

RESPONDING TO CHINA'S INFILTRATION AND COERCION IN EUROPE

HEARING BEFORE THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE U.S. HELSINKI COMMISSION U.S. HOUSE OF REPRESENTATIVES ONE HUNDRED NINETEENTH CONGRESS SECOND SESSION

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RESPONDING TO CHINA'S INFILTRATION AND COERCION IN EUROPE

COMMISSION ON SECURITY AND
COOPERATION IN EUROPE,
U.S. HELSINKI COMMISSION,
HOUSE OF REPRESENTATIVES,
Wednesday, March 4, 2026.

The hearing was held from 2:40 p.m. to 4:02 p.m., Room 2247, Rayburn House Office Building, Representative Jake Ellzey [R-TX], Member, Commission for Security and Cooperation in Europe, presiding.

Committee Members Present: Representative Joe Wilson [R-SC], Co-Chairman; Representative Jake Ellzey [R-TX]; Senator Ruben Gallego [D-AZ]; Representative Marc Veasey [D-TX].

Witnesses: Vidmantas Verbickas, Vice Minister of Foreign Affairs, Lithuania; Audrye Wong, Nonresident Senior Fellow, American Enterprise Institute; Valbona Zeneli, Nonresident Senior Fellow, The Atlantic Council.

OPENING STATEMENT OF JAKE ELLZEY, U.S. HOUSE, FROM TEXAS

Representative ELLZEY: Good afternoon, and thank you for joining us today on this hearing about China's infiltration and coercion into Europe. I am grateful to Senator Wicker for the opportunity to chair this important hearing. My name is Jake Ellzey. I am the Congressman from the sixth congressional district of Texas, just south of Dallas.

Before turning our attention to China and Europe, I want to highlight the greatest current threat to the region that most of us agree on: Russia. As we mark the fourth year of Russia's genocidal war on Ukraine, I have tremendous admiration for Ukrainians who have held the line against formidable odds. The bravery of Ukrainian soldiers fighting on the frontline for years on end without respite, neighbors helping each other keep warm through this brutal winter, and children studying in metro stations as air raid sirens blare, inspire us all and fuel Western solidarity and support.

Putin and Western intelligence said the invasion would be over in hours, but the spirit of Ukrainians proved them all wrong. While there is always room to do more, I am proud to say that the West has stood by Ukraine and strengthened our collective deterrence against Russia. This includes NATO nations increasing their spending on defense. We have all come to understand the threat posed by war criminal No. 1, Vladimir Putin, and his band of mobsters. However, through this ordeal, many of our allies in Europe

have been slow to recognize that Russia's patron, China, is angling to become the true winner in this war. Xi Jinping has complemented Putin's brute force with a patient, persistent approach to establishing his global dominance and upending the U.S.-led world order.

China has shrewdly used Russia's invasion, along with a suite of overt and covert tools, to assert itself in Europe and establish beachheads to manipulate the continent. A commitment to transatlantic security requires attention from both the threat of Russia's war as well as persistent threat posed by China's pursuit of hegemony. In a few minutes, I will turn it over to our panelists who will discuss how China is executing its strategy to supplant U.S. leadership and European independence, and the implications of failing to respond effectively. First, I want to spend a few moments discussing why Americans and Europeans should care about China's growing influence.

For our partners in Europe who lacks official industrial base or developed tech sector, China's no-strings-attached offers of investment and trade seem enticing. As Europeans spend significant resources bolstering Ukraine and growing their own militaries, many do not seem to see the harm in allowing China's cash to boost other key sectors. That cash comes with a catch. With Russia on the march, some believe that they do not have the resources or political capital to focus on the harmful elements of China's presence in their countries. This is a false choice. China and Russia share a vision for the world where they do what they—the strong do what they can, and the weak suffer what they must.

The free markets and democracy in the West are strategic obstacles to them. We embrace free speech, whereas free speech is challenged in China's industrial base, as concerned citizens on both sides of the Atlantic demand publicly that China stop using Uyghur forced labor. We uphold a commitment to freedom of religion. That freedom compels people of faith to cry out and demand accountability when China arrests pastors and destroys churches that refuse to glorify the CCP. We depend on journalists to bring facts to light. These journalists threaten China's Belt and Road Initiative as they reveal a clear trend. Chinese firms make big promises of massive infrastructure development, but they deliver half-built ports and train stations that collapse on commuters. They build junk.

The innovation and progress delivered by our market economies provide unwanted competition for China's command economy, which operates at the whims of central planners and CCP cadres. Xi's approach to Europe includes concerted, systematic efforts to undermine the rights and ideals that are the bedrock of the transatlantic relationship. China's efforts to silence dissenters, threaten diaspora communities, violate citizens' privacy, and steal intellectual property have a dual purpose—bolstering China's image and power while eroding the values and institutions that set democracies apart. If our allies in Europe wish to see the next century characterized by the same freedom and prosperity that we have enjoyed for the last eighty years, we ought to take the threat posed by China deadly seriously.

We must marshal our arsenals, our cyber capabilities, and our economic might to harden our countries against an insidious force that seeks to marginalize us. We hope that all of Europe rejects China's sinister overtures and follows the example set by our friends in Ukraine and the Baltics, who recognize that there is no price too high to pay for liberty and independence. It is time to recommit to the wisdom of our founders: "Those who would give up essential liberty to purchase a little temporary safety deserve neither liberty nor safety."

To discuss the troubling effects of China's increasing infiltration in Europe and how our European allies and the rest of the democratic world can best respond, I am pleased to introduce our distinguished panel. Vidmantas Verbickas, vice minister of foreign affairs for the Republic of Lithuania. I have been to Lithuania twice in the last couple of years. I love your country. My wife wants to move there tomorrow. [LAUGHTER.] Audrye Wong, nonresident fellow at the American Enterprise Institute. Valbona Zeneli, nonresident senior fellow at the American Enterprise Institute. It is a privilege to have all three experts here today. Thank you to each of you for your investment and time.

Dr. Wong, we will begin with you.

**TESTIMONY OF AUDRYE WONG, NONRESIDENT SENIOR
FELLOW, AMERICAN ENTERPRISE INSTITUTE**

Dr. WONG: Representative Ellzey and the Helsinki Commission, thank you for the opportunity to testify today. I will just take the next few minutes to outline five key takeaways about China's influence in Europe.

First, what are China's strategic goals on the European continent? One, is to bolster friends and silence critics of the Chinese Communist Party and its policies, especially on politically sensitive issues such as human rights, abuse of Uyghurs in Xinjiang, ongoing territorial disputes, and, of course, to minimize opposition to Chinese claims over Taiwan. Second, is to undermine transatlantic cooperation and European unity through a divide-and-conquer strategy. Even just peeling off a few dissenters can disrupt the formation of a durable coalition to counter a malign Chinese influence.

Second, China adopts a multifaceted, multilayered approach to exerting influence. It uses both coercion and inducements, so weaponizing supply chains, for example, while dangling promises, offers economic benefits. China employs a mix of subversive and legitimate approaches. Beijing often seeks to buy support through corrupt investments, through bribery, through other covert influence tactics, but it also readily uses elite co-optation, building and cultivating relationships with a variety of stakeholders and interest groups in democratic societies to try to persuade them of the validity of China's interests and policies.

It also attempts to influence a wide array of targets. We see activities across, sort of, diplomatic and government realms, business realms, public realms, and intersecting tactics, combining economic, information, and propaganda. China is quite opportunistic at forging alliances of convenience, aligning—you know, trying to empower certain voices across the political and ideological spec-

trum to get them to echo China's talking points, whether for transactional or ideological reasons.

