

# Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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June 21, 2024

The Honorable Lloyd Austin  
Secretary  
Department of Defense  
1000 Defense Pentagon  
Washington, DC 20301-1000

Dear Secretary Austin:

The Committee on Oversight and Accountability (Committee) is investigating unrestricted and disintegration warfare by the People's Republic of China (PRC) and the Chinese Communist Party (CCP) aimed at undermining U.S. national security, especially concerning various sectors of the Department of Defense (DoD or the Department). As part of a government-wide investigation into CCP warfare operations and the response from federal agencies, the Committee is investigating how the DoD safeguards national security personnel, DoD command structure and intelligence components, and the defense industrial base from CCP interference.

### Broader Committee Investigation

The Committee is conducting oversight of the federal government's work to protect the American people from CCP political warfare<sup>1</sup> and nefarious influence operations. For decades, the CCP has sought to infiltrate and influence every aspect of American society.<sup>2</sup> The CCP's goal is plain: defeat the "main enemy," which counterintelligence officials have identified as America.<sup>3</sup> The fronts are multiple; according to the CCP itself: "[t]he battlefield will be

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<sup>1</sup> "Political warfare seeks to influence emotions, motives, objective reasoning, and behavior of foreign governments, organizations, groups, and individuals in a manner favorable to one's own political-military objectives." Mark Stokes, *The People's Liberation Army General Political Department: Political Warfare with Chinese Characteristics*, Project 2049 Inst. (Oct. 14, 2013).

<sup>2</sup> See generally Constantine C. Menges, *China The Gathering Threat* (2005); H.R. Rep. No. 105-851 (1999) ("Cox Report"); Robert Spalding, *War Without Rules* (2022); Col. Grant Newsham, *When China Attacks: A Warning to America* (2023); Kerry K. Gershaneck, *Political Warfare: Strategies for Combating China's Plan to "Win without Fighting"* (2020); see also Larry Diamond and Orville Schell, *China's Influence & America's Interests: Promoting Constructive Vigilance*, Hoover Inst. (2019).

<sup>3</sup> Menges, *supra* note 2; Gershaneck, *supra* note 2 ("The PRC is engaged in war against the United States. It is not mere competition or malign influence, but war by PRC definition."); Newsham, *supra* note 2, at 60 (The CCP "seeks global domination" and "will fight its main enemy, the United States, to achieve it.").

everywhere.”<sup>4</sup> And the tools are myriad, with the “united front”<sup>5</sup> leading as one of the PRC’s<sup>6</sup> “magic weapons,”<sup>7</sup> as described by General Secretary Xi Jinping,<sup>8</sup> to advance the Party’s aim of global domination.<sup>9</sup> United front work (UFW), which may be executed by the United Front Work Department (UFW) or elsewhere in the Party, is a “unique blend of engagement, influence activities, and intelligence operations” that the CCP uses to “influence other countries’ policy toward the PRC and to gain access to advanced foreign technology.”<sup>10</sup> UFW “generally involves covert activity and is a form of interference that aids the CCP’s rise.”<sup>11</sup> United front “networks” are used “to carry out relationship-focused influence campaigns through a multitude of proxies.”<sup>12</sup>

Despite years of false promises to the West, the CCP openly seeks to achieve its destructive ambition. In 1999, two People’s Liberation Army Air Force (PLA) colonels authored *Unrestricted Warfare*, which has been described as a strategic military vision for the PRC to defeat America through political warfare.<sup>13</sup> Retired Brig. Gen. Robert Spalding, who has served in senior positions in strategy and diplomacy with the U.S. Departments of Defense and State for decades, characterizes the book as “the main blueprint for China’s efforts to unseat America as the world’s economy, political, and ideological leader,” which “shows exactly how a totalitarian nation set out to dominate the West through a comprehensive, long-term strategy that includes everything from corporate sabotage to cyberwarfare to dishonest diplomacy; from violations of international trade law and intellectual property law to calculated abuses of the global financial system.”<sup>14</sup> Kerry Gershaneck, former counterintelligence officer who wrote a seminal book on combatting PRC Political Warfare, has explained that *Unrestricted Warfare* details CCP use of “any methods” where “the boundaries between war and non-war and between military and non-military affairs [have] systemically broken down.”<sup>15</sup> To successfully combat these highly

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<sup>4</sup> Qiao Liang & Wang Xiangsu, *Unrestricted Warfare: China’s Master Plan to Destroy America* (PLA Lit. & Arts Pub. House 1999) (China) (military colonels describing twenty-four varieties of warfare).

