

Written Materials Submitted to the House Foreign Affairs Subcommittee on Africa,
Global Health, Global Human Rights, and International Organizations for Its Hearing on
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I. Opening Remarks

Chairman Smith and Ranking Members of the Subcommittee, at this grievous moment, I would like to thank you for holding this critical hearing which focuses on the only jailed Chinese Nobel Peace Laureate Liu Xiaobo’s tragic death at the hands of the Chinese government and his family’s tremendous sufferings. The heartbreaking news of his passing just two days before our meeting today feels particularly cruel, but it is critical for us to take this time to discuss how we can still lend a helping hand to assist his family, and how we can fight to honor the legacy of Liu Xiaobo’s courage and sacrifice.

Let me first say that Liu Xiaobo’s tragedy represents the tragedies of many human rights activists in China, but it is also unique in its own way. In all of Nobel Peace Prize history, there have only been three jailed Laureates. But among them, Liu Xiaobo is perhaps the most tragic one.

During her house arrest, Aung San Suu Kyi was allowed some communication with the outside world, as she was occasionally allowed visits from foreign diplomats as well as from her personal physician. Even under the Nazis, Carl von Ossietzky was able to issue a note from the hospital where he was treated for tuberculosis to announce his decision to accept the Nobel Peace Prize in 1936.

But Liu Xiaobo was not able to do any of those in his nearly 9 years in prison. Liu Xiaobo had been held incommunicado since 2008, until he became terminally ill and was eventually allowed a visit by a German doctor and an American doctor after the pleas to Xi Jinping from both President Trump and German Chancellor Merkel. He was not allowed even to talk about any current affairs with his wife Liu Xia during her visits, nor the persecutions Liu Xia and her family suffered throughout Liu Xiaobo’s imprisonment. Even on his deathbed, he had no freedom to leave his last words. Now that he is gone, the world will never know.

No doubt, our hero Liu Xiaobo faced one of the most evil and most inhumane regimes in the history of mankind. The international community could do nothing except watch this great freedom fighter slowly murdered by the regime in front of the world. That’s the real tragedy.

Despite the Chinese regime’s claim that Liu Xiaobo was diagnosed with advanced liver cancer in a regular physical checkup on May 31 and confirmed on June 7, an independent source told me that Liu Xiaobo’s cancer was in fact diagnosed on May 23 during an

emergency hospital visit because of internal bleeding, and since then he had been hospitalized in the First Hospital of China Medical University in Shenyang, Liaoning Province. However, the news of his late-stage cancer was not leaked out until the late June. During this time, his tumor enlarged from 5-6 cm to 11-12 cm.

When Liu Xiaobo's worsening condition became public, human rights activists, 154 Nobel laureates and world leaders called for Liu Xiaobo's immediate release and medical treatment overseas. Liu Xiaobo himself also expressed his wish to seek medical treatment abroad and to die in a free place. Unfortunately, the Chinese regime turned a deaf ear to these requests while the whole world watched. After suppressing and persecuting him for decades, China still didn't even hesitate to crush Liu Xiaobo's final wish.

Although the Chinese Communist regime approved his medical parole application, it still denied Liu Xiaobo's freedom of movement. He was closely guarded by the Chinese police 24/7 in the hospital. The regime not only banned Liu Xiaobo's friends from visiting him, but also threatened his family members and prohibited them from contacting the outside world.

Despite all the propaganda of so-called "meticulous care" the regime offered to Liu Xiaobo, his condition became life threatening, with multiple organ failures, including from respiratory and renal failure as well as septic shock, and in the end he succumbed to the cancer.

I strongly believe that the Chinese regime deliberately chose not to treat Liu Xiaobo's cancer earlier. As early as 2010, Liu Xiaobo was suspected of suffering from hepatitis B. His lawyers had been petitioning the government to grant medical parole so that Liu Xiaobo could treat his liver disease, but the Chinese authorities never allowed him proper diagnosis and treatment. The denial of medical care led to Liu Xiaobo's advanced liver cancer, and was at its core a disguised death sentence.