Third, China's economic statecraft may be imperfect, but it works well enough. What China has done best is to really create divisions, to drive wedges within Europe among European countries, as well as between Europe and the United States. You have, you know, countries that receive a lot of Chinese investment, who hope to receive more Chinese investment, right, you know, taking stances in line with China, vetoing EU statements critical of China, for example, and really co-opting and adopting Beijing's political rhetoric. Individual countries often fear targeted economic retaliation in Beijing. This limits progress, right, at the EU level, when the European Commission, for example, seeks to introduce more stringent regulations. That makes it harder to achieve.

Of course, there is plenty of scrutiny and pushback against poorly conceived Chinese projects and other forms of illicit influence, thanks to the relative strength of institutions in many European nations. The attractiveness of China's market and its capital could be enough to buy silence on issues that China really cares about. In addition, China really strategically alternates the uses of economic inducements to buffer its periodic use of economic coercion. We have seen examples of, you know, sanctions imposed on member—you know, European elected officials, in countries such as Lithuania, but then subsequently they like to renormalize these trade and investment flows and offer diplomatic reassurance.

These promises in this cycle keep governments and companies coming back, you know, and hoping for more, rather than actually concerted diversifying away from China. This combination of carrots and sticks, you know, really helps to minimize opposition to China, to stymie broader coalition building against China. This creates more strategic space for Beijing to pursue its interests with relative impunity.

The fourth point I want to make is that China often has a first-mover advantage. There is relatively low, I think, especially compared to United States elite and public literacy on China. Because Russia has often been the foremost conventional threat, this really allows Beijing to fill the information gap, to dominate and propagate its strategic narratives, and really shape perceptions and understandings of Beijing's interests. This logic applies when CCP-linked actors reach out to local officials, who are more likely to be concerned with economic development. China often likes to combine very assertive and aggressive propaganda messaging and public diplomacy to claim credit and sometimes exaggerate the importance of China as an economic partner. You have a bridge constructed by a Chinese company in Croatia that was actually funded primarily by the European Union. Most people think it is funded and built by China.

The fifth point I want to make is that democratic backsliding, corruption, and patronage politics really provide weak entry points for Chinese influence and authoritarian influence in general. We see the intersection of Chinese and Russian activities, where the lack of transparency and oversight really makes it easier for strongman politicians to accept corrupt investment deals in exchange for falling in line with Beijing's policies. These activities, in

turn, perpetuate a vicious cycle of autocratization, right, entrenching these illiberal leaders and really undermining good governance.

At the same time, it is the CCP engages in these illegal interference tactics, you know, and espionage and all of that, but it is also quite adept exploiting the openness of democratic societies, working within existing institutions and processes, exploiting these vulnerabilities to forge links with multiple stakeholders and really shape discourse in favor of China, and create an impression of broader support for Chinese interests. This sort of broader phenomenon and co-optation has been quite key in shaping how many elected officials and business leaders operate in this realm, right?

Many of these influence activities are managed under the umbrella of the United Front, which is a diffuse and amorphous global network of official, quasi-official, and grassroots organizations that are tasked with mobilizing friends and suppressing enemies of the Chinese state. CCP foreign influence tactics have really included, you know, using political fixturs, power brokers to gain access to government officials, tasking aides to spy on behalf of China, and even tapping on pro-China individuals to seek elected office.

To conclude, I think without overstating the extent of China's influence, I think the scale of resources that the party is able to allocate to its foreign policy goals means that it can make a dizzying multitude of influence attempts and play a waiting game to see which ones pay off. This is not just a national security threat, but also corrodes the legitimate functioning of free and open societies.

Thank you.

Representative ELLZEY: Thank you, Dr. Wong.

Now, Valbona Zeneli, who is not with the American Enterprise Institute, is with the Atlantic Council. Welcome.

TESTIMONY OF VALBONA ZENELI, NONRESIDENT SENIOR FELLOW, THE ATLANTIC COUNCIL

Ms. ZENELI: Thank you very much, sir. Representative Ellzey, distinguished members of the Commission, thank you for the opportunity to testify on this important topic.

Let me begin with one central point. The European Union has made significant progress in recalibrating the approach to the People's Republic of China. However, it is critically important to remind ourselves that Europe's China policy is not a single strategy, but it is a product of a complex negotiation between European Union institutions and 27 member states, each with distinct economic interests, political pressures, and security concerns. This reality makes unified and consistent action toward Beijing very difficult.

China has expanded its economic footprint across Europe with a clear strategic purpose: To acquire advanced technologies, shape global value chains, and build leverage in critical sectors. Beijing combines state-backed financing, industrial subsidies, and political engagement to deepen its presence, targeting advanced manufacturing in Western Europe, infrastructure and energy in Southern Europe, political economic relationship in Central and Eastern Europe and the Western Balkans, through platforms like 14+1 and the Belt and Road Initiative. For Beijing, this is not simply commercial gain. This is strategic leverage. It seeks to build depend-

ency and expand its influence in critical sectors by exploiting Europe's openness and its regulatory complexity.

This has structural implications for Europe. First, the EU's economic security is affected. The economic balance has shifted sharply over the last two decades. Now China's share of the global economy is around 20 percent, while the European Union's has fallen to 14 percent. Trade has expanded, but has become increasingly imbalanced, with China supplying over 1/5th of EU imports and a trade deficit exceeding \$400 billion. State subsidies, overcapacity market access restrictions, and export controls, especially in rare earths and critical inputs, have created vulnerabilities in European supply chains, triggering a China shock.

Second, technology has become the sharpest area of competition. Europe's reliance on Chinese semiconductors, 5G, AI, and raw materials creates strategic dependencies, while Beijing expands its leverage through standards, subsidies, and embedded tech ecosystems. Third, defense and military security are indirectly, but materially, affected. Economic leverage creates constraints in decisions, complicates sanctions, and weakens supply chains. Those are risks that are heightened by China's alignment with Russia and its support for Moscow's war in Ukraine.

In response, the European Union has shifted its posture. Now has shifted from engagement to cautious competition with China. Trends like China's growing assertiveness, human rights issues, COVID-19 supply chain disruptions, and China's alignment with Russia have created shared concerns across Europe. In 2019, the EU defined China simultaneously as a cooperation partner, an economic competitor, and a systemic rival. Since then, the EU has adopted different mechanisms, from investment screening mechanisms, anti-coercion instruments, international public procurement instruments, 5G security toolbox, Critical Raw Materials Act, a Digital Services Act, and the Artificial Intelligence Act.

The EU derisking is to reduce strategic vulnerabilities without severing economic ties. However, three structural challenges remain. First, EU institutional fragmentation. Authority over trade, technology, foreign policy, and security is divided among EU institutions, Commission, Council, and Parliament, and the 27 member states. This often produces slow decisions, overlapping responsibilities, and uneven implementation. Second, divergent national interests. Larger economies must balance commercial ties with security concerns. Some Central European countries continue to seek Chinese investment. Nordic and Baltic countries often prioritize security and human rights, so achieving consensus across these different perspectives is difficult.

Third, domestic political pressures. Governments must reconcile political business interests and those that are seeking market access with security communities that are warning about dependencies. This produces policy inconsistencies, even within single-member states. To be effective, policy responses must operate both at national and multinational levels. China's assertiveness, coercion, lack of reciprocity, and alignment with Russia have drawn Europe and the United States closer, reinforcing the need for transatlantic unity despite the differences. The key question is how to implement it.