<sup>5</sup> “While the CCP’s United Front Work Department has functional responsibility for these [warfare] operations and activities, PRC united front work is a task of all CCP agencies and members.” Gershaneck, *supra* note 2, at 22.

<sup>6</sup> It is essential to understand that Xi Jinping has removed any “veneer of separation between the [CCP] and the Chinese state.” Gershaneck, *supra* note 2, at 43 (quoting Ann-Marie Brady, *Exploit Every Rift: United Front Work Goes Global*, in David Gitter et al., *Party Watch Annual Report*, Ctr. for Adv. China Res. (2018)).

<sup>7</sup> Ann-Marie Brady, *Magic Weapons: China’s political influence activities under Xi Jinping*, Wilson Ctr. (Sept. 18, 2017); *see also* Sel. Comm. on the Chinese Communist Party, *Memorandum: United Front 101*, at 7 (“United Front 101 Memo”).

<sup>8</sup> Alex Joske, *The party speaks for you: Foreign interference and the Chinese Communist Party’s united front system*, Austl. Strategic Pol’y Inst. (June 9, 2020) (quoting Xi Jinping at 2015 Central United Front Work Meeting).

<sup>9</sup> *See, e.g.*, Newsham, *supra* note 2, at 43 (“The People’s Republic of China may settle for dominance rather than occupation, but it does indeed aim to rule us all.”).

<sup>10</sup> United Front 101 Memo, *supra* note 7, at 1.

<sup>11</sup> Joske, *The party speaks for you*, *supra* note 8, at 19.

<sup>12</sup> Alex Joske, *Spies and Lies: How China’s Greatest Covert Operations Fooled the World*, at 63 (2022).

<sup>13</sup> Gershaneck, *supra* note 2.

<sup>14</sup> Spalding, *War Without Rules*, *supra* note 2, at xii; *see also* Robert Spalding, *Stealth War*, at 12-13 (2019) (*Unrestricted Warfare* “should be required reading for all branches of the US government and for business leaders, because it outlines, in no uncertain terms, the strategy behind China’s policies,” including stating that the “new principles of war” are “no longer ‘using armed force to compel the enemy to submit to one’s will,’ but rather are ‘using all means, including armed force or non-armed force, military and non-military, and lethal and non-lethal means to compel the enemy to accept one’s interests.’”).

<sup>15</sup> Gershaneck, *supra* note 2, at 16 (quoting Qiao Liang & Wang Xiangsu, *supra* note 4, at 6-7).

organized and pervasive warfares spawned by China, federal agencies must first recognize and understand them.

The CCP “know[s] the strength of the American people, of the American idea, and that’s why China has launched so many warfares to try to weaken us, divide us, and get us to hate ourselves and each other.”<sup>16</sup> Retired Col. Grant Newsham, former U.S. Marine Liaison Officer to the Japan Ground Self-Defense Force and U.S. Foreign Service Officer, has advised that “the way out of this is to rediscover why we are an exceptional country, get to know each other better, and fight side by side.”<sup>17</sup>

As all Americans are targets of the PRC’s warfare,<sup>18</sup> federal agencies have responsibilities to (1) conduct outreach to citizens about the dangers they may encounter, and (2) provide appropriate incentives for Americans to proactively protect themselves—their communities, schools, houses of worship, businesses, finances, food, and more—from the threat. Federal agencies must prepare Americans to “take action.”<sup>19</sup> To stop the CCP’s “destructive actions,” retired Brig. Gen. Spalding advises that it will “take macrolevel strategic changes by our government, but also microlevel actions by individuals, businesses and other civic institutions.”<sup>20</sup> The Committee is surveying each agency’s role to secure Americans and their communities.

Congress has recognized the threat posed by the PRC for some time. Notably, in 1999, the U.S. House Select Committee on U.S. National Security and Military/Commercial Concerns with the People’s Republic of China concluded that in the preceding decade, the PRC used a “variety of techniques including espionage, controlled commercial entities, and a network of individuals that engage in contact with scientists, businesspeople and academics” as part of its warfare operations.<sup>21</sup>

With varying degrees of effort and success, federal agencies have sought to address the CCP’s attack on what Col. Newsham has aptly described as “[t]he core of America.”<sup>22</sup> However, the threat is grave and work must be done across agencies to protect America.<sup>23</sup> Peter Mattis,

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<sup>16</sup> Newsham, *supra* note 2, at 341.

<sup>17</sup> *Id.*

<sup>18</sup> “The Three Warfares, the traditional foundation of PRC political warfare, include public opinion/media warfare, psychological warfare, and legal warfare.” Gershaneck, *supra* note 2. It “requires efforts to unify military and civilian thinking, divide the enemy into factions, weaken the enemy’s combat power, and organize legal offensives.” Elsa Kania, *China Brief: The PLA’s Latest Strategic Thinking on the Three Warfares*, Jamestown Found. (Aug. 22, 2016).

<sup>19</sup> Spalding, *War Without Rules*, *supra* note 2, at 214.

<sup>20</sup> *Id.*; see also Peter Mattis & Matt Schrader, *America Can’t Beat Beijing’s Tech Theft With Racial Profiling*, War on the Rocks (July 23, 2019) (“The U.S. government’s difficulties in telling a convincing story about the Chinese Communist Party point to a[n] important step: addressing a serious lack of ‘China literacy,’ both within the enforcement portions of the federal bureaucracy, and in U.S. society as a whole.”).

<sup>21</sup> Cox Report, *supra* note 2, at xxxiii; see generally Menges, *supra* note 2.

<sup>22</sup> Newsham, *supra* note 2, at 33.

<sup>23</sup> See Newsham, *supra* note 2, at 309 (“We need to know, value, protect and build the strengths of the United States of America, and shed the light of truth on the corruption, in every sense of the word,” of the CCP. “That could mean in discussions with family, community, at school or wherever that understanding needs bolstering.” Education courses on PRC political warfare would benefit “[a]ny decision-makers who work with China.”); see Gershaneck, *supra* note 2, at 153 (outlining such courses to “build[] internal defenses”).

former staff director of the Congressional-Executive Commission of China and counterintelligence analyst at the CIA counsels that

Only by being clear in public about the actions and intentions of the Chinese party-state and being publicly accountable for the actions the U.S. government takes in response, will the United States be able to address Beijing's challenges while upholding our democratic commitment to fair, transparent justice for all Americans.<sup>24</sup>

To this end, the Committee is conducting this investigation and implores each federal agency to uphold its duty to the American communities for whom they are responsible.

#### Threat Deflation & The Failure to Recognize CCP Disintegration Warfare

The Committee is concerned that DoD may not be prepared to effectively identify and respond to CCP warfare tactics. Whether referred to as unrestricted warfare or disintegration warfare, the CCP seeks to leave no area of society untargeted for manipulation.<sup>25</sup>

The PLA believes that disintegration of the enemy does not have to occur militarily.<sup>26</sup> Rather, “[d]isintegration consists of degrading the enemy’s resolve and impeding its mobilization capacity by sowing divisions within the enemy camp and wooing critical elements over to one’s own side.”<sup>27</sup> Similarly, in *Unrestricted Warfare*, the PLA authors argue that military personnel and political leaders have long correlated the level of a national security threat that a state may pose with its level of military power.<sup>28</sup> However, the authors go on to point out that the wars at the end of the 20th century prove that military prowess is not the driving factor for the outcome of national security.<sup>29</sup> Instead, according to the PLA authors, the traditional factors are becoming more and more intertwined with resource accrument and economic factors.<sup>30</sup>

The CCP has used political warfare, a component of unrestricted and disintegration warfare, to specifically target the leadership and political elites of our nation for the purpose of undermining strategy, defense policies, international norms, and the stability of the targeted nation itself.<sup>31</sup> Alarminglly, it appears that the Department has itself been targeted. The CCP is aggressively pursuing its ambition to become the dominant global superpower.<sup>32</sup> Yet, for decades, various U.S. administrations and key figures within the national security framework

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<sup>24</sup> Mattis and Schrader, *supra* note 20.

<sup>25</sup> Liang & Xiangsu, *supra* note 4 (military colonels describing twenty-four varieties of warfare).

<sup>26</sup> See Jacqueline N. Deal, *Disintegrating the Enemy: The PLA's Info-Messaging*, 50 *Parameters* 3, at 9 (2020).

<sup>27</sup> Baidu Baike, *Disintegrate the Enemy* (in Mandarin), available at <https://baike.baidu.com/item/%E7%93%A6%E8%A7%A3%E6%95%8C%E5%86%9B/12605412>.

<sup>28</sup> Liang & Xiangsu, *supra* note 4, at 95.

<sup>29</sup> *Id.* at 116.

<sup>30</sup> *Id.*

<sup>31</sup> See Kerry Gershaneck, *To Win Without Fighting: Defining China's Political Warfare*, Marine Corps University (June 17, 2020).

