And if you want to test that, have a couple of your professors at those universities be vocal and critical of China and see the hell that raises down on them from within their own university. That's a coordinated effort to stifle those types of voices. And that's what gets their attention. When their own people fall under pressure and attack because they said something that was disagreeable to some of the leaders of the local Confucianism institute or some other leaders. Now, one I have to talk about, and it's one that's good news and bad news, and the bad news is that it's a, it's an incredible threat and many people are ignorant of them, the good news is that, like some of these others, we're beginning to help people understand. And that is, you're partnering with China in a technological realm. You're nuts. If you have Huawei or ZTE equipment anywhere – anywhere in your system or supply chain. And by the way, for someone from the former administration who held a very senior position at the National Security Council within the White House, and then to go lobby – and you all know who I'm talking about, Mr. Zhing [PH], because I just think it's difficult for me to understand that there's not a conflict there between what is in our, we know, national interests and protecting American freedom and democracy and privacy, and you can't say, well, Huawei's just another technological company, cause they're not. And we're helping people and people are beginning to understand that they're not. And so, I should say kudos to AT&T and some others who, at a very significant cost, billions of dollars in some cases, have relooked at their business models and said, it's not worth it to us. You know, we're going to relook at these business relationships. And we need to congratulate them. The DNI, who is a man who I greatly admire, and their efforts to go out and talk to CEOs, not CTOs, not CFOs, not COOs, to the boss, and to read them into some classified information to help them understand the real nefarious foundation of some of these business relationships. And many of them now are saying, yep, it's not good, it's impossible to sustain in the long term. We're going to relook at it and they should. You know, I could keep going. I have two or three minutes left. I want to conclude with how I started. But I do want to mention one other thing and that is South China Sea and some of the – some of the military, you know, we call China a near-peer, well, that's a ridiculous description. In many ways, they're not a peer. We're the near-peer. We're trying to catch up to them. And I saw a demonstration, or not a demonstration, but I saw a recording of some of their, some of their missiles tests and some other things that are, you know, pretty remarkable. Take a hypersonic weapon and at that speed and have it do a two seventy fishhook. Technologically, that's an incredible advancement. It has real, real concerns for us obviously. And we're not there yet. And it's going take commitment for us to get there. I don't think that we're at the end of the world. I don't think China's going to take over the world between now and the weekend. It's Tuesday, right? So, they're going to take at least a week [LAUGHTER] No, look, this is a battle we can win and we will win. I'm confident of that. I really, truly am confident of that. I just think the foundation of a constitutional republic always has an enormous advantage over any other form of government. But it will not – we will not win if we don't recognize and admit the challenge before us. Now, let me conclude with this. I talked to you about my first meeting with President Xi. I met with him more recently within the last year or so in another small group. And I reminded him of our previous conversation and his response. And we kind of talked about that for a little bit. But you know what he said this time, when I asked, do you think that this theorem is true? Is it inevitable that we come into conflict and before his answer was, well, no, we don't believe that. We think there's space for both of us. Do you know what his answer was this time? His answer was, we will see. That's a different response. His confidence level is not the same right now as it was five years ago. And I think that he view an open lane for him and we have to close that lane as best we can. Look, I don't want to go to war with China. I have no quarrel with the Chinese people. I want them to have the same opportunities for happiness and self-fulfilment and economic opportunities as I would want for anyone else in the world. But at the same time, I recognize that our governments have a very different view of human rights and the potential for happiness and what it means, life, liberty, and the pursuit of happiness, and we have to be willing to defend that. Thank you, Frank, for the invitation. Grateful to be here. [APPLAUSE]

FRANK GAFFNEY:

Congressman Stewart has graciously extended his time briefly to take a question or two. Could I get the mike to Ed Temperley [PH] another member of the committee on the present danger: China and a former assistant secretary of the Department of Veterans Affairs.

ED TEMPERLEY:

Thank you for standing sentry on the rampart. Your committee is essential. Have you seen any indications that the intelligence community has –

FRANK GAFFNEY:

Mike – little closer, just –

ED TEMPERLEY:

-- has war-gamed the consequences of the tremendous OPM data breach that grabbed all of our SF-86s to the tune of twenty-two million of us and any thinking along the lines of early warning indicators they've weaponized it or the consequences of that breach?

CHRIS STEWART:

It would be impossible for me to answer that questions specifically as you understand and appreciate. So, I'm going to answer it broadly and generically, and that is, what does common sense tell us about this? And it's not a difficult thing. They can run through those twenty-three million names in a heartbeat. And connect dots in a heartbeat. And have we seen evidence that they've done that? Absolutely. So, but you knew that. I mean, how could it not be? Yeah, I'd really rather not [OFF-MIKE COMMENTS] Oh, well, I mean, I'm just saying, you would see that from just your common sense and experience. Derek, keep me out of trouble here, I don't want to get arrested as I walk down the stairs. [LAUGHTER] Would you say any more on that or do you think that's all I can say around that? [OFF-MIKE COMMENTS] Yeah. Yeah, again, I'm just saying common sense. You know, you know what they would do with that. So —

FRANK GAFFNEY:

I'd say the same. It ain't good. Peter Huessy?

PETER HUESSY:

[OFF-MIKE] Peter Huessy from the Air Force Association. Do whatever you can to [UNCLEAR] happy. [UNCLEAR] your colleagues on the other side of the aisle. What's your pushback [UNCLEAR] what's your most common problem [UNCLEAR]

CHRIS STEWART:

So, it's – I mean, that's a couple of layers to that question. If you talk about my colleagues on the other side of the aisle who work in intelligence or national security, I think that we're of one mind on this. And I think if you look at the hearings that the intelligence community has held in this Congress, some of the open hearings, that gives you an indication cause they have done that with China. And I think that shows you that they believe it's a priority as well. If you talk more broadly about members of the House, I think there's a couple of answers to that. One of them is there's some who just don't believe it. And probably there's nothing you could say that would persuade them. And there's a growing – well, not a growing number, but there's a large number who don't care. You know, they all

got other things on their minds and this isn't – this isn't a priority for them. And there's also this thing we have to be very careful to guard against and that is you can't be perceived as being racist in this. If you are going to criticize the Confucianism centers, you have to be very careful in how you do that and very thoughtful in how you do that. Because we don't want to be appeared – appear as saying, well, you know, because they're from a different part of the world than we are and that can't be the, you know, in any way, [UNCLEAR] to this argument, so, there are some who, I think, are a little hesitant for that reason and that's unfortunate. But so, I know that's not a satisfying answer, but that is the answer. There are some who do and those in positions of knowledge generally are. But we have a challenge with getting some others engaged in ways that we hope they will be soon. All right –

FRANK GAFFNEY:

Any other questions?

CHRIS STEWART:

Thank you, Frank. Again, thank you for the opportunity.

FRANK GAFFNEY:

-- would love to stick one in if you've got one more, thirty seconds.

CHRIS STEWART:

Well, I'm just filler for Ted Cruz until he gets here anyway. So, [LAUGHTER]

MAN:

One quick question, Congressman -

CHRIS STEWART:

There's no such thing as a quick question. I've learned that [LAUGHTER] Everyone always says that. It's not true.

MAN:

Under the Taiwan Relations Act, of course, some policy, somebody set up a protocol that no Taiwan president and vice-president would be allowed to even come to this town, Washington, DC, to give a lecture. And, you know, Congress has passed the Taiwan Travel Act, supposed to empower or elevate the travel kind of rank for US/China, I mean, US and Taiwan officials exchange. How likely that Taiwan president or vice-president would be allowed under this regime?

CHRIS STEWART:

I don't know the answer to that question. I think I can give a kind of a relative answer in the sense that, do I think it's likely? I don't know. Do I think it's less likely now than it was before? Probably. Do I — would I bet my house that I will see that, you know, shortly? Probably not. But do I think that it would be — do I think it's important for us to protect that equity? Even if it's not exercised, to protect that equity, that this is our policy and we would defend that policy? Absolutely. And, by the way, I'm not sure that I would encourage him to right now, to have that formal visit. I do think — and that's not saying I wouldn't, I'm just saying if and when we do, it needs to be very thoughtful, because there will be a price that will be paid for that. I mean, heavens, we're dealing with a regime that wants you to rewrite maps, right? And to not show Taiwan as anything other than just a province of the mainland. So, again, I just think we would want to be thoughtful. But keep — always keep that possibility as something we would defend. Is that satisfactory? No, it's not. But it's just the truth [LAUGHTER] Yeah, yeah.

FRANK GAFFNEY:

If you don't mind filling for just one more minute, he's imminently arriving.

CHRIS STEWART:

He's in the bathroom? [LAUGHTER]

FRANK GAFFNEY:

Quite possibly. I'm not sure he's in the building, but I know he's moments away. I see Jerry Priestly [PH] I just wanted to follow up on this Taiwan question, if you could, Congressman, without getting into – sorry, am I off? Sorry, yes, I am off, sorry. Without getting into, obviously, classified assessments, we were talking before you arrived, as you may have seen, about Taiwan and the imminence of the Chinese acting against it. We've known for some time that it's in their plan. It's certainly in the ambition of Xi. But is there not reason to be concerned that the schedule is now being accelerated given what the Chinese have been doing to build capacity to exercise that option?

CHRIS STEWART:

Okay, I'm going to have to answer this one really carefully as well. And will leave unsatisfied the answer for most of you. When I – to your question, when I said I would do it very thoughtfully, the reason is, is because of your question. Which is obvious. And that is that I think, and I'm going to speak broadly again, look, it's an obvious question that the intelligence and defense communities have looked at, what do we think their intentions are and what's the timeline for their intentions? Because you can measure someone's intentions, but the real critical sub-category of that is, well, do we think it's imminent or do we think it's a generational problem and we've got some time to deal with it? And so, we've looked at this and as best we can and as you know, Frank, China is a very, very, very, I'm going to say it one more time, very difficult target, intelligence target. It's one that we have some real deficiencies in, especially on the human side. So, we don't know what we don't know, but this is my view and that is that, again, it's not the thing that I think is going to happen by the weekend. I think we have more time than some people propose. But we don't want to force them to accelerate that and that's why some of these other considerations are meaningful as well.