Three recommendations. First, the United States and the European Union should establish a high-level coordination mechanism to counter China and promote shared economic security. This should include joint initiatives like critical minerals, chip manufacturing, aligned inbound and outbound investment screening, and shared threat assessment. Second, technology alignment is urgent. Cooperation on export controls, semiconductors, artificial intelligence, quantum technologies, and dual-use goods must be sustained and enforcement-focused. American technological leadership and European regulatory power are complementary strengths. Differences over industrial policy and strategic autonomy must be bridged.

Third, security cooperation should expand to address China-enabled support for Russia, strengthen counterespionage and cyber defenses, and align Euro-Atlantic and Indo-Pacific strategies where interests intersect. If effectively aligned, the combined scale of the U.S. and EU economies can shape global standards, reinforce supply chains, and counter economic coercion. This will not come from expecting Europe to act as a Federal superstate, but from sustained cooperation that combines American economic and military power with Europe's regulatory authority and market scale.

In closing, China's rise is the defining geopolitical challenge of this century. Meeting it requires strategic clarity, institutionalized cooperation, and a shared commitment to preserving an open yet secure rules-and values-based international order.

Thank you. I look forward to your questions.

Representative ELLZEY: Thank you.

Minister Verbickas, over to you.

**TESTIMONY OF VIDMANTAS VERBICKAS, VICE MINISTER OF
FOREIGN AFFAIRS, LITHUANIA**

Mr. VERBICKAS: Thank you so much, Honorable Representative Ellzey, distinguished members of Helsinki Commission. It is a profound honor for me today, as a representative of Lithuania, to address the U.S. Congress here.

We are deeply grateful for America's steadfast partnership, principled leadership, and enduring commitment to securing the freedom of Lithuania and our region. Today, in my remarks, I will focus on key elements of Lithuania's experience with China's coercion. For Lithuania, economic security is not theoretical. It is shaped by lived experience. When we restored our independence in 1990, the Soviet Union responded with a full economic blockade, cutting trade and energy supplies. That experience taught us a lasting lesson: Dependence creates vulnerabilities. Since then, we have deliberately reduced strategic dependencies. We built LNG infrastructure, diversified energy supply, and synchronized our grid with continental Europe.

Today, 70 percent of our energy supplies come from United States. For us, economic policy and national security are inseparable. Both must serve and protect our core democratic values, and the freedom to make independent political choices without external coercion. This longstanding national approach to economic security informed Lithuania's decision in 2021. That year, Lithuania reassessed its economic engagement frameworks and withdrew from

China-led 17+1 format. Lithuania also expanded economic and cultural engagement within its existing one-China policy framework, including permitting the establishment of a Taiwanese representative office in Vilnius. In response, China imposed unprecedented economic and diplomatic coercion.

First, bilateral trade was targeted. Lithuania, as a country, miraculously disappeared from China's customs systems. Export permits were delayed or denied. Contracts were not renewed. Then pressure escalated. Multinational companies were warned that using Lithuanian components could jeopardize their access to Chinese market. The impact was immediate. In the first months, Lithuanian-origin exports to China fell by 99.7 percent, essentially to zero. This was not a commercial dispute. It was a politically motivated pressure designed to change a sovereign policy decision.

At the same time, China undertook unprecedented diplomatic measures. It unilaterally downgraded diplomatic relations, without Lithuania's consent, creating a false appearance of mutual agreement. Our embassy staff was forced to surrender accreditation and leave Beijing. Lithuania does not recognize this downgrade, and we maintain our embassy. It continues to exist. Consular access to detained Lithuanian nationals in China has also been severely restricted, raising humanitarian and legal concerns. Lithuania's case illustrates a broader pattern of economic and diplomatic coercion used against democratic states whose sovereign decisions do not align with Beijing's preferences. Trade, supply chains, and diplomatic status were weaponized altogether.

How did we respond? First, we acted through the European Union. European Commission initiated WTO dispute settlement proceedings. We appreciate the United States stepping up as a third party in this. Our case accelerated adoption of EU anti-coercion instrument, strengthening collective response mechanisms. Second, we intensified coordination with partners, especially the United States, in critical sectors such as semiconductors, photonics, biotechnology, and defense technologies. Third, we diversified rapidly. Lithuanian exporters oriented toward trusted markets. In subsequent years, namely last year, 89 percent of Lithuanian-origin exports went to European Union, European Economic Area, OECD, NATO, and Indo-Pacific countries.

By 2025, overall trade flows with China had recovered. The structure of our exports, though, has changed. Only 1.2 percent of exports are going to China, Belarus, and Russia. This adjustment was not accidental. Together with diversification, Lithuania strengthened its international resilience. Our investment screening system, in place since 2001, was reinforced and expanded. It has enabled Lithuania to take concrete security decisions, including exclusion of high-risk lenders such as Huawei from our 5G infrastructure. Monitoring and mitigating strategic dependencies have become a permanent element of our economic policy. At the same time, we led international dialogue on economic coercion in OECD with partners like European Union, the United States, Japan, and other democracies, to share experience and strengthen resilience.

Today, Lithuania remains committed to working closely with the United States and other like-minded partners to strengthen resilient and transparent supply chains among democracies. It is worth

mentioning here that Lithuania remains open to dialogue, restoring diplomatic representation with China. We believe that stable relations must be based on reciprocity, respect, and adherence to international conventions.

Thank you so much. I am looking forward to your questions.

Representative ELLZEY: Thank you, Vidmantas.

Okay. Well, we have been joined by a couple of our members, Senator Ruben Gallego, who is a senator from Arizona. His time is tight. He is a combat Marine who has also sacrificed. As I see so many people out here who understand what the price of freedom is, so does he. I leave it over to you.

STATEMENT OF RUBEN GALLEGO, U.S. SENATE, FROM ARIZONA

Senator GALLEGO: All right. Thank you, Chairman. Joe, good to see you again, sir. Good to be back here on this side. Thank you, Mr. Vidmantas. It has been great to work with Lithuania and the other Baltic states on the Baltic Security Initiative, and proud to continue that work.

You know, one of the things you hit upon is one of the things I did here on the House side, which was 5G coordination. What happened with 5G is by time, Europe, and to some degree the United States, was slow to respond. Now we have a significant share of 5G infrastructure across the continent that still relies on Chinese vendors, despite, you know, the presence of European firms that we trust also in the United States, like Nokia. I am concerned that we might be repeating that same mistake when it comes to 6G. Ms. Zeneli, I believe—if I said that correctly, and I apologize if I did not—you brought up a very good point about trying to have coordinated action.

I guess one of the things I am trying to figure out is, like, how do we do that? Because the best way for us to stop the emergence of 6G Chinese dominance is for us to have standards, European standards—or just, like, free world standards, I would say, aligning with Japan, South Korea, so that we have market dominance. That way, we actually can find ourselves in a—we can find our allied tech backings have market capability. How does that look? How would that look, in your opinion? What can we do as countries to start doing that kind of coordination in terms of, you know, market policy, regulations, and things of that nature?

Secondarily, one of the things we saw with 5G last time around was that we were able to convince, especially a lot of our NATO and European Union allies, and other countries, near allies. It was, you know, your emerging countries that were willing to take on the cheaper, subsidized Huawei versus our Western standards. What can we do? Can we set up a separate fund that would help some of these developing countries to just avoid the money trap, the honey trap that China always engages in? This question could be for—really, for any—all three here. I do think that, you know, us making sure that we do not allow China to win the 6G war is going to be extremely important for us in terms of continuing to have, you know, democratic dominance in this world.

Thank you.

Ms. ZENELI: Well, thank you very much, Representative Gallego. First of all, thank you for your service.

I think I fully agree with your point. I believe that at this time of really growing international tension and rapid, disruptive technological change, I think strengthening transatlantic cooperation, but also with the partners in the Indo-Pacific, is essential. Not only for security, but also for technological and economic competitiveness, and the ability, which is most important, of the democratic system to play a leading role in global technological governance. It is about the future of technological governance. I think, in this context, closer coordination between the public and the private sectors, not only between the governments, on both sides of the Atlantic and with the Indo-Pacific partners, is increasingly important.

The goal, I believe, is to promote shared policy priorities, like you mentioned, and stronger partnerships, including moving toward maybe a more integrated transatlantic technological ecosystem. I could bring an example from Italy, where I am based now. There is a new law which is called “Buy Transatlantic.” It is focused on enhancing resilience, actually, growth, security in the years ahead, really looking at buying all the new technologies, focusing on countries—both European Union countries but also the United States.

Now, what to do with countries that do not have the resources, maybe, to buy—focus on buying cheaper energy? Like Representative Ellzey mentioned, the no-strings-attached approach, actually, we believe it’s a ropes attached approach for most of these countries. I think to disincentivize risky tech partnerships, like with Huawei, in sensitive systems, governments need a mix of clear rules—they have to be national, but also European rules—economic incentives, and allied coordination. First, countries should exclude, actually, high-risk vendors from critical sectors, including government communications—we have seen in some cases even the government is using those risky technologies—lawful intercept systems, and core infrastructure.

Second, transatlantic partners should align export controls, I think it is important, and investment screening, so companies cannot exploit the gaps that exist within the European Union, but also within the transatlantic community. Then, third, governments should offer incentives. They should offer financial and industrial alternatives, helping allies reducing those supply risky equipment, and diversify supply chains. The future is really more coordination in the transatlantic world.

Senator GALLEGO: Anyone else want to answer that? Yes, Mr. Verbickas.

Mr. VERBICKAS: If I am allowed, shortly, like, I just have to add something to the wonderful answer by Madam Zeneli. In Lithuania, we heard such discussions about cheaper versus secure. When we built up our LNG terminal in Klaipeda, we were criticized for excessive spending, for very expensive equipment, and decisions. Twelve years later, this project is economically feasible. It is the same, like, we postponed—you know, Lithuania was in advancement. It had to be the first country in Europe to introduce 5G network, and we were the last country to introduce 5G network, because of that, we forbid Huawei to enter the market because of economic security concerns and national security concerns.

Right today, our ICT development and our local businesses are working with 5G networks and looking for solutions where working can expand it. Lithuania is the best advocate for transatlantic partnership and coordination here. We really need to find a way to agree between European Union and United States to work together on those issues—critical materials, energy mix, energy security, advanced technologies, artificial intelligence, SMRs, you name it. We have to work together here.

Thank you.

Senator GALLEGO: I apologize. I have to go pick up my daughter from daycare. That is the real important thing. [LAUGHS.] You know, in terms of—I think the easier thing is the coordination. The harder thing is the funding, because we are dealing with a lot of countries that have budgets that are overrun. We are demanding our European partners to have—you know, go up to five percent of GDP when it comes to their defense spending, which I am not against either. How do we create that international fund that is not going to necessarily benefit Western Europe, Europe in general, but what about when we are talking about countries like the Philippines, or Africa, or South America, where they are going to have to make these trade decisions between do I spend money here and try to stay good with our Western partners, or do I take the cheap option? I think that is something that we have to kind of think about kind of globally as partners.

Thanks so much, guys. I will see you.

Representative ELLZEY: You are welcome.

Thank you.

Now I would like to welcome Congressman Joe Wilson from South Carolina, who is—you are going to have plenty of time, Joe. We have got another forty-five minutes. I would like to—

Co-Chairman WILSON: Just one second.

Representative ELLSEY: Go ahead.

Co-Chairman WILSON: Hey, before the senator leaves. Hey, Senator, I want to say something nice about you. [LAUGHTER.] Okay.

Representative ELLZEY: I said—

Co-Chairman WILSON: No, hey—

Representative ELLZEY: I thought we were not going to do that. [LAUGHTER.]

STATEMENT OF JOE WILSON, CO-CHAIRMAN, U.S. HOUSE, FROM SOUTH CAROLINA

Co-Chairman WILSON: No, Mr. Chairman, I would like to commend Senator Gallego. He actually led a delegation to Kyiv in December 2021. While we were there, we were meeting with the military officials as they were planning for resistance, for guerrilla warfare. The belief was that war criminal Putin would roll over the people of Ukraine. Four years later, with the encouragement of good people—bipartisan—can you believe Republicans, Democrats, working together—indeed, working together, supporting the people of Ukraine. Of course, Lithuania has been so strong in supporting the people of Ukraine. Over and over again, I just wanted to point out that we can have bipartisanship, and we do. I appreciate Senator Gallego's service on behalf of the American people.

Indeed, that was December 2021. The worst fears came forth on February 24, 2022, when war criminal Putin, earlier in the month, had met with President Xi Jinping in China. Together, the two dictators embraced, declaring, quote, “no limits partnership.” Then, later, clearly authorized by Beijing, the war criminal Putin invaded Ukraine and launched a genocidal, full-scale war, with full confidence that China was going to be 100 percent behind it. Putting that in mind, personally, I have grown up with a great appreciation of the people of China. My father served in India and China during World War II, in the Flying Tigers and the 14th Air Force. As I was growing up, I learned how hardworking the people of India and China are, and my dad’s service in Kunming, Chengdu, and Xi’an.

Then, sadly, 20 years ago, I actually met with President Jiang Zemin in the Presidential compound in Beijing. When I was introduced, Chairman Ellzey, as a Member of Congress, he yawned. Then somebody said, “Hey, Joe’s the son of a Flying Tiger.” He threw his arms up in the air and announced, “The American military is revered in China.” Sadly, that is not where we are today. Indeed, Americans can be proud of what we did to liberate China, and our appreciation for the people of China, people of Taiwan, but understanding there is evil called the Chinese Communist Party.

Since the full-scale invasion, cooperation between the Chinese Communist Party and Russia has deepened. China steals Western intellectual property, then provides Russia the technology it depends on to murder Ukrainian families, just as we see Khomeini has murdered Iranian families. Now he is gone. China keeps war criminal Putin on life support by purchasing Russian oil, coal, and natural gas. China is running interference for Russia in international organizations, ensuring that war criminal Putin and his army do not face accountability for their sickening treatment of the Ukrainians.

China’s patronage of Russia has also extended to destabilize and control Europe. While the CCP’s vision for global dominance by 2049 is grander than the Kremlin’s, Xi Jinping still sees Russia spreading chaos and violence as useful in weakening Europe and making it more malleable to its vision. While Russian agents carry out arson attacks and assassinations, Chinese agents conduct corporate espionage and silence dissent by threatening and renditioning dissidents. War criminal Putin’s shadow war in the United States and Europe is also for the Chinese Communist Party. The tactics each dictatorship uses have been increasingly similar and more sophisticated, and disturbingly, are aided by technology and innovation.

This playbook has been on full display in the Republic of Georgia. Bidzina Ivanishvili and his Georgian Dream dictatorship have jailed nearly every opposition leader, defied the Georgian people who want freedom and prosperity, not Chinese debt trap diplomacy, as Russian oligarchy. Russia has long been Bidzina’s base of operations and source of wealth. Since the Georgian Dream seized power through fraudulent elections in 2024, China has been providing them much of the surveillance technology, propaganda channels, and financial backing needed to address and oppress the will of the pro-American Georgian people. President Donald Trump has

rightfully prioritized Central Asia, the middle corridor, to secure and diversify our supply chain. The Georgian Dream has essentially given over the Georgian infrastructure to the Chinese Communist Party and sold its country into debt slavery. American access to the middle corridor is essentially controlled by the Chinese Communist Party.

Dictators increase violent oppression when they are the weakest. War criminal Putin has sacrificed over one million Russians for roughly one percent of Ukrainian territories. Ukrainians have been so successful in their efforts. Xi has purged nearly all top military officials. Europe, accommodating manipulative trade policy and gray zone attacks, will not stop them. Much weakness will only empower them to grow bolder with their aggression. Xi and war criminal Putin only understand the language of strength. I urge European allies to look to lessons learned from past economic integration and appeasement of Russia. The unholy alliance between the Chinese Communist Party and war criminal Putin must be met with complete resolve.

Lithuania is to be commended for its resolve on Taiwan. We encourage them to continue their legacy of upholding the democratic values of maintaining the name of the Taiwan Representative Office. Indeed, Lithuania is appreciated for the support of legitimate President Sviatlana [Tsikhanouskaya] of Belarus, and supporting the courageous people of Ukraine, successfully defeating war criminal Putin. Western Europe could learn from our East European allies, and it is an extraordinary day. I just left the floor to recognize the elimination of the dictatorship in Tehran.

With Khomeini being removed, that is the last really Russian ally in the Middle East, particularly if you add in that Assad, the dictator of Syria, has actually moved to Moscow. Now we have a government with President Ahmed al-Sharaa that is reaching out to work. President Donald Trump is giving Syria a chance, and, of course, another dictator gone is Maduro of Venezuela. We can all hope and pray that one day, Lukashenko of Belarus will join his fellow dictators relocating to Moscow.

With that, I yield back.

Representative ELLZEY: Thank you, Mr. Chairman. Let us talk about China-Russia cooperation real quick. I am going to address this to Audrye. China and Russia seem to be using similar gray zone tactics when attacking countries in Europe and Asia, including subsea cable cutting, influence and information manipulation campaigns, and airspace incursions. To what extent are China and Russia's militaries and political leadership directly collaborating on these types of attacks? Or are they just copying each other?

Dr. WONG: Thank you, Representative Ellzey, for the question.

I think we certainly see a high degree of alignment in Chinese and Russian interests. This is not to say that, you know, they do not have their disagreements. I think at times they are wary of each other. By and large, I think China is—you know, is aligned with Russian, and wants to see sort of destabilization and weakening of democratic, free, and open societies, including the United States and the European Union. No. 1, you know, Representative Ellzey, you have outlined sort of a range of tactics that they have been using. I think we see a lot of synchronization, especially in

the strategic narratives that they are using on Russia's invasion of Ukraine, and sort of amplifying, echoing a lot of disinformation that Russian state media has been propagating.

I think we also see China sort of going beyond that, where not only is it sort of amplifying and, you know, spreading disinformation that is meant to sow discord and sort of expose the fissures and sort of vulnerabilities in democratic societies, I think China—in my work, I found that Chinese state media is actively sort of trying to push the message of what I call autocratic advantage. Sort of, you know, highlighting the performance advantages of authoritarian regimes. Not calling it, you know, autocracy, *per se*, but sort of highlighting some of the benefits and advantages that, you know, having a strongman in power has, and that centralization of power affords for the people of a country.

I think in my research I found that actually has significant impacts on how public—foreign publics globally think about democracy and the degree of support for democracy. I think we see an intersection where China is sort of not only trying to shape the views of China itself, but also, I think, fundamentally undermining, I think, support for democracy and accelerating democratic backsliding.

Representative ELLZEY: Thank you, Audrye. Anybody else want to address that? Go ahead, Valbona.

Ms. ZENELI: Yes, sir. I think that China and Russia are strange bedfellows. However, they have shared strategic alignment. It is mainly to counter—in opposition to the United States, in opposition to NATO, and that is very open in the narrative when they repeat each other's narrative, but also to the liberal international order more in general. I think what the difference is between China and Russia is that Russia is a revisionist nuclear power seeking to undermine NATO and destroy the current international order, while China, which is the primary long-term competitor of the United States, aims to reshape—use the global institutions, and reshape and take advantage of those institutions.

I think what is important, especially when it comes to the European Union perspective also on China, which is the topic also of conversation today, is that one of the main trends that has changed perceptions in Europe has been really the support that Beijing has given to Russia for its war in Ukraine. That has raised awareness in the European Union about the security challenges. China, at the same time, is a competitor, a partner, but also a systemic rival. That part of the systemic rival has increased of its importance, especially after the—you know, the shattering of the security architecture of Europe after the invasion of Ukraine. The no limits partnership has strengthened that, but also the economic cooperation between the two countries, because they need each other in the current—in the current stage.

The Chinese officials have been very open that they would like—they would not like Russia to go down, even in talks with members from the European Commission. It is very, very clear. We just need to be eye-opened and not to really apply sometimes mirror imaging on things that we think do not make sense, because they are very openly stating the obvious. Just in the last—just in the last two

years, they have met more than forty times, President Xi and President Putin. That should tell us something.

Representative ELLZEY: Sure does. Thank you. Okay. I am going to yield time to Chairman Wilson for five minutes of questions. Go ahead, sir.

Co-Chairman WILSON: Thank you very much, Mr. Chairman. Indeed, witnesses, thank you for being here today. It is just so refreshing to have each of you here. I appreciate the leadership of Chairman Ellzey today to keep things moving well. With that in mind, Ms. Zeneli, Italy has become a shining example of working in the European Union and NATO in great—you better believe the current[Meloni] government is the longest-serving out of 67 since World War II. What an incredible tribute that is. Additionally, I have a personal interest. My number-two son was a doctor in Naples in the U.S. Navy. I have three grandchildren speak Italian perfectly, so our relationship is so positive.

With that in mind, that is not true with other countries. It is so sad to me that the success of Italy with the EU and NATO, and then we have countries that are just weak, almost complicit. Hungary. It is just the country that should have inspired everyone from the 1956 revolution, now is bowing down to the people who drove over patriots there, in Hungary, and then Spain. Spain's decision last August to trust Huawei with sensitive information, including judicial wiretaps, has underscored the threat China still poses to a unified, secure, and resilient transatlantic tech policy. How can we continue to disincentivize such tech partnerships that threaten to create hardware or train vulnerability to be exploited by the Chinese Communist Party?

Ms. ZENELI: Thank you very much, Co-Chairman Wilson.

In Italy, under Prime Minister Meloni, the government has recalibrated, actually, over the last four years, its China policy by exiting the Belt and Road Initiative, which has been one of the perfect examples of showing that, and strengthening its alignment with the United States and the broader transatlantic community. I emphasize that because, based on our research at the Atlantic Council where we look at the current trends and if the European Union is waking up to the China challenge, what we have found out is that countries that have closer relationship with the United States, they go—have been going closer to the EU perception and to the EU policy on China, which the European Commission has a very, very serious policy on China.

Unfortunately, as I was explaining in my open remarks, there are so many differences inside Europe, and that makes EU policy very difficult. Some countries, such as Hungary, have been the main recipients of foreign direct investment from China. In 2024, the majority of foreign direct investment that was arriving in the European Union actually went to Hungary, with some investment in factories of electric vehicles and other areas that have become really vulnerabilities also for a European market, and the supply chains inside Europe.

Going back to Italy, I will mention a couple of points that maybe should be a good example for other countries, what has happened in recent years. It is, of course, you know this blending of transatlantic loyalty, also with economic caution, because China is an

important market also for Italy. I believe that should also be the guiding principle for other European countries. Rome has strengthened its Golden Power investment screening rules, so even going further, more deeply than the European Union investment screening rules, and has blocked or restricted acquisitions of, you know, strategic sectors, such as in areas such as semiconductors, robotics, and also telecommunication.

It has adopted the "Buy Transatlantic," which is the way to go, also for other countries' procurement approach that prioritizes European Union member states and American companies. It is—but also the third element, which is clearly around democratic values, has raised concerns about human rights. We do not see that, unfortunately, throughout the European Union. That is why it is so difficult to have a united policy in the European Union when it comes to China, because of the diverging interests and also because of diverging interests of the economic community in the European Union.

Co-Chairman WILSON: Indeed, follow the money. That is so sad. I do not know many people who are aware of the level of Chinese Communist Party investment with the government and Hungary. Again, the last government that should be, because they were the first to stand up to Soviet imperialism.

With that, I yield back. I will be happy to have other questions later.

Representative ELLZEY: Mr. Chairman, I am going to go ahead and give you a couple more minutes. Keep going. It is just the two of us. Let's have a conversation here. This is good stuff.

Co-Chairman WILSON: No, no, hey, Mr. Chairman, thank you. See how—what a good chairman he is? It is amazing. People from Texas are very bright.

Indeed, Mr. Verbickas, an example of success is the Baltic republics. America should—Americans should know that in 1940, when the Red Army occupied the Baltic Republics, the United States never recognized the occupation. We never recognized that Estonia, Latvia, and Lithuania were happy Soviet republics. They were not happy, and they were not Soviet republics. They were independent countries. Then, once you achieve your freedom in 1989 and 1990, it is exciting that the three countries have just blossomed. What a contrast to the Russian Federation. Then, equally significant, we learned recently, Jake and I, that the economies of Estonia, Latvia, and Lithuania, with Poland, are one and a half times the size of the Russian Federation and growing much quicker. Hey, what an example for the people of Russia, they can do better, looking across the Neva River, and do better as the Baltic republics.

With that in mind, which EU members have, from your point of view, been the greatest allies in responding to China's economic coercion? What of the greatest challenges that Lithuania has had in working with EU cooperation to face the challenge of the Chinese Communist Party?

Mr. VERBICKAS: Thank you. Thank you, Honorable Congressman, for your kind words. Really appreciate all the United States efforts and the Vilnius Summit declaration, and nonrecognition of Lithuania and Baltics' occupation. I got a chance to serve at the consulate in Chicago, where we have on our wall the old sign of a Lith-

uanian consulate from pre-war period. We appreciate that. To have our diplomatic missions, which never ceased to work during the occupation period. This is very, very cherishable moment for us.

Thank you for the question. Here, like, listening to what my colleague said about European Union, we just have to remember that if economic coercion for Lithuania, as I mentioned in my statement, we saw it from the very, very beginning in European Union's economic security strategy, which was adopted in the year 2023, in June, with the first steps of implementation next year. We can say that the understanding on strategic rivalry with China is in European Union. As you rightly stated, this has a lot of angles, so internal businesses, domestic investment, what was made of it? When we withdraw from 17+1 Road and Belt Initiative, we have met a lot of nonunderstanding from our partners what we are doing, why we are doing, because it is easy money, as you told, follow the money. We had that Klaipeda seaport, which China wanted to take over, and incentives were on the table on big amounts.

Coming back, what do we see? There is a lot more understanding within European Union. Renewed FDI screening mechanism, which will be in force from January 1st next year. Dual-use export control mechanism. Outbound investment control, which none of those countries are keen to see in, but we even see our like-minded partners within the states and economies, like Netherlands, for instance, who understand that this is a threat. This is a threat to lose their comparative advantages. I will not be naming countries here, because we are 27 in the same pool. We better work together. We better work together, find ways to understand each other, to understand each other even when we are talking about Hungary, right? What is happening? Why is it happening? We better do that.

I will repeat transatlantic cooperation mentioned not once here at our table. Again, we would consider as utmost importance to have that mutual common understanding, to work together on our strategic rivals, softly speaking, and to find that connection. To find that connection and not to be afraid of that cooperation.

Thank you.

Co-Chairman WILSON: Thank you very much. I would like to point out, as you mentioned, about the location in Chicago, I am sure that it is a real affirmation of the warm relationship we have between Lithuania and the United States. I am sure that the second-largest Lithuanian city after Vilnius is Chicago. The second-largest Polish city in the world is Chicago. The second-largest Bulgarian city in the world is Chicago. [LAUGHS.] We all came together. Of course, I was celebrating Bulgaria's National Day yesterday, so, hey, thank you.

Representative ELLZEY: Thank you, Mr. Chairman.

Okay, I would like to take a little time here, because Audrye's got a stop clock. I have seen you writing furiously. I do not have a question for you. What is it you want to say over the next couple of minutes? Because you are the expert here. I can ask all the questions I want, but you have got some thoughts on your mind, so go ahead and give us what they are.

Dr. WONG: Sure. Well, actually, it was sort of in response to Chairman Wilson's, you know, question and comment about, you know, which countries have been most susceptible to Chinese influ-

ence, and which countries best respond. I sort of think, taking a step back, I think, you know, it highlights the importance of strengthening democratic resilience and ensuring that institutions are strong. That there are checks and balances in, you know, all these societies and these countries, right, to ensure that there is transparency, awareness of what China is doing. That there are enough, you know, stakeholders that are able to push back, right, and not just let a dictator or a strongman politician sort of be able to accept, you know, corrupt deals and do what he wants with it.

I think, you know, in terms of looking forward, right, it is, I think, you know, sort of, looking at each individual country and trying to ensure that civil society, that, you know, there is free and fair elections, all of these attributes are key in allowing individual countries to be able to push back against Chinese influence more broadly.

Representative ELLZEY: Thank you. Okay, since you have just got a few more minutes and my friend Marc Veasey from Texas, my neighbor to the west, and north, and—he surrounds me—[LAUGHTER]—and I would like to welcome him to the hearing today. Marc, Audrye's got until 3:45. If you have some questions for her, go ahead and ask them, and you have some time.

STATEMENT OF MARC VEASEY, U.S. HOUSE, FROM TEXAS

Representative VEASEY: I will. Anybody can answer them. I wanted to ask, particularly as it relates to the supply chain issues that we have talked about related to Greenland, what sort of steps can the EU take to prevent China from gaining leverage through infrastructure investment or resource access when it comes to the issue around Greenland, and the critical mineral supply chains? China already dominates those supply chains. That is something that I am really concerned about.

Dr. WONG: I think some of my colleagues will have good answers to that, but I will take a first shot. I think you raise—you know, it is a very serious problem and question. I think, you know, what we have been talking about, sort of the importance of coordination and sort of combining, you know, allies in Europe with allies in the Indo-Pacific, so sort of thinking about Japan and South Korea and improving that coordination to ensure that, you know, there is sort of vertical integration of these supply chains, that at each step we are not dependent on China for mining and extraction, for processing for the technologies are required, right, to, you know, transform these rare earth and critical minerals into the strategic inputs for technology and other important sectors.

I think ensuring that there is strategic coordination at the high levels. I think also putting, you know, your money where your mouth is, right? That you are saying, here are maybe, you know, some funds. You know, sort of everyone pitching in and saying, here is how we can support, you know, companies to invest in the whole supply chain. Not just, you know, mining, but also the technologies to refine and process rare earths, I think, is critical to, you know, diversify and derisk and, you know, ensure that we're not dependent on China for this at any stage.

Representative VEASEY: Yes, no, absolutely. Ms. Zeneli, I want to ask you, when President Trump and his efforts to want to—or say,

initially, I guess he has kind of walked back a little bit, his efforts to want more influence in Greenland, has that helped or hurt Chinese influence in Greenland?

Ms. ZENELI: Well, thank you very much, Congressman Veasey.

I would like to go a little bit back into the leverage that the Chinese have, especially when it comes to Europe. Because Europe depends 97 percent on Chinese rare earth and critical inputs for its—you know, its technologies. It is a double-edged sword, also for the fact that all those that are not needed for more spending, more development in defense and technologies for the European Union, are dependent on the Chinese. That is why we have this dependence and leverage that the Europeans have on China.

However, Europe has reacted. It has a Critical Mineral Act recently. It has a procurement—a new procurement strategy that the, you know, European companies will get together and also work together toward those issues. When it comes to the collaboration with the United States, I would like to point out a very important thing that happened a couple of weeks ago. Which was the critical mineral summit that took place in Washington, DC, with participation of many European Union members, but also allies from Indo-Pacific. Right after that, there was also an action plan that was signed between the United States, the European Union, and Japan to work together on those critical minerals.

When it comes to Greenland, I would like to say that, really, what is important, if we want to focus and really counter the Chinese influence in the world, it is transatlantic cooperation in all areas. Not only when it comes to China, but also when it comes to trade between the United States and European Union, when it comes to political alignment, so all those issues are critical. That is the best thing that we can do to strengthen our cooperation, work together, and understand that the transatlantic economy is bound by foreign direct investment, not so much trade. One point two trillion [dollars] is the trade between the United States and Europe and dwarfs any trade relations with China or other partners. It is 7.2 trillion [dollars] of foreign direct investment that supports jobs on both sides of the Atlantic—15 million jobs that are supported.

That is what we should not overlook, the importance of transatlantic trade, but also what bonds us together, which is values and the values-based and rules-based international order. Working together, I think it is the best—it is the best way to also counter Chinese influence.

Representative VEASEY: Yes. Yes. Absolutely. I know that—I know that somebody has to go. Jake, I think—who has to go? Someone has to leave.

Representative ELLZEY: Audrye has to leave. I guess she has a hard stop at—we were told you had a hard stop. If you do not, that is fine.

Representative VEASEY: Okay. Well, this will be my last one. What I very quickly wanted to ask is, what are EU countries looking at as it relates to America and China? As it relates to, like, Taiwan, Vietnam, and other countries in the Pacific? Just watching that retrenchment and watching that relationship, and watching everything unfold, what do you think that EU countries are watch-

ing to see how America handles that situation, that is much closer to China, obviously, from a geographical standpoint?

Dr. WONG: Your questions are what lessons are—

Representative VEASEY: What do you think the EU countries are watching? Like, do you think that they are saying, okay—because obviously, for instance, if we were to—if we were to, you know, move further away from Taiwan, for instance, right, or Japan, and they were left to have to defend themselves, or even from a non-defense standpoint when it comes to trade. If China becomes the predominant trade partner to some of the countries that we have historically had closer relationships with, what do you think EU countries are looking at to see how all of that sort of unfolds with China, particularly with those countries being closer neighbors to China?

Dr. WONG: Yes. I think there would—in that unfortunate scenario, right, I think there would be a bandwagoning effect, right? That is what you are saying. If the United States is not going to support Taiwan, if it is retrenching from support for its long-standing alliance relationships in Japan and Korea and the Philippines, right, and given that, you know, in the past, right, United States has articulated that Asia is an important—and the Indo-Pacific is an important strategic region for Washington and for U.S. interests, I think it would send a very strong signal of sort of uncertainty, of U.S. unreliability.

I think that has unfortunately been a very common theme or fear, right, that has inhibited—I think, has affected U.S. reputation. I think makes countries—you know, they may not like China, but they feel, oh, we have no alternative because China is providing the investments, or China is the important trading partner. I sort of—I think security retrenchment, accompanied by already—I think, already relatively weak U.S. economic strategy in the Pacific, right, I think will have, you know, brought ramifications for our perceptions of the U.S. as a reliable and global leader.

Representative VEASEY: Yes. Yes. Thank you. Thank you.

Representative ELLZEY: Keep going, man.

Representative VEASEY: No, no. [LAUGHS.] Not right now.

Representative ELLZEY: Okay. Well, recent reporting suggests that China stepped up espionage efforts in high-tech firms and academic research centers focused on critical emerging industries like AI. What steps should governments, companies, and universities be taking to protect intellectual property?

Valbona.

Ms. ZENELI: Thank you, sir. Unfortunately, not much is being—I mean there are things that are being developed in Europe, but this has been an area where we have not seen big policies also coming from the European Union. Unfortunately, what we are seeing now in Europe is that, until five years ago, we mainly saw state-owned companies, Chinese state-owned companies, investing in the European Union. Now we are seeing more private companies with smaller investments, investments that are not going into the screening mechanism. That is what is very important. Right now, governments—there are some governments, like Lithuania and some others, that are looking deeper into that area, looking at research and development institutes, looking at the Confucius Insti-

tutes. This is, unfortunately, until now, this is not widely European, so we do not have those standards that also countries can reach out and understand and implement those into their—into their own policies.

As I was mentioning at the beginning, this is another—this is the most important area of future competition, the tech competition. That is why we need to protect our, you know, technologies. That does not mean that Europe and the United States should not be open, because that is our biggest strength that we have. However, we should protect and be—you know, be safe from theft and from spillover of those technologies toward our adversaries.

Representative ELLZEY: Vidmantas.

Mr. VERBICKAS: If I may, I will back a little bit to the question of Honourable Veasey, to combine with this one. What does Europe do here? Europe, we think, is waking up, finally, a little bit. Not so quick, we want to, as Lithuania, when we are talking about, but let us see. Free trade agreement with Mercosur negotiated more than 25 years. Free trade agreement with India. Indo-Pacific strategy. Free trade agreement with United Arab Emirates. Europe is looking for diversification in all spheres. We do understand that those goods who are not entering United States market from China, they are now trying to flood European market. This is in all senses, for consumers as well as for businesses and producers, and for technologies.

Now, this year, my colleague participated at New Delhi artificial intelligence summit in India. A lot of European representations this year. Two years ago, it was almost nonexistent. We are sharing and talking about transatlantic cooperation, but also there is that need to have that diversification of businesses, diversification of technological cooperation. Because, yes, of course, there are several technologies, emerging technologies, which China is now dominating, 19 out of 24. This is not good. We need to be back a little bit here.

Thank you.

Representative ELLZEY: Thank you. Thank you, Audrye. You got one more? Go ahead, then I will make a closing statement as we are wrapping up our time.