Mr. Chairman, as you may know, in China it is not doctors but the party officials to decide whether to grant medical parole. In other words, medical parole in China is a political, not a medical decision. In Liu Xiaobo's case it was up to China's top leaders to decide. The party officials often deny many jailed activists' requests for medical parole, and the incarcerated activists often miss the opportunities to have early diagnosis and treatment. Some die while incarcerated. Human rights activist Cao Shunli was one, and now Liu Xiaobo has become another.

I believe there is clearly a pattern of the Chinese regime deliberately neglecting detained and jailed activists' health, mistreating them, including torture and forced ingestion of harmful drugs, as reported by jailed activists' family members or released activists.

It is reported that Liu Xiaobo had two CT tests last year. How can two tests fail to reveal Xiaobo's fairly large liver tumors? Many, including myself, suspect that the Chinese officials intentionally concealed this info from Liu Xiaobo and his family. This is why they have been withholding Liu Xiaobo's medical records from him and his family.

These records are classified as the top secret of the state. I think the international community should call for the release of Liu Xiaobo's medical records to his family and the experts that the family hired to examine this case.

To prevent Liu Xiaobo from seeking medical treatment overseas, China insisted that Liu Xiaobo was too ill to travel, and manipulated what medical experts from the U.S. and Germany said about Liu's treatment. But the two foreign doctors issued a joint statement, agreeing that Liu Xiaobo can be safely transported with appropriate medical evacuation care and support. They also warned that medical evacuation would have to take place as quickly as possible. This most recent event has demonstrated again the point that there is a pattern to allow activists to languish in the party's legal system.

I believe the reason that the Chinese regime denied Liu Xiaobo's wish and the world's appeal to allow him medical treatment abroad and to die in a free place is that it fears the truth of its ruthless persecution will come to light. The world media would focus on Liu Xiaobo and the regime's lies would be exposed. More and more people in China would see the true nature of this one-party state. The government would lose control.

No doubt, the Chinese Communist regime is responsible for Liu Xiaobo's worsening health and for his death. However, the Western countries' appeasement policy towards China's human rights abuses has made them accomplices of Liu Xiaobo's slow murder. If the world continues to acquiesce to China's aggression against its own people, appeasing the Chinese Communist Party without any moral clarity, Liu Xiaobo's tragedy will repeat, and more human rights activists will languish and disappear in Chinese prisons.

To change this, the international community must hold the Chinese regime and those individuals who mistreated Liu Xiaobo accountable.

Mr. Chairman, the U.S. can and should do more to help Liu Xiaobo and other human rights activists in China. For example, it can implement country-specific, and tougher sanctions against those personally responsible for Liu Xiaobo's death. The U.S. can use the Global Magnitsky Act as a tool to sanction them, banning them from traveling in the U.S. and freezing their assets in this country, and also encourage its allies to do the same. It should also consider trade sanctions. In addition, the U.S. can honor Liu Xiaobo's life and legacy by passing legislation to permanently rename the street in front of Chinese Embassy in Washington DC as "Liu Xiaobo Plaza."

To fight for the ideals of human rights and democracy, Liu Xiaobo gave up his career, he gave up his liberty, he gave up his freedom, and now, he has given up his life. But we cannot give up on Liu Xiaobo. We have to seek justice for Liu Xiaobo's death at the hands of the Chinese regime, and we have to preserve the legacy of Liu Xiaobo's struggle for a democratic China.

Mr. Chairman, now I'd like to turn your attention to the hypocrisy of the Chinese legal system. China's president Xi Jinping is boasting that China is a country that follows rule-

of-law, where everyone stands equal before the law, but in reality, China's legal system is nothing but a fig leaf to cover the regime abuses and crimes against its own people.

The Chinese regime and its propaganda apparatus describe Liu Xiaobo as a "convicted criminal", but we all know Liu Xiaobo is innocent. He merely exercised his rights of free expression guaranteed under the Chinese Constitution, but he was deprived his freedom under the color of the law, and the regime falsified a crime and wrongfully sentenced him 11 years in prison.