<sup>32</sup> See Xi Jinping, President of China, Speech at a Ceremony Marking the Centenary of the Communist Party of China (July 1, 2021).

have underestimated the emerging threat from the CCP, leaving the United States in the position of having to play catch-up.<sup>33</sup>

For example, in a 2013 editorial titled “Work With China, Don’t Contain It,” former Assistant Secretary of Defense for International Security Affairs and Chair of the National Intelligence Council under President Bill Clinton, Joseph Nye argued that “China now is not what the Soviet Union was then” and that China “is not seeking global hegemony.”<sup>34</sup> While China is stronger now than in 2013, early underestimations such as Nye’s laid the groundwork for today’s challenges.

The inexplicable underestimation of the CCP can be attributed to the sentiment of American supremacy following the Soviet Union’s dissolution and the end of the Cold War.<sup>35</sup> Because America was acting as the preeminent power in what was viewed to be a unipolar world,<sup>36</sup> the United States found itself in an extended phase of what Capt. James Fanell, former Director of Intelligence and Information Operations at the U.S. Pacific fleet, described as “threat deflation.”<sup>37</sup> Threat deflation is defined as the downplaying of a threat and its impact or denying the existence of the threat altogether.<sup>38</sup> This period was reportedly marked by the nation’s preoccupation with its unrivaled status and focus on the War on Terror.<sup>39</sup> The PRC’s strategic political warfare operations further diverted the U.S. national security apparatus from acknowledging and addressing the challenge posed by the PRC.<sup>40</sup> This oversight led to a period where DoD, the Intelligence Community, and a succession of administrations could have addressed the threats from the PRC, but did not do so.<sup>41</sup>

U.S. military officials who have sought to counter the PRC threat have been ignored or silenced. In 2013, U.S. Marine Corps Col. Grant Newsham, serving as the liaison to the Japanese military, wrote a memorandum expressing the importance of enhancing the training of Japanese forces, as a key component to bolstering the U.S.’s strategy in the Asia-Pacific region.<sup>42</sup> However, Marine Corps leadership and its public affairs division reportedly instructed him that expressing such views was prohibited, noting that such statements could provoke anger from China and lead to perceptions that the U.S. was attempting to contain it.<sup>43</sup>

Recently, DoD publicly acknowledged the threat China poses. In its Annual Report, titled “Military and Security Developments Involving the People’s Republic of China,” DoD

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<sup>33</sup> See Charles Krauthammer, *The Unipolar Moment*, Foreign Affairs (Jan. 1, 1990).

<sup>34</sup> Joseph Nye, *Work With China, Don’t Contain It*, New York Times (Jan. 25, 2013).

<sup>35</sup> See generally Krauthammer, *supra* note 33.

<sup>36</sup> *Id.*

<sup>37</sup> James E. Fanell & Bradley A. Thayer, *Embracing Communist China: America’s Greatest Strategic Failure*, at xix (2024).

<sup>38</sup> See *id.*, at 16.

<sup>39</sup> *Id.* at xix.

<sup>40</sup> *Id.*

<sup>41</sup> *Id.*

<sup>42</sup> Newsham, *supra* note 2, at 66.

<sup>43</sup> *Id.*

describes PRC strategy as “deliberate and determined efforts to amass, improve, and harness the internal and external elements of national power that will place the PRC in a ‘leading position’ in an enduring competition between systems.”<sup>44</sup> Yet it remains unclear whether such messaging has made its way to DoD’s personnel and operations. DoD leadership’s challenges in addressing the PRC threat, along with its focus on short-term gains, demonstrates an apparent disconnect between those in Washington D.C. and the forward deployed, line analysts, intelligence officers, and the personnel on the ground. The disconnect poses a significant long-term threat to American national security in the face of the CCP’s unrestricted warfare.

### CCP Targeting of DoD Intelligence Community Members

The Office of the Director of National Intelligence (ODNI) 2024 threat assessment report pinpointed the PRC, specifically the CCP, as a leading challenge to the technological competitiveness of the U.S., both militarily and in the civilian sector.<sup>45</sup> It also identified the PRC as the most significant and persistent cyber espionage threat against the U.S. government, the private sector, and critical infrastructure networks.<sup>46</sup> Efforts by the PRC to influence U.S. policy and public perception towards China are notable.<sup>47</sup>

Unrestricted and disintegration warfare seeks to create an environment across political, economic, defense, cyber, and other relevant contested areas, that is receptive to the rise of the CCP and its policies. The CCP seeks to influence U.S. leaders, including in the military and national security arenas, in order to give the PRC more leeway to achieve its destructive ambitions across the globe. For example, in 2019, a former Defense Intelligence Agency officer was sentenced to federal prison for attempting to deliver national defense information to China.<sup>48</sup> Then, in August 2023, two navy servicemen, Petty Officer Wenheng Zhao and Petty Officer 2nd Class Jinchao Wei, were arrested for transmitting U.S. military information to the PRC.<sup>49</sup> In October 2023, a former Army intelligence soldier was apprehended for attempting to pass hoarded national defense information to Chinese intelligence.<sup>50</sup> Furthermore, the Department, FBI, and other agencies are scrutinizing as many as one hundred incidents involving Chinese nationals’ attempts to access sensitive U.S. military bases and other critical sites.<sup>51</sup> These incidents are part of a broader pattern of CCP efforts to infiltrate the personnel of DoD, the Intelligence Community, and other critical national security sectors in the U.S.

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<sup>44</sup> Dep’t of Def., *2023 Report on Military and Security Developments Involving the People’s Republic of China*, at 1 (2023).

<sup>45</sup> See Off. of Dir. of Nat’l Intelligence, *Annual Threat Assessment of the U.S. Intelligence Community* (2024).

<sup>46</sup> *Id.* at 11.

<sup>47</sup> *Id.* at 12.

<sup>48</sup> Press Release, Dep’t of Justice, Off. of Pub. Affairs, Former Intelligence Officer Convicted of Attempted Espionage Sentenced to 10 Years in Federal Prison (Sept. 24, 2019).

<sup>49</sup> Press Release, Dep’t of Justice, Off. of Pub. Affairs, Two U.S. Navy Servicemembers Arrested for Transmitting Military Information to the People’s Republic of China (Aug. 3, 2023).

<sup>50</sup> Press Release, Dep’t of Justice, Off. of Pub. Affairs, Former Soldier Indicted for Attempting to Pass National Defense Information to People’s Republic of China (Oct. 6, 2023).

<sup>51</sup> Gordon Lubold, et al., *Chinese Gate-Crashers at U.S. Bases Spark Espionage Concerns*, Wall St. Journal (Sept. 4, 2023).

### CCP Targeting of the Defense Industrial Base Via Cyber & Economic Warfare

In addition to its warfare against the DoD's intelligence components, the CCP is waging a massive cyber campaign against the defense industry, including public-private partnerships and critical infrastructure systems.<sup>52</sup> ODNI has warned that "China's cyber espionage operations have included compromising telecommunications firms, providers of managed services and broadly used software, and other targets potentially rich in follow-on opportunities for intelligence collection, attack, or influence operations."<sup>53</sup>

The CCP has intertwined its commercial ventures with military objectives, leading to a situation where a vast array of companies within China are intricately, and often discreetly, connected to its armed forces. Initiated by General Secretary Xi Jinping in 2014, the CCP's Military-Civil Fusion (MCF) strategy aims to develop the PLA into the most sophisticated and technologically advanced military force in the world.<sup>54</sup> MCF seeks to dismantle the traditional divides between civilian innovation, commercial enterprises, and the military-defense industries within China.<sup>55</sup> This is achieved through governmental incentives and the fostering of tighter partnerships between the private sector and the PLA.<sup>56</sup> The CCP is not only prioritizing its internal research and development capabilities to these ends, but it is also engaging in the acquisition and misappropriation of leading-edge technologies from around the world, including through acts of theft and economic espionage, to ultimately achieve military supremacy.<sup>57</sup>

To further the CCP's agenda, the PRC employs cyber warfare, a key component of political warfare. Cyber warfare poses several dangerous challenges to the U.S., notably through the facilitation of technology transfers to China that serve to bolster its military capabilities. The American consumption of Chinese goods supports this strategic program.<sup>58</sup> The more products that Americans buy from China and the more Americans use Chinese social media and business applications, such as TikTok, Temu, and Shein, the more familiar the CCP becomes with the personal information of American citizens.<sup>59</sup> CCP possession of Americans' personal data could expose American tendencies, which can be used to more strategically and efficiently target our infrastructure and parts of our economy that matter most to the average American.<sup>60</sup> China is

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<sup>52</sup> See Off. of Dir. of Nat'l Intelligence, *2024 Annual Threat Assessment*, *supra* note 45, at 11.

<sup>53</sup> Off. of Dir. of Nat'l Intelligence, *Annual Threat Assessment of the U.S. Intelligence Community*, at 10 (2023).

<sup>54</sup> See Dep't of State, *Military-Civil Fusion and the People's Republic of China* (2020).

<sup>55</sup> *Id.*

<sup>56</sup> *The Chinese Communist Party's Military-Civil Fusion Policy*, Dep't of State (last visited June 20, 2024).

<sup>57</sup> *Id.*

<sup>58</sup> See *The Chinese Communist Party's Threat to America: Hearing Before Select Comm. on Competition Between the U.S. and the Chinese Communist Party*, 118<sup>th</sup> Cong. (2023) (testimony of Scott N. Paul, President, Alliance for American Manufacturing).

<sup>59</sup> See Sheila Chiang, *Temu accused of data risks after sister app was suspended for malware*, CNBC (May 16, 2023).

<sup>60</sup> See Kevin Collier, *China spent years collecting Americans' personal information. The U.S. just called it out*, NBC News (Feb. 10, 2020).

also rapidly enhancing its capabilities in artificial intelligence (AI) and big data analytics, potentially extending its use beyond domestic applications.<sup>61</sup>

The CCP is not only providing materials for our nation's defense infrastructure, but it is doing so with counterfeit parts.<sup>62</sup> The U.S. Senate Armed Services Committee released a report stating that China is a major source of counterfeit aircraft components on aircraft the U.S. military uses daily, such as the American-manufactured C-27J, C-130J and P-8A.<sup>63</sup> Counterfeit memory chips for U.S. Army helicopter cockpit displays were purchased from a PRC company called Hong Dark Electronic Trade.<sup>64</sup> An American-based aircraft manufacturer learned of a counterfeit ice detection module aboard a Navy vessel that needed immediate replacement and "should not have been put on the airplane originally."<sup>65</sup> The counterfeit ice detection module was traced back to another PRC-based firm, A Access Electronics.<sup>66</sup> A major finding of the Senate Armed Services report was that contractors neglected to notify their U.S. military buyers immediately upon discovering the PRC origin of some previously sold parts.<sup>67</sup> Another alarming report finding was that the original source of electronic components could easily be obfuscated, given that the parts being sold changed hands many times before final purchasing.<sup>68</sup>

According to the Senate Armed Services report, China is the most dominant source country for counterfeit electronic parts, and the report tracked over one hundred instances of counterfeit parts entering the defense supply chain.<sup>69</sup> Over 70 percent of those instances were traced back to China.<sup>70</sup> The counterfeiting industry in China is an established industry with factories reportedly housing over 10,000 employees.<sup>71</sup> In 2010, the Government Accountability Office (GAO) determined that DoD was limited in its ability to determine where counterfeit parts enter the supply chain and what their country of origin is.<sup>72</sup> DoD specifically bans the use of any PRC military contractor or components produced by any such contractor within the scope of its

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<sup>61</sup> See Robert McMillan, et al., *China Is Stealing AI Secrets to Turbocharge Spying, U.S. Says*, Wall St. Journal (Dec. 25, 2023).

<sup>62</sup> The manufacturing of counterfeit goods is another tool in the CCP's unrestricted warfare toolbox. For example, in August 2022, Lockheed Martin discovered that an alloy used in magnets in the turbomachine pumps of F-35 fighter jets originated from China. Stephen Losey, *Pentagon to halt upgraded F-35 deliveries in July amid software woes*, Defense News (June 12th, 2023). The turbomachine is produced by Honeywell, an American company based in Charlotte, North Carolina. *Id.* While it was determined that the magnet did not transmit information or affect the performance of the F-35, the finding was a reminder of the cyber espionage that China persistently enacts across many industries. *Id.* Importantly, the F-35 is flown by the U.S. Air Force, Navy, and Marine Corps and is a pivotal capability utilized in military operational environments around the world. *Id.*

<sup>63</sup> Rep. No. 112-167, *Inquiry Into Counterfeit Electronic Parts In The Department of Defense Supply Chain*, S. Comm. on Armed Services, at ii (2012).

<sup>64</sup> *Id.* at iii.

<sup>65</sup> Greg Waldron, *China-made counterfeit parts found in US military aircraft: Senate*, FlightGlobal (May 22, 2012).

<sup>66</sup> *Id.*

<sup>67</sup> Rep. No. 112-167, *supra* note 64, at iv.

<sup>68</sup> *Id.* at vii.

<sup>69</sup> Press Release, S. Comm. on Armed Services, *Senate Armed Services Committee Releases Report on Counterfeit Electronic Parts*, at 1 (May 21, 2012).

