

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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July 18, 2024

The Honorable Alejandro Mayorkas
Secretary
U.S. Department of Homeland Security
2707 Martin Luther King Jr. Ave. SE
Washington, D.C. 20528

Dear Secretary Mayorkas:

The Committee on Oversight and Accountability (Committee) is investigating the Chinese Communist Party's (CCP or the Party) disintegration warfare operations against the United States, and the Department of Homeland Security's (DHS or the Department) efforts to secure the homeland from this threat. The CCP seeks to weaken America on many fronts, including by conducting transnational repression,¹ abusing our immigration system,² flooding our nation with deadly fentanyl,³ and stealing intellectual property.⁴ Moreover, it is saturating American markets with counterfeit, low quality, and cheaply made goods produced using slave labor that are potentially harmful to consumers,⁵ and infiltrating our trade and customs infrastructure.⁶

¹ *Out of Sight, Not Out of Reach: The Global Scale and Scope of Transnational Repression: China*, Freedom House, at 15 (2021) ("China conducts the most sophisticated, global and comprehensive campaign of transnational repression in the world."); *see, e.g.*, Press Release, Fed. Bureau of Invest., FBI Director Christopher Wray's Remarks at Press Conference Regarding China's Operation Fox Hunt (Oct. 28, 2020).

² Miles Dilworth, *'We cannot vet them all': Border Patrol chief warned Homeland Security committee about influx of Chinese migrants 'with links to CCP' in closed-door meeting LAST YEAR*, DailyMail (Feb. 19, 2024); Sharyn Alfonsi, *Chinese migrants are the fastest growing group crossing from Mexico into U.S. at southern border*, CBS News (Feb. 4, 2024).

³ Staff of H. Sel. Comm. on the Chinese Communist Party, 118th Cong., Rep. on the CCP's Role in the Fentanyl Crisis, at 2 (Apr. 16, 2024) ("Fentanyl Report") (describing how the CCP "is the ultimate geographic source of the fentanyl crisis" in the U.S.); U.S. Drug Enf't Admin., DEA-DCT-DIR-008-20, *Fentanyl Flow to the United States*, at 2-3 (2020).

⁴ Zeba Siddiqui, *Five Eyes intelligence chiefs warn on China's 'theft' of intellectual property*, Reuters (Oct. 18, 2023).

⁵ *See* Off. of U.S. Trade Rep., *2022 Review of Notorious Markets for Counterfeiting and Piracy*, Exec. Off. of the Pres., at 42 (Jan. 31, 2023) ("China continues to be the number one source of counterfeit products in the world."); *see generally* Paul Midler, *Poorly Made in China: An Insider's Account of the China Production Game* (2011) (describing the deliberate and secret habit of Chinese manufacturers to widen profit margins through the reduction of quality inputs endangering U.S. consumers).

⁶ Aruna Viswanatha, et al., *Pentagon Sees Giant Cargo Cranes as Possible Chinese Spying Tools*, Wall St. J. (Mar. 5, 2023).

In 2021, DHS acknowledged this reality: “DHS and the broader United States Government (USG) have entered into a period of sustained competition against the PRC, requiring continued attention, adaptation, and resourcing to safeguard the American people and Homeland.”⁷ The Department recognized its role in safeguarding the country: “[t]he American people rely on DHS to play an integral role in the USG’s competition with the PRC.”⁸ The Committee is investigating the Department’s work to uphold this responsibility to the American people.

Broader Committee Investigation

The Committee is conducting oversight of the federal government’s work to protect the American people from CCP “political warfare”⁹ and nefarious influence operations. For decades, the CCP has sought to infiltrate and influence every aspect of American society.¹⁰ The CCP’s goal is plain: defeat the “main enemy,” which counterintelligence officials have identified as America.¹¹ The fronts are multiple; according to the CCP itself: “[t]he battlefield will be everywhere.”¹² And the tools are myriad, with the “united front”¹³ leading as one of the People’s Republic of China’s (PRC)¹⁴ “magic weapons,”¹⁵ as described by General Secretary Xi Jinping,¹⁶ to advance the Party’s aim of global domination.¹⁷ 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

⁷ “The changing geopolitical landscape, led by the return of great power competition, is nowhere more evident than in the [PRC’s] ascension to the world-stage.” U.S. Dept. of Homeland Sec., *DHS Strategic Action Plan to Counter the Threat Posed by the People’s Republic of China: Defending the Homeland in the Era of Great Power Competition*, at 3 (2021) (“DHS Strategic Action Plan”).

⁸ *Id.*

⁹ “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., at 3 (Oct. 14, 2013).