As you may recall, Liu Xiaobo was a Chinese literary lecturer at my Alma mater Beijing Normal University. He was a leader in the heroic peaceful protests in the 1989 pro-democracy movement. He initiated a four-man three-day hunger strike on June 2nd, and at the massacre eve of June 3rd, Liu Xiaobo led a successful negotiation to get student protestors withdrawn from Tiananmen Square, and possibly saved several thousand students' lives. For that he was jailed for 19 months for counter-revolution activities.

Later Liu Xiaobo was arrested and convicted several times for his involvement in voicing publicly the need to redress the Tiananmen massacre, for his advocacy of peaceful unification with Taiwan, and for calling for political reform, greater human rights, and an end to one-party rule in China.

Liu Xiaobo led the effort in drafting Charter 08, a declaration to demand political reform. On December 8, 2008, police from Beijing police arrived at Liu Xiaobo's home around 11 p.m. and took Liu Xiaobo away and searched his home, confiscating computers and other materials. He was denied access to a lawyer until June 23, 2009, the date of his formal arrest, 7 months after his detention.

Liu Xiaobo was tried by the Beijing No. 1 Intermediate People's Court on December 23, 2009, and pleaded not guilty to the charge of "inciting subversion of state power" for co-authoring Charter 08. The trial lasted less than three hours, and the defense was not permitted to present evidence. Two days later, Liu Xiaobo was sentenced to 11 years in prison and two years' deprivation of political rights. The Beijing High Court rejected his appeal on February 11, 2010.

The court decision was only 11 pages, in which only five hundred words accounted for his charges and ruling over Liu Xiaobo's "instigation of others to subvert China's state power and the socialist system". The main evidence presented was Xiaobo's six articles published in Observer and BBC Chinese website between October 2005 to August 2007, and the court determined 223 characters in these six articles as criminal evidence against Liu Xiaobo.

In October 2010, Liu Xiaobo was awarded the Nobel Peace Prize for "his long and non-violent struggle for fundamental human rights in China." He was prohibited from attending his Nobel Award Ceremony by the Chinese government, and as a representative of Liu Xiaobo's family, I was part of the effort to recommend an empty chair in the ceremony to symbolize his presence.

Liu Xiaobo's Nobel Peace Prize brought not glory, but endless persecution for his wife Liu Xia, a well-known artist, and her family. While it is common practice to intimidate, monitor, threaten, torture, and sabotage the lives of not only dissidents themselves, but also their family members, the Chinese Communist regime has gone to extreme lengths to persecute Liu Xiaobo, Liu Xia, and her family.

Mr. Chairman, I would like to share with you the extent of the pain and persecutions that Liu Xia and her family have suffered as part of the political revenge that the Chinese government has taken against Liu Xiaobo.

Liu Xia has been isolated under house arrest ever since October 2010, the exact month that Liu Xiaobo was awarded the Nobel Peace Prize. Liu Xia's freedom of movement has been severely restricted. Her friends and visitors are not allowed to see her. She has no phone or internet access and extremely limited outside contact with the world.

On several occasions, Liu Xia was close to a nervous breakdown and she suffers from very severe depression. Liu Xia also suffers from a serious heart condition, for which she was sent to a hospital in 2014 and told that her heart was lacking blood. Her condition has continuously worsened over the years due to the distressing environment of persecution, extended isolation from loved ones, and because authorities prevent her from seeking medical treatment overseas. Liu Xiaobo chose to defend freedom of speech and democracy, Liu Xia fell in love with Liu Xiaobo, and just for this, the Chinese government put her into an invisible prison where she continues to suffer unbelievable psychological torment.

Technically Liu Xia is a free person, not in violation of any Chinese law, nor charged with any crimes by the government. Her only "crime" is she is the wife of a Nobel Peace Prize winner, for which she has been punished and made a prisoner in her own house for nearly seven years.

Liu Xia is followed 24/7 by the police and her apartment is also closely guarded by a hired security team. Even as she cared for her husband in the hospital in the past weeks, she was still followed by a police security team. She is not allowed to work and has no choice but to rely on their savings and other family members' financial support to get by.