<sup>70</sup> *Id.* at 2.

<sup>71</sup> *Id.*

<sup>72</sup> *Id.* at 3.



Communist Chinese Military Contractor’s list (CCMC).<sup>73</sup> When the posture of federal agencies frames China as an ally rather than an adversary, it becomes harder for DoD to prepare and institute mechanisms to check against CCP economic warfare. While DoD has some general safeguards in place, the CCP’s use of unrestricted and disintegration warfare is unique and must be addressed as such.

CCP economic warfare goes well beyond the use of counterfeit goods and supply chain disruptions targeting the American defense industry. It also ensnares individuals working or living within the United States to execute CCP theft of U.S. military data. In November 2022, three individuals and a U.S.-based magnetics company were charged with conspiracy to send sensitive U.S. military data to China and to illegally provide Chinese-made materials for DoD’s use in aircraft systems.<sup>74</sup> The three individuals allegedly sent nearly 70 drawings of export-controlled technical data to the Chinese government, including submarine, tank, radar, missiles, and mortar renderings.<sup>75</sup> These types of illegal disclosures to the CCP happen all too often. The week before this incident, a former U.S. Army helicopter pilot and contractor was convicted of acting as an agent of China and accepting thousands of dollars to provide aviation-related materials from his contractor work to the CCP.<sup>76</sup> These attacks on our industrial base threaten U.S. military readiness to identify and counter the CCP’s destructive ambitions.

As part of its unrestricted and disintegration warfare, the CCP is targeting U.S. military skilled labor. This is concerning because according to a Center for Strategic and International Studies report, “[t]he U.S. defense industrial base lacks adequate surge capacity for a major war.”<sup>77</sup> The Party is willing to go to great lengths, particularly with espionage, to weaken U.S. military preparedness to China’s advantage. For example, when an American aerospace manufacturer laid off aerospace engineers, China attempted to hire them to obtain information on the F-15 and F-15 jet engines.<sup>78</sup>

DoD must recognize that the PRC is an adversary—doing so would help secure the industrial base and incentivize military readiness.

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<sup>73</sup> 48 C.F.R. § 225.770; *DoD’s List of “Chinese Military Companies”: What’s New and What It Means for You*, Dechert LLP (Feb. 23, 2024).

<sup>74</sup> Rebecca Kheel, *3 Charged with Sending Technical Drawings of US Military Weapons Parts to China*, Military.com (Nov. 10, 2022).

<sup>75</sup> *Id.*

<sup>76</sup> Press Release, Dep’t of Justice, Off. of Pub. Affairs, *Former U.S. Military Pilot Sentenced for Acting as Paid Agent of China and Lying on National Security Background Forms* (Nov. 7, 2022).

<sup>77</sup> Seth G. Jones, *Empty Bins in a Wartime Environment: The Challenge to the U.S. Defense Industrial Base*, Center for Strategic and International Studies (Jan. 23, 2023); see e.g., *House Committee Seeks Answers to the Decline of U.S. Sealift Readiness*, Maritime Executive (Feb. 7, 2024) (The House Select Committee on the Chinese Communist Party held a hearing on the potential of government-owned sealifts during a potential time of war. In a war in the Pacific, the U.S. sealift fleet would be tasked with transporting nearly 90 percent of American military equipment and supplies to the prospective conflict. The U.S. sealift fleet is historically low in comparison to previous levels and is relatively low to that of China’s. Meanwhile, China retains the world’s largest shipbuilding capacity and is the world’s biggest shipowner.).

<sup>78</sup> Edward Timperlake & William C. Triplett II, *Year of the Rat: How Bill Clinton Compromised U.S. Security for Chinese Cash*, at 131 (1998).

### DoD Preventative Measures & Conclusion

An important and necessary component of combatting CCP unrestricted warfare is the effective training of DoD employees: training that explicitly identifies CCP warfare and its goal to destroy America. While DoD has made some strides on this front, much work is needed.

After the passage of the National Defense Authorization Act in 2022, a provision in the law called for the GAO to review DoD efforts aimed at educating military personnel in the Indo-Pacific region.<sup>79</sup> The GAO review assessed which military services have considered Indo-Pacific experience as part of the officer promotion process. GAO also recommended curricula that directly address the unique security challenges that China poses.<sup>80</sup> In November 2023, as part of the recommended changes from the GAO review, DoD implemented changes in the National Defense University curriculum and military service professional education programs that would require China-focused learning outcomes by July 2024.<sup>81</sup>

DoD has made efforts to describe China as a unique threat in their educational programs, even amidst other threats within the Indo-Pacific. While DoD has sought to improve its education of DoD personnel, further steps should be made to address the unique and dangerous nature of the PRC, particularly in light of contrary messaging the Department has sent to its employees who have spoken out about the PRC threat.<sup>82</sup> An internal newsletter sent by the ODNI Diversity Equity and Inclusion (DEI) newsletter warned personnel to not use “problematic phrases” when discussing China and Islamic terrorism.<sup>83</sup> Directly and honestly addressing the CCP as a threat to national security is the *only* effective way to stop the unrestricted and disintegration warfare targeting our country.

According to former Chief Warrant Officer Jason Gambill, DoD currently lacks the infrastructure and methodology to coordinate capabilities across the services and commands to ensure a proper defense against the unrestricted warfare of China.<sup>84</sup> The National Security Strategy from just three years prior stated that the U.S. Military “must upgrade its political and economic instruments” in terms of combatting China’s synchronicity of efforts amidst varying industries to combat the United States.<sup>85</sup> Effective coordination with other agencies is necessary to prevent the threat from slipping through a capability gap in one agency whilst being stopped by another.<sup>86</sup>

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<sup>79</sup> Gov’t Accountability Off., *Military Officers: DOD Can Enhance Promotion and Education Guidance for Addressing Indo-Pacific Region Needs* (June 29, 2023).

<sup>80</sup> *Id.*

<sup>81</sup> *Id.*

<sup>82</sup> *Id.*; Newsham, *supra* note 2, at 341.

<sup>83</sup> Spencer Lindquist, *Internal Docs Show Entire Intelligence Community Warned to Avoid ‘Problematic Phrases’ on Islamic Terrorism*, Daily Wire (Mar. 21, 2024).

<sup>84</sup> See Jason Gambill, *China and Russia are Waging Irregular Warfare Against the United States: It is Time for a U.S. Global Response, Led by Special Operations Command*, 147 Proceedings 11, U.S. Naval Inst. (Nov. 2021).

<sup>85</sup> *Id.*

<sup>86</sup> *Id.*

To assist the Committee in investigating this matter and to help the Committee understand how DoD is working to protect Americans from CCP influence, as well as disintegration and unrestricted warfare, we request a briefing from DoD with Committee staff as soon as possible. Please contact Committee staff as soon as possible, but no later than June 28, 2024. This briefing should address:

1. How DoD strives to inspire and equip Americans to strengthen their communities, innovate, and create the technologies and phenomena that will secure a strong and prosperous future for our nation;
2. How DoD leadership ensures from the top down that all DoD employees and military personnel are aware of CCP intelligence and influence operations against America, and are equipped to address them wherever they arise;
3. DoD training of employees and military personnel, including through the service academies, to identify and address CCP unrestricted and disintegration warfare against America;
4. DoD efforts to prepare the military to understand China by viewing international politics through the lens of power politics and relative power;<sup>87</sup>
5. DoD's understanding of the CCP as an adversary of the United States;
6. DoD efforts to restore agency to and empower its employees and military personnel to transparently identify, describe, and address the CCP as an adversary of America;
7. Steps DoD is taking to protect its intelligence components and service members from PRC and CCP influence and infiltration;
8. DoD efforts to elevate and actively heed warnings from line analysts and those who are forward deployed in the fleet regarding the CCP threat;
9. DoD outreach to industries and the American public about CCP unrestricted warfare, infiltration, and influence operations;
10. DoD collaboration with other federal agencies and the private sector to address CCP industrial espionage;
11. DoD efforts to establish a cohesive strategy, across the military branches, as well as with other federal agencies, to counter and defeat CCP unrestricted warfare against America;

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<sup>87</sup> Fanell & Thayer, *supra* note 37, at 131.

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12. Any internal or external incentives that DoD offers to report and address CCP unrestricted warfare against America;
13. DoD resources, including its industrial capacity in terms of shipping and through sealifts, to facilitate movement of necessary supplies during a conflict against the CCP;
14. DoD standards for prompt notification from military contractors who discover supply chain connections to China; and
15. DoD contracting with Tutor.com and how this company could be compelled to provide DoD information to the PRC pursuant to Chinese national security laws.

Please contact Committee staff at (202) 225-5074 to schedule the staff briefing. The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. Thank you for your prompt attention to this important investigation.

Sincerely,



James Comer

Chairman

Committee on Oversight and Accountability

cc: The Honorable Jamie B. Raskin, Ranking Member  
Committee on Oversight and Accountability