Representative VEASEY: The one thing that I did want to ask, I know you said that Europe is waking up. If Europe feels like they need to have more of a trade policy or trade agreement with China to fill some of the gaps that may be left from the U.S. not being able to fill those needs, for whatever reason, anymore, do you think that there are enough safeguards in place? Like, for instance, you know, there has been a lot of talk about a few years ago, I think—I cannot remember if it was Airbus or if it was Boeing—but there was, like, an entire plane that was basically, you know, stolen that the Chinese replicated for their own use, to try to break up the duopoly between Airbus and Boeing. Do you think that there is enough—that European countries also, if they want to go into a newer—if they want to go into these newer agreements, that they are putting enough safeguards up to protect their countries from Chinese being able to spy on their proprietary entities that they have? Either one of you can answer.

Mr. VERBICKAS: I can repeat shortly what I have said earlier about European Union introducing economic security policy in 2023. Just three years ago. We have started to do things we have been doing a long way ago, like Lithuania and foreign direct investment screening since 2001.

Representative VEASEY: Do you think you can do all of that, though, and still have a robust trading partnership with China? Is what I am trying to get at.

Mr. VERBICKAS: Ah, robust trade partnership with China does not exist.

Representative VEASEY: Yes. Okay.

Mr. VERBICKAS: So.

Ms. ZENELI: Well, Honorable, I would like to say that—repeat here—that the EU has come a long way when it comes to recognizing, you know, what China is doing, also seeing China as a competitor too, and a rival. I would like to remind everyone that back in 2012, when the 16+1 was established, there was even optimistic view from the European Union, because it was seen as a way to pump more money, more investment in a Europe that was suffering from big financial economic crisis. That was when the opening also for the Chinese big companies was created in Europe, after the crisis, investment from China went from less than one billion a year to forty billion a year in 2016. That was when the opening was also created for the Chinese companies that invested in Central and Eastern Europe, but also in Southern Europe. That is the first point. The European Union has come a long way.

For the very first time, I would like to repeat that the European Union is linking economics with national security, which was not part of the European vocabulary. However, there are divisions inside the European Union. Even the fact that you cannot put really in one sentence, though it is pragmatic partner, competitor, and rival. That really shows that inside the European Union, for 27 member states, there is something for everyone. I would also like to remind that while this—[inaudible]—was published by the European Commission in 2019, the European Council only adopted that four years later, after Russia's invasion of Ukraine. That raised awareness of challenges from China.

On trade, I would like to say that in the last year, only trade balance has increased of more than one hundred billion between the European Union and China. It is creating—it is creating issues and suffering for European companies. That is the main issue, I believe, now that Europe and China have to sit and really look at, you know, how this overcapacity, which is pushed because of the internal problems inside the Chinese economy, is then deployed to the European Union.

Representative ELLZEY: Thank you, Marc.

Okay, in the last few minutes, I would like to just close with a couple of thoughts. One, is the elephant in the room right now is, there is a conflict going on with Iran. I am trying to soak up everything I can in the news right now, like everybody else is, about what is going on, what the end state is, and what our goal is. I saw an article from my other favorite group of people, from the Hudson Institute, Zineb Riboua, wrote. "The Iran Strike is All About China." It is a remarkable article. If you have not had a chance to

read it, please do, but there is a theme. We are at the point now where it has become understood by our friends across the world, those who cherish freedom, those who value the freedoms that they have gained, in many cases, just 30 years ago, just under a generation ago, that none of these four countries—Iran, Russia, China, and North Korea—are operating in a silo. When we talk about Russia in the Middle East, or China in the Middle East, it is not “or;” it is “and.” They are all working together.

You have the former ayatollah, may he rot in hell. Genocide of the Jews, genocide of his own people, 40,000 dead just a few weeks ago. Genocide. Vladimir Putin, genocide of Ukrainians. Genocide of Ukrainians. Not right. He sits at the end of the table because he knows what’s awaiting him down the road. Kim Jong-un murdering his own people, starving his own people, up to 50 warheads, giving his own daughter the remote control for missile launches. Not right in the head. Xi Jinping. Genocide of the Uyghurs. Purging of his top staff. A cult of personality. They are all working together, just like they were back in 1938 and 1940. You could argue, based on your understanding of warfare, are we already in it? Is it already number three, because of the economic warfare, the intellectual property theft? I leave that up to somebody else to discuss.

I do like the direction that we are going now as a nation—as a world of free nations, slowly getting back together. Democracies and freedom-loving people like to avoid the idea that there is evil in the world, but you cannot ignore it, and it never goes away. It did not end after World War I. It did not end after World War II, and it still exists. Unless it is stomped on and put out of its misery, it never actually goes away. Because it is an idea. With China, you know, my view of all of this is a discussion of China and Russia and these other countries, those other nations are the imperial guard for Russia—for China. China is sitting on the throne of swords, behind, just waiting. These are vassal states that it is using and employed in dastardly ways to take complete control of the world.

You know, the dollar is the reserve currency of the free world—of the entire world. That is not what China wants. This is about power and economic power. It is not going to be ruble. It is not going to be the real. It is not going to be the North Korean won. They want it to be the yuan. This is a godless, sinister government that has no moral compass and is willing to take lives for power. We need to recognize that as an international community. The U.N. needs to get over being feckless. They need to understand what exactly is at stake.

As I look out into this room, and as somebody who has to shake hands for a living and meet people and understand what is going on in their lives, every time I come to a Helsinki Commission meeting, I look at the people in the crowd. No. 1, they are always youthful. No. 2, I know that they are one degree away from knowing somebody, or they themselves have witnessed what it is like under tyrannical governments. I notice that when I look out into the crowd, they are looking at me as if they want me to look at them and understand, and look into their eyes, the fear they feel from what these tyrannical governments are capable of. I have gained

a lot from just watching the crowds in these—in these hearings. I am deeply grateful for it.

I just want you to know that as you are looking and they are asking, is the United States still involved? Are they still watching out? Do they still care? Well, I tell you, all you have to do is listen. Listen closely to Joe Wilson, who is a very conservative Republican from South Carolina, who every day wears that pin from Ukraine. Just listen to him. Nobody is—he is not losing his seat because he supports Ukraine. He is not losing his seat because he supports these countries, the Baltics, the Nordics, those who understand what tyranny is like. He is going to be around here for a long time, so am I, so is Marc Veasey. We all work together. Do not buy into the narrative of what you see in the media, because it is not news. It is a narrative.

I tell you what, when I go to Lithuania, and I go to Vilnius, the wonderful, happy people there, they are fantastic. They are joyous. They sing once a year in a group of 10,000. It is a remarkable thing to hear. Mention Russia and watch what happens. You are not afraid of Russia. You are not afraid of China. You, Israel, Ukraine, the leaders of the free world right now, because you are willing to fight for what you believe in.

Last, I will just say all is not dark. The horizon is bright because the arc of the universe bends toward justice. I think right now we are rapidly bending toward justice because we understand. All of our heads are out of the sand, and we are all united in that one belief that good must survive over evil. I love associating with good people like Marc and you here on our panel. I would like to thank all of you for being here, attending, and spending some time with us today.

Thank you very much.

This meeting is adjourned. [Applause.]

[Whereupon, at 4:02 p.m., the hearing ended.]





The United States Helsinki Commission, an independent federal agency, by law monitors and encourages progress in implementing provisions of the Helsinki Accords.

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