Her older brother Liu Tong, used to be the CEO of a prosperous IT company. The government forced him to sell his company, which caused the loss of millions of dollars in assets. Police constantly harass him and his family. His wife has no choice but to abandon a good job and find sanctuary in the United States. Liu Tong is forbidden from traveling outside of China, and cannot join his wife and son here in this country, even though he has never convicted any crime, and is supposedly guaranteed a right for freedom of movement by the Chinese Constitution. To further punish the family, Liu Tong was banned to visit Liu Xiaobo in the hospital even in his last days of life.

Liu Xia's younger brother Liu Hui had financially supported Liu Xia and been a messenger between her and Liu Xiaobo's lawyers. In 2013, the government falsified an economic crime against Liu Hui and sentenced him to 11 years in prison. He suffers from diabetes and high blood pressure, but was denied medical care during his sentence. He even suffered a stroke and almost died in prison. Now, he is still on parole. Rights lawyers, activists, and family members all saw Liu Hui's conviction as politically motivated revenge on Liu Xiaobo and Liu Xia. At the time of the trial, Nicholas Bequelin, currently the East Asia Regional Director of Amnesty International, said: "This is not a normal case making its way through the judicial system. This case is retaliation and is designed to coerce [Liu Xia] into silence... It's so nakedly unlawful and egregious."

During the span of her house arrest, Liu Xia's aging parents had been constantly harassed and worried. Both passed away successively in fear and in agony.

The tragic case of Liu Xiaobo is not a single tragedy. It has caused a chain reaction of tragedies that shattered Liu Xia's extended family, and made all the family members into victims of the regime, for the "crime" of relation and the "crime" of love. But in this process of abuse, the Chinese government has created a tragedy for itself too. It has displayed the ugly face of its obsession with control and its utter disregard for human rights for the entire world to see.

Thank you.

II

Washington Post Article

Dear

President Trump: Please Let Liu Xiaobo Die As a Free Man

The Nobel Peace Prize Laureate Has Devoted His Life to the Cause of Freedom in China.

June 27, 2017

By Jared Genser and Yang Jianli

On Monday, China released Nobel Peace Prize laureate Liu Xiaobo from prison on parole, after he was diagnosed as being in the final stages of liver cancer. He is being treated at a hospital in the northeastern city of Shenyang, but he has asked Chinese authorities to let him travel to the United States with his wife, Liu Xia, for medical treatment. President Trump should immediately urge Chinese President Xi Jinping to grant Liu's request on humanitarian grounds.

It is incredibly disturbing that the Chinese government failed to diagnose its most famous political prisoner as having cancer until it was too late for meaningful treatment. Liu Xiaobo is a scholar and democracy activist who was imprisoned primarily for his role in drafting Charter 08, a political manifesto that called for greater rule of law, respect for

human rights and an end to one-party rule in China. He was detained two days before the public release of Charter 08, and in December 2009, he was sentenced to 11 years in prison for “inciting subversion of state power.”

On Oct. 8, 2010, the Norwegian Nobel Committee announced that Liu was the recipient of the Nobel Peace Prize. Within two weeks, Liu Xia was placed under house arrest and has been held without charge or trial for almost seven years.

Liu Xiaobo’s imprisonment coincided with China’s rise as a global power on the world stage. In recent years, China has raised its military budget past a record high of \$145 billion annually and vigorously contested competing claims in the South China Sea. In its “One Belt, One Road Initiative,” China is investing hundreds of billions of dollars into infrastructure projects across Asia, Africa and Europe. And it has created the Asian Infrastructure Investment Bank, whose 57 members have contributed more than \$100 billion, making it half the size of its rival World Bank. It has also positioned itself to be a key interlocutor with difficult states such as Iran and North Korea.

At home, however, Xi has faced serious economic and environmental challenges, as best highlighted by an extraordinary rise in domestic dissent. In response, Xi has unabashedly increased repression of religious and ethnic minorities, human rights lawyers and civil society activists; China reportedly now spends more than \$120 billion annually on domestic security.

As China’s power and influence have increased, Western democracies have collectