

sorship among Chinese journalists. These self-imposed restrictions effectively stifle information Beijing deems undesirable.

- China's information controls are designed to perpetuate the existence of the Chinese political structure and the Chinese Communist Party's control of the nation, and also to maintain a stable environment for China's new "rising power class," the primary beneficiaries of the developing two-tiered society who are seeking to maintain their favored status.
- Through its media control regime, the Chinese government has been able to manipulate and influence the perspectives of many Chinese citizens. While the majority of the Chinese people understand that the information provided by Chinese state-owned media organizations may not be free of censorship and propaganda, they have little choice but to rely on it when forming their opinions about the outside world. Beijing has used this capacity to create deep feelings of nationalism inside China and can use it to incite strong anti-foreigner sentiments among the Chinese people when it wishes to do so.
- The strong nationalism Beijing has fostered may constrain its options to respond to international incidents. This could result in exacerbating tensions in a sensitive situation and turning a misunderstanding into a conflict. The media organizations supervised by the U.S. Broadcasting Board of Governors struggle in the face of Chinese censorship to provide accurate news and information to the people of China through radio and television broadcasts and the Internet. In violation of international laws the Chinese government successfully jams or blocks access to many of these broadcasts and Internet messages and content.
- Some U.S. technology firms have cooperated with and contributed to the Chinese government's censorship and propaganda systems by supplying hardware and software. In some but not all these cases, their cooperation may be a Chinese legal requirement.
- Chinese leaders are seeking an international reputation that is benign if not benevolent, and are using every available state resource in their effort. Chinese Communist Party news outlets such as *Xinhua* are employed in a concerted perception management campaign that is directed not only at domestic audiences but also at foreign populations.
- China's control and manipulation of information make it difficult or impossible for officials responsible for food and product safety in the United States and other nations to identify potential safety problems in Chinese imports on a timely basis and intervene to protect the health and safety of consumers.

THE COMMISSION'S KEY RECOMMENDATIONS

The Commission believes that 10 of its 42 recommendations to Congress are of particular significance. These are presented below in the order in which they appear in the Report. The complete list of 42 recommendations appears at the Report's conclusion on page 285.

- **Treating currency manipulation as an illegal export subsidy:** The Commission recommends that Congress enact legislation to define currency manipulation as an illegal export subsidy and allow the subsidy to be taken into account when determining penalty tariffs. In addition, Congress should amend the law to allow currency manipulation to be added to other prohibited subsidies when calculating antidumping and countervailing duty penalties.
- **Determining the country of origin of U.S. weapon systems components:** The Commission recommends that Congress require the U.S. Department of Defense to prepare a complete list of the country of origin of each component in every U.S. weapon system to the bottom tier.
- **Ensuring adequate support for U.S. export control enforcement and counterintelligence efforts:** In order to slow or stop the outflow of protected U.S. technologies and manufacturing expertise to China, the Commission recommends that Congress assess the adequacy of and, if needed, provide additional funding for U.S. export control enforcement and counterintelligence efforts, specifically those tasked with detecting and preventing illicit technology transfers to China and Chinese state-sponsored industrial espionage operations.
- **Ensuring adequate support for protecting critical American computer networks and data:** The Commission recommends that Congress assess the adequacy of and, if needed, provide additional funding for military, intelligence, and homeland security programs that monitor and protect critical American computer networks and sensitive information, specifically those tasked with protecting networks from damage caused by cyber attacks.
- **Ensuring U.S. access to and ability to use space:** The Commission recommends that Congress ensure that the U.S. Department of Defense and the National Aeronautics and Space Administration have programs to provide access to space, protect space-based assets, and maintain adequate defense measures such as those required for rapid replacement of destroyed assets in space (the Operational Responsive Space framework).
- **Addressing weaknesses in U.S. intelligence capabilities focused on China's military:** The Commission recommends that Congress instruct the director of national intelligence to conduct a full assessment of U.S. intelligence capabilities vis-à-vis the military of the People's Republic of China, and identify strategies for addressing any U.S. weaknesses that may be discovered as part of the assessment
- **Assessing potential Chinese military applications of R&D conducted in China by U.S. companies:** The Commission recommends that Congress direct the U.S. Department of Defense to evaluate, and, in its *Annual Report to Congress on the Military Power of the People's Republic of China*, to report on, potential Chinese military applications of R&D conducted in China by U.S. companies.

- **Engaging China to address global climate change/environmental degradation:** The Commission recommends that Congress urge the Administration to engage China to address global climate change/environmental degradation and identify opportunities for further U.S.-China cooperation.
- **Establishing joint efforts with China to monitor, determine the costs of, and prevent pollution:** The Commission recommends that Congress encourage the Administration to seek opportunities with China for (1) joint study of the economic and social costs of environmental pollution, (2) joint projects to monitor more effectively and transparently relevant environmental pollutants, and (3) joint projects to prevent pollution by use of nonpolluting energy sources and technologies and application of technologies to reduce pollution from carbon fuel combustion (such as carbon capture and sequestration techniques).
- **Assisting Taiwan to strengthen its military:** The Commission recommends that Congress encourage the Administration to continue to work with Taiwan to modernize its military and enhance Taiwan's capabilities for operating jointly with U.S. and allied forces, and make available to Taiwan the defensive weapons it needs for its military forces.