¹⁰ 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 & Orville Schell, *China’s Influence & America’s Interests: Promoting Constructive Vigilance*, Hoover Inst. (2019).

¹¹ Menges, *supra* note 10; Gershaneck, *supra* note 10 (“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 10, at 60 (The CCP “seeks global domination” and “will fight its main enemy, the United States, to achieve it.”).

¹² 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).

¹³ “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 10, at 22.

¹⁴ It is essential to understand that Xi Jinping has removed any “vener of separation between the [CCP] and the Chinese state.” Gershaneck, *supra* note x, 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)).

¹⁵ 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”).

¹⁶ Alex Joske, *The party speaks for you: Foreign interference and the Chinese Communist Party’s united front system*, Austl. Strategic Pol’y Inst. (Jun. 09, 2020) (quoting Xi Jinping at 2015 Central United Front Work Meeting).

¹⁷ See, e.g., Newsham, *supra* note 10, at 43 (“The People’s Republic of China may settle for dominance rather than occupation, but it does indeed aim to rule us all.”).

to “influence other countries’ policy toward the PRC and to gain access to advanced foreign technology.”¹⁸ UFW “generally involves covert activity and is a form of interference that aids the CCP’s rise.”¹⁹ United front “networks” are used “to carry out relationship-focused influence campaigns through a multitude of proxies.”²⁰

Despite years of false promises to the West, the CCP openly seeks to achieve its destructive ambition. In 1999, two People’s Liberation Army (PLA) Air Force colonels authored *Unrestricted Warfare*, which has been described as a strategic military vision for the PRC to defeat America through political warfare.²¹ 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.”²² 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.”²³ To successfully combat these highly 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.”²⁴ 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.”²⁵

As all Americans are targets of the PRC’s warfare,²⁶ federal agencies have responsibilities to (1) conduct outreach to citizens about the dangers they may encounter, and (2)

¹⁸ United Front 101 Memo, *supra* note 15, at 1.

¹⁹ Joske, *The party speaks for you*, *supra* note 16, at 19.

²⁰ Alex Joske, *Spies and Lies: How China’s Greatest Covert Operations Fooled the World*, at 63 (2022).

²¹ Gershaneck, *supra* note 10.

²² Spalding, *War Without Rules*, *supra* note 10, 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.’”).

²³ Gershaneck, *supra* note 10, at 16 (quoting Qiao Liang & Wang Xiangsu, *supra* note 12, at 6-7).

²⁴ Newsham, *supra* note 10, at 341.

²⁵ *Id.*

²⁶ “The Three Warfares, the traditional foundation of PRC political warfare, include public opinion/media warfare, psychological warfare, and legal warfare.” Gershaneck, *supra* note 10. 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).

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.”²⁷ 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.”²⁸ 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, business people and academics” as part of its warfare operations.²⁹

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.”³⁰ However, the threat is grave and work must be done across agencies to protect America.³¹ Peter Mattis, 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.³²

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.

CCP Disintegration Warfare and the DHS Response

The CCP wages disintegration warfare on the premise that “all warfare is based on deception.”³³ Using a form of warfare meant to corrode the United States from within, the CCP has infiltrated U.S. critical infrastructure, bolstered the illicit drug trade globally, engaged in

²⁷ Spalding, *War Without Rules*, *supra* note 10, at 214.

²⁸ *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.”).

²⁹ Cox Report, *supra* note 10, at xxxiii; see generally Menges, *supra* note 10.

³⁰ Newsham, *supra* note 10, at 33.

³¹ See Newsham, *supra* note 10, 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 10, at 153 (outlining such courses to “build[] internal defenses”).

³² Mattis & Schrader, *supra* note 28.

³³ Fumio Ota, *Sun Tzu in Contemporary Chinese Strategy*, 73 J. Force Q. 76, 78 (Apr. 2014) (quoting Sun Tzu, *The Art of War* (Samuel B. Griffith trans., Oxford University Press 1963)).

unlawful and exploitative immigration by infiltrating our borders, used malign economic and supply chain strategies against the United States, and abused international law enforcement cooperation with DHS partners, among many other things.³⁴ The Department has a responsibility to protect the homeland from these threats to the American way of life.

DHS leadership does not appear to recognize disintegration warfare and how it threatens communities around the country. In January 2024, DHS leadership participated in a discussion with an official from a CCP intelligence agency. Specifically, DHS leadership spoke with the PRC Minister of Public Security (MPS), Wang Xiaohong, where DHS raised concerns about the PRC's role in the fentanyl crisis killing tens of thousands of Americans per year,³⁵ child sexual abuse and trafficking, and wildlife trafficking.³⁶ DHS leadership met with Councilor Wang again in February in Vienna, Austria, to discuss these topics.³⁷ However, the Committee is unaware of any decrease in these activities initiated by the CCP.

The Committee is concerned that DHS's tepid approach to the CCP is inadequate to address the threat of CCP political warfare, the Party's role in waging it, and the United States' preparedness to combat it.³⁸ For example, omitted from the agenda of both January and February's meetings was any attempt by DHS to communicate to the PRC to halt transnational repression in the United States.³⁹ Transnational repression is a campaign by the CCP to target and gain control over the actions of populations of overseas Chinese diaspora, including in the United States.⁴⁰ The MPS is one of the CCP's core intelligence agencies and is responsible for transnational repression of the Chinese diaspora on U.S. soil.⁴¹ Transnational repression targets "multiple ethnic and religious minorities, political dissidents, human rights activists, journalists, and former insiders accused of corruption," and can include physical and digital threats, coercion by proxy, and even direct attacks on targeted individuals.⁴² DHS cannot adequately confront the

³⁴ See Memorandum from Secretary Alejandro N. Mayorkas, Sec'y, U.S. Dept. of Homeland Sec., to Robert Silvers, Undersec'y, U.S. Dept. of Homeland Sec. (Apr. 20, 2023).

³⁵ Brian Mann et al., *In 2023 fentanyl overdoses ravaged the U.S. and fueled a new culture war fight*, NPR (Dec. 28, 2023) (The fentanyl overdose rate topped out at over 112,000 deaths in 2023).

³⁶ Press Release, Readout of Secretary Mayorkas' Meeting with People's Republic of China Minister of Public Security Wang Xiaohong, Dept. of Homeland Sec. (Jan. 10, 2024) (Jan. Press Release).

³⁷ Press Release, Readout of Secretary Mayorkas's Bilateral Meeting with People's Republic of China State Councilor and Minister of Public Security Wang Xiaohong in Vienna, Austria (Feb. 18, 2024) (Feb. Press Release).

³⁸ *Id.*

³⁹ *Id.*; Jan. Press Release, *supra* note 36; The CCP is aggressive in their tactics, utilizing transnational repression, human trafficking, propaganda campaigns, and the list goes on to wage non-kinetic war upon the United States. See generally U.S.-China Econ. & Sec. Comm'n, Ann. Rpt., at 1 (Nov. 2023).

⁴⁰ Freedom House, *supra* note 1, at 15.

⁴¹ "China's Ministry of Public Security used operatives to target people of Chinese descent who had the courage to speak out against the Chinese Communist Party – in one case by covertly spreading propaganda to undermine confidence in our democratic processes and, in another, by suppressing U.S. video conferencing users' free speech," said Acting Assistant Director Kurt Ronnow of the FBI Counterintelligence Division." Press Release, 40 Officers of China's National Police Charged in Transnational Repression Schemes Targeting U.S. Residents, U.S. Dep't of Just. (Apr. 17, 2023) (announcing charging of 40 MPS officers with harassing and intimidating Chinese nationals residing in the New York metro area.).

⁴² Freedom House, *supra* note 1, at 15.

CCP's tactics if DHS leadership does not confront PRC officials regarding the CCP's efforts to bypass the security of our nation to accomplish its goals.⁴³

CCP Infiltration of the American Homeland via Illegal Immigration

Another omission from your discussions with Chinese intelligence was any mention of the dramatic increase in Chinese nationals illegally entering or illegally residing in the United States in recent years. One way the CCP is conducting disintegration warfare is by infiltrating the American homeland through immigration and visa programs. In 2021, DHS released its "Strategic Action Plan to Counter the Threat Posed by the People's Republic of China," which highlights the following:

The PRC abuses our immigration system and exploits U.S. businesses and academic institutions to obtain access to cutting-edge American technology and information. By illicitly acquiring proprietary information, the PRC undermines American prosperity, our scientific and technological competitiveness, and—ultimately—the safety of our armed forces and the American people. These exploitative acts advance the CCP's interests while adversely impacting the students, visitors, and workers seeking entry for legitimate purposes that benefit themselves and meaningfully contribute to the Homeland.⁴⁴

Illegal Immigration Across America's Borders

The country has witnessed an unprecedented surge in illegal immigration under the Biden Administration.⁴⁵ As of February 2024, Chinese nationals are the fastest growing population crossing the border illegally, with numbers skyrocketing since 2021.⁴⁶ Over 27,000 Chinese nationals have crossed the southern border illegally since October 1, 2023, up from just 450 in Fiscal Year 2021.⁴⁷ Encounters with Chinese nationals are also growing on the northern border, increasing from just 897 in 2021 to over 7,000 so far in Fiscal Year 2024.⁴⁸

Notably, some Chinese illegal immigrants "have been found to have links" with the CCP and the PLA, and reportedly, "border chiefs are concerned more could be slipping through their grasp."⁴⁹ DHS has been remiss in confronting the surge in Chinese nationals entering the United States via Mexico. Michael Cunningham, a research fellow in The Heritage Foundation's Asian

⁴³ See Murray Scot Tanner, *Beijing's New National Intelligence Law: From Defense to Offense*, Lawfare (Jul. 20, 2017) (describing the CCP's transition from defensive to offensive intelligence tactics in the most recent Chinese National Intelligence Law).

⁴⁴ DHS Strategic Action Plan, *supra* note 7, at 6.

⁴⁵ John Gramlich, *Migrant encounters at the U.S.-Mexico border hit a record high at the end of 2023*, Pew Res. Ctr. (Feb. 15, 2024).

⁴⁶ *Breaking Down the Surge of Chinese Nationals Illegally Coming to the U.S.*, Am. First Pol'y Inst., (Mar. 6, 2024) (noting illegal Chinese immigrant apprehensions at the southern border from FY20-FY23 had increased 1,800 percent); see also *Encounters of Chinese Nationals Surpass all of Last Fiscal Year at the Southwest Border*, H. Comm. on Homeland Sec'y (Apr. 15, 2024).

⁴⁷ *Nationwide Encounters*, U.S. Cust. & Border Prot. (last visited Jun. 14, 2024); see also Matthew Tragesser, *Threat From China Is Growing at Our Southern Border*, Heritage Found. (Apr. 15, 2024); see also *Surge of Chinese nationals crossing the southern border* (Fox News broadcast Feb. 21, 2024) ("Fox Broadcast").

⁴⁸ U.S. Cust. & Border Prot., *supra* note 47; see generally Lawrence Richard & Bill Melugin, *Northern border: Agents arrest group of Chinese trying to sneak into Maine from Canada*, Fox News (Feb. 29, 2024).

⁴⁹ Dilworth, *supra* note 2.

Studies Center, cautioned that it is “reasonable to believe that Chinese spies are infiltrated within criminal cartels and are ‘keeping tabs on some of the Chinese who are coming to America.’”⁵⁰ Moreover, according to former Border Patrol Chief Rodney Scott, some Chinese nationals are brought to America and forced to work on marijuana-growing operations in which Chinese transnational criminal organizations are heavily involved.⁵¹ With the majority of Chinese illegal immigrants being “single, adult males of military age,”⁵² Chinese illegal immigration raises U.S. national security concerns.⁵³

America’s overwhelmed borders enable CCP disintegration warfare. Alex Joske, author of *Spies and Lies: How China’s Greatest Covert Operations Fooled the World*, has explained that “the Party seeks to insert itself into segments of diaspora communities, and then use them as political influence. Co-optees can be used to suppress dissidents, make political donations, mentor political candidates and staffers, and otherwise apply pressure in support of Beijing’s interests.”⁵⁴ It has been reported that “[t]he CCP’s antagonism toward the U.S. and its ability to coerce any of its citizens into intelligence work presents a unique need for the U.S. to secure its borders and implement deterrence policies against illegal immigration.”⁵⁵ The problems associated with the ties and activities of Chinese illegal immigrants coming into America are compounded by the fact that many Chinese illegal immigrants lack valid and verifiable identification that would allow federal agencies to identify and track who is coming into the country.⁵⁶

Illegal Immigration via Student Visa Overstays

The PRC also misuses the U.S. Student and Exchange Visitor Program (SEVP) through which foreign nationals are granted opportunities to study in the American education system.⁵⁷ The program is managed by U.S. Immigration and Customs Enforcement (ICE),⁵⁸ and allows nonimmigrant students to come to the United States to study, with SEVP bridging the gap between those students of interest and the schools interested in hosting them.⁵⁹ In 2022, the

⁵⁰ Virginia Allen, *6 Reasons Chinese Nationals Are Illegally Crossing California’s Southern Border*, Daily Signal (Apr. 28, 2024).

⁵¹ *Id.* (“There’s a new term that’s been used a lot lately in local law enforcement—especially [in] Northern California [and] the inland parts of California—called narco slavery,” and “more and more Chinese . . . are being brought across and they’re being forced to work these domestic marijuana grows; they’re being forced to shovel money around the United States to pay back the smuggling fee that they couldn’t afford up front.”).

⁵² Michelle De Pacina, *CBP: More Chinese migrants now crossing San Diego border than Mexicans*, NextShark (Feb. 26, 2024).

⁵³ See Kerry K. Gershaneck, *How China Conducts Political Warfare in Combat Operations*, at 1 (emphasis in original) (describing the fact that “the PRC’s combat actions would likely [involve] *deliberate surprise attacks* undertaken *without a formal declaration of war.*”).

⁵⁴ Joske, *Spies and Lies*, *supra* note 20, at 31.

⁵⁵ *The Trojan Horse at the Southern Border: Malign CCP Infiltration*, Am. First Pol’y Inst., at 1 (Feb. 14, 2024).

⁵⁶ Meredith Oyen, *Chinese migration to US is nothing new – but the reasons for recent surge at Southern border are*, The Conversation (Mar. 11, 2024); see also Dilworth, *supra* note 2; see also *Surge of Chinese nationals crossing the southern border* (Fox News broadcast Feb. 21, 2024) (“Fox Broadcast”).

⁵⁷ Harrington Shaw, *How China Plays Us for Fools: CCP Subversion of Student Groups*, James G. Martin Ctr. for Acad. Renewal (Jul. 25, 2022).

⁵⁸ U.S. Immigr. & Customs Enf’t, *SEVIS by the Numbers*, at 1 (2022).

⁵⁹ *Id.* at 1.

Chinese population accounted for 324,196 students in the United States under SEVP,⁶⁰ with the same year also producing the highest number of overstays of Chinese citizens, roughly 9,000, on student or exchange visas.⁶¹

This is problematic because, as the American First Policy Institute has reported, “[a]ny Chinese citizen, no matter where that person resides, can be compelled to do the CCP’s bidding – both inside and outside of its borders.”⁶² The “united front system provides networks, cover and institutions that intelligence agencies use for their own purposes.”⁶³ It has been reported that “[t]he Chinese government, through its embassies and consulates in the United States, has sought to suppress free speech among visiting Chinese students, fund political action surreptitiously, influence public perception of China, and gain access to ongoing research and protected intellectual property.”⁶⁴ It is incumbent upon DHS to ensure that those students receiving visas to study in the United States are free from the reigns of the adversarial and authoritative communist regime, that could threaten American security.

CCP Infiltration via Deadly Drugs

The CCP further exploits the overwhelming situation at the southern border by facilitating the fentanyl crisis in America through Mexican drug cartels.⁶⁵ The PRC turns a blind eye while Chinese companies place deadly fentanyl precursor chemicals in the hands of Mexican cartels, which then produce fentanyl to traffic into the United States across the border.⁶⁶ Authorities on the issue of homeland security have testified to Congress that adversarial regimes like the CCP take full advantage of the dismal situation at the borders in order to weaken

⁶⁰ *Id.* at 9.

⁶¹ Jessica M. Vaughan, *DHS Reports Record Number of Overstays in 2022*, Ctr. for Immigr. Studies (Jun. 23, 2023) (DHS defines an overstay as “a nonimmigrant who was lawfully admitted to the United States but remained in the United States beyond the authorized period of admission.” U.S. Dept. of Homeland Sec. *Fiscal Year 2022 Entry/Exit Overstay Report*, at iii (Jun. 21, 2023)).

⁶² The Trojan Horse at the Southern Border, *supra* note 55, at 5.

⁶³ Joske, *Spies and Lies*, *supra* note 20, at 32.

⁶⁴ Shaw, *supra* note 57; *see also* Andrew Martinez, *China may be behind theft of bio samples by Harvard-sponsored Chinese student, feds say*, Boston Herald (Dec. 30, 2019); Cynthia McFadden, et al., *Education or espionage? A Chinese student takes his homework home to China*, NBC News (Jul. 24, 2018); Press Release, U.S. Dept. of Just., Harvard University Professor and Two Chinese Nationals Charged in Three Separate China Related Cases (Jan. 28, 2020).

⁶⁵ *See generally* *Countering Threats Posed by Nation-State Actors in Latin America to U.S. Homeland Security: Hearing Before H. Comm. on Homeland Sec. Subcomm. On Counterterrorism, Law Enf’t & Intel.*, 118th Cong. (Jun. 21, 2023) (“Countering Threats”); *see also* Sean O’Connor, *Fentanyl: China’s Deadly Export to the United States*, U.S.-China Econ. & Sec. Rev. Comm’n, at 5-6 (Feb. 1, 2017).

⁶⁶ *See* Fentanyl Report, *supra* note 3; *see also* Matthew Tragesser, *supra* note 47; *see also* *The CCP’s Role in the Fentanyl Crisis: Hearing Before Sel. Comm. on the Chinese Communist Party*, 118th Cong. (Apr. 16, 2024) (Statement by Ray Donovan, Fmr. Chief of Ops., Drug Enf’t Admin.).

America from within.⁶⁷ The CCP and CCP-backed criminal organizations, such as triads,⁶⁸ smuggle criminals, drugs, and illegal weapons into the country.⁶⁹

Testimony by Elaine Dezenski, senior director and head of the Center on Economic and Financial Power at the Foundation for Defense of Democracy, at a hearing before the Subcommittee on Counterterrorism, Law Enforcement, and Intelligence on the House Committee on Homeland Security, entitled “‘Safe Assumption’ China, Russia, Other Adversaries Want to Exploit Southwest Border Crisis,” advised that: “[w]hen the vulnerabilities are known [] they can be exploited, [] as the immigration flow continues to grow it becomes a more difficult challenge to figure out the very small number of people, within a very large number, coming across the border that are actually of security interest and concern.”⁷⁰ By weakening the United States from within, the CCP seeks to gain the upper hand if a kinetic war were to occur.⁷¹

CCP Theft and Counterfeiting

China is additionally engaging in outright theft and counterfeiting to fuel its disintegration warfare against America. Beijing has repeatedly violated international agreements to protect global intellectual property, but as of 2020, 63 percent of the world’s counterfeit products originated in China.⁷² In his book, *Poorly Made in China: An Insider’s Account of the China Production Game*, Paul Midler details the common and intentional PRC manufacturing practice of counterfeiting American products and exporting them back to America for sale to consumers.⁷³ China “self-designates as a developing country to justify policies and practices that systematically distort multiple sectors globally, harming the United States and other countries” with its exploitative economic practices.⁷⁴

For example, China has stolen intellectual property, including through counterfeit goods, pirated software, and the theft of trade secrets, which costs the American economy as much as \$600 billion per year.⁷⁵ Former Director of the National Counterintelligence and Security Center William Evanina said, “[t]hat’s like taking \$4,000 to \$6,000 annually from every family of four

⁶⁷ Countering Threats, *supra* note 65 (Statement of August Pfluger, Chairman, Subcomm. on Counterterrorism, Law Enf’t, & Intel.).

⁶⁸ *Triad: Chinese Secret Society*, Britannica (last visited May 15, 2024); see also Maryann Martinex, *Chinese ‘snakehead’ gangs are working WITH the cartel to bring migrants into the US - as others walk in LEGALLY with help of CBP One app.* (Feb. 29, 2024) (describing that Chinese organized criminal gangs “first came to Mexico years ago with the chemicals needed to make meth and fentanyl,” and many have “stayed in Mexico to help cartel king pins launder its billions through Chinese (sic) banks.”).

⁶⁹ See generally Countering Threats, *supra* note 65 (Statement of August Pfluger, Chairman, Subcomm. on Counterterrorism, Law Enf’t, & Intel.).

⁷⁰ See generally Countering Threats, *supra* note 65 (Statement of Elaine Dezenski, Ctr. on Econ. & Fin. Power, China Prog., Int’l Orgs. Prog., Found. for Def. of Democracies).

⁷¹ Spalding, *War Without Rules*, *supra* note 10, at 73.

⁷² *United States Strategic Approach to the People’s Republic of China*, Exec. Off. of the Pres., at 3 (2020), available at <https://trumpwhitehouse.archives.gov/wp-content/uploads/2020/05/U.S.-Strategic-Approach-to-The-Peoples-Republic-of-China-Report-5.24v1.pdf>

⁷³ Midler, *supra* note 5, at 107-22.

⁷⁴ *United States Strategic Approach to the People’s Republic of China*, *supra* note 72, at 3.

⁷⁵ See generally Staff of H. Comm. on Foreign Affairs, 117th Cong., *Egregious Cases of Chinese Theft of American Intellectual Property* (2020); see also *Executive Summary China: The Risk to Corporate America*, Fed. Bureau of Invest. (2019).

in America.”⁷⁶ China’s trade secret theft affects the global economy in very real ways, including by seeking to gut American trade and manufacturing.⁷⁷

Cranes and Other Trade-Based Espionage

The CCP has targeted U.S. ports as vehicles for espionage of crucial sectors. For over a year, national security experts have warned that as the most prominent producer of shipping and cargo cranes in America’s ports, Shanghai Zhenhua Heavy Industries Company Limited (ZPMC), a Chinese state-owned manufacturer, provides the PRC an opening to surveil trade patterns and infrastructure within the United States.⁷⁸ As part of the CCP’s Belt and Road Initiative,⁷⁹ the PRC seeks to become the “dominant player in the maritime industry,”⁸⁰ and over the last several decades has amassed a large footprint in the global shipping industry, equating to roughly 49 percent of all ship-to-shore (STS) cranes in the United States alone.⁸¹

A 2023 report by the Foundation for American Innovation (FAI) found that vulnerabilities in shipping ports and on STS cranes could pose risks to national security, cyber security, critical trade infrastructure, and shipping information, jeopardizing trillions of dollars in commerce and jobs.⁸² Recent inspections of these cranes by the United States Coast Guard and inquiries by the House Committee on Homeland Security have uncovered hardware installed post-manufacture meant for potentially insidious purposes.⁸³ FAI acknowledged that “a malign actor could spy on American ports and collect critical information on our port system [and] by having software access to the cranes, a malign actor could sabotage the cranes and disrupt port operations.”⁸⁴ Furthermore, “ZPMC’s STS cranes are present in most major American container ports, making the risks of backdoor surveillance and hacking profound and widespread.”⁸⁵

Since Chinese national security laws require businesses to share data with the CCP, and no Chinese business can be independent of the Party, the CCP’s control over ZPMC puts America at substantial risk.⁸⁶ DHS—along with the U.S. Coast Guard (USCG), U.S. Customs and Border Protection (CBP), and ICE—has the important role of protecting the nation’s borders and waters and should prioritize safeguarding American infrastructure, supply chain processes,

⁷⁶ Naveed Jamali & Tom O’Connor, *U.S., China’s Cold War Is Raging in Cyberspace, Where Intellectual Property Is A Costly Front*, Newsweek (Sept. 17, 2020).

⁷⁷ Nat’l Ass’n of Manufacturers, *Countering Counterfeits: The Real Threat of Fake Products*, at 1 (2020).

⁷⁸ Isaac Kardon, *Washington Tackles a New National Security Threat: Chinese-Made Cranes*, Carnegie Endowment for Int’l Peace (Feb. 28, 2024) (an executive order by President Biden gave DHS and USCG new powers to act to combat cyberattacks).

⁷⁹ James McBride et al., *China’s Massive Belt and Road Initiative*, CFR (Feb. 2, 2023) (“The Belt and Road Initiative is a massive China-led infrastructure project that aims to stretch around the globe. . . . sometimes referred to as the New Silk Road. . . .” that has expanded globally to strengthen China’s influence.).

⁸⁰ Lars Erik Schonander, *ZPMC and America’s Ship-to-Shore Crane Industry*, Found. for Am. Innovation, at 5 (2023).

⁸¹ *Id.* at 13.

⁸² *Id.* at 2, 4.

⁸³ *Chinese-Built Port Cranes May Be Able to Call Home On Their Own*, The Maritime Exec. (Mar. 7, 2024).

⁸⁴ Schonander, *supra* note 80, at 2.

⁸⁵ *Id.* at 4.

⁸⁶ Elaine Dezenski & David Rader, *The U.S. Must Combat CCP-Sanctioned Overseas Spying by Private Entities*, Found. for Def. of Democracies (Nov. 22, 2023) (“[A]ll Chinese businesses and citizens operating overseas must, upon demand, gather sensitive information from host countries and provide that to the Chinese government. In other words, Beijing can activate all Chinese persons and companies abroad to spy for the state.”).

and cybersecurity at U.S. ports.⁸⁷ DHS must take additional and substantial measures to protect the nation's critical trade infrastructure.⁸⁸

Conclusion and Requests

As part of a larger investigation into the federal government's response to CCP influence and infiltration tactics, the Committee is reviewing how DHS is working to fulfill its duties to protect the homeland from CCP disintegration warfare, including through immigration; transnational repression; drug warfare; counterfeit, dangerous, and low-quality goods; and attacks on U.S. trading infrastructure.⁸⁹

To assist the Committee in investigating this matter, we request a staff-level briefing from the Department of Homeland Security and all appropriate component agencies. Please contact Committee staff as soon as possible, but no later than July 25, 2024. This briefing should address the following:

1. How DHS and its component agencies strive 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 DHS leadership ensures from the top down that all DHS employees and its component agencies' employees are aware of CCP warfare and influence operations against America, and are equipped to address them wherever they arise;
3. PRC Intelligence
 - a. The meetings between Secretary Mayorkas and Chinese intelligence, including Councilor Wang, the agenda of these meetings, and the apparent decision to not address transnational repression or illegal immigration at these meetings;
 - b. DHS engagement with PRC law enforcement and intelligence services;
 - c. DHS efforts to ensure that the Department, including but not limited to Homeland Security Intelligence (HSI) employees and agents, is not infiltrated or influenced by the CCP or CCP-backed entities or individuals, including intelligence services or the united front;

⁸⁷ Press Release, White House, FACT SHEET: Biden-Harris Administration Announces Initiative to Bolster Cybersecurity of U.S. Ports (Feb. 21, 2024); *see also* Kardon, *supra* note 78 (an executive order by President Biden gave DHS and USCG new powers to act to combat cyberattacks).

⁸⁸ *Ports*, U.S. Dept. of Trans. Maritime Admin. (last visited May 13, 2024) (The Maritime Administration, a division of the Department of Transportation is responsible for management of the nation's maritime transportation system, including our more than 300 U.S. ports, and "provides discretionary grant funding for port and intermodal infrastructure-related projects.).

⁸⁹ *See generally* DHS Strategic Action Plan, *supra* note 7.

4. DHS Outreach, Training, Initiatives & Collaboration

- a. DHS outreach to the American public regarding (1) CCP ideology and political principles; (2) the roots of CCP ideology in authoritarianism; and (3) CCP “predatory economic behavior abroad and widespread repression at home.”⁹⁰
- b. DHS efforts, initiatives, and messaging specifically focused on the unique and serious threats that the CCP poses to America;
- c. DHS training of employees to identify and address CCP disintegration and economic warfare, illegal immigration, exploitation of student visas, transnational repression, human trafficking, trafficking of counterfeit and faulty goods, and drug trafficking;
- d. CBP training and expertise to enable it to vet, screen, and monitor illegal aliens from the PRC;
- e. DHS efforts to collaborate effectively across responsible government agencies including the Drug Enforcement Administration (DEA), the Office of National Drug Control Policy, the Federal Bureau of Investigation, CBP, USCG, and ICE to stop fentanyl coming into the U.S. through the CCP’s united front, triads, and Mexican cartels;

5. PRC Illegal Immigration

- a. Measures that DHS is taking to respond to the crisis at the northern and southern borders as it pertains to illegal aliens from the PRC;
- b. DHS vetting of Chinese students selected to study in the U.S., along with information related to their pursued areas of study, and whether they have or have had any ties to the CCP;
- c. The role illegal immigration plays in perpetuating the fentanyl crisis and marijuana grow operations,⁹¹ including the role that illegal Chinese immigration may play in such criminal activity;

6. Other Specific Issues

- a. DHS efforts to combat trade-based money laundering, and the tools and resources offered to public and private community stakeholders, such as law enforcement, shipping companies and their port employees;
- b. The results of DHS’s 90-day People’s Republic of China Threats Sprint,⁹² and how the agencies are working to combat each agency’s concerns;

⁹⁰ *Id.* at 5.

⁹¹ *See generally* Nicole Sganga et al., *Black market marijuana tied to Chinese criminal networks infiltrates Maine*, CBS News (Apr. 16, 2024); *see generally* Alex Caprariello, *Lawmakers fear illegal Chinese marijuana grows in heartland*, NewsNation (Apr. 19, 2024).

⁹² Memorandum from Secretary Alejandro N. Mayorkas, Sec’y, U.S. Dept. of Homeland Sec., to Robert Silvers, Undersec’y, U.S. Dept. of Homeland Sec. (Apr. 20, 2023).

The Honorable Alejandro Mayorkas

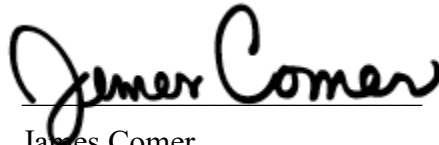
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- c. DHS tools implemented through customs and trade to intercept illicit goods, and how DHS and its various component agencies identify and stop Chinese intellectual property theft, production of counterfeit goods, and the production of goods in violation of Uyghur Forced Labor Prevention Act (UFLPA);
- d. Cybersecurity and Infrastructure Agency (CISA) efforts to combat CCP cyber warfare, including outreach to vulnerable and targeted sectors and components of U.S. critical infrastructure; and
- e. How DHS and its component agencies are working to mitigate risks of CCP state-owned STS cranes at American shipping ports in response to the Executive Order No. 14116 and how affected workers are informed of this threat.⁹³

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

⁹³ Exec. Order No. 14,116, 89 Fed. Reg. 13,971 (Feb. 21, 2024) (further defining the powers of the USCG to combat potential threats (cyber or other) on their assigned U.S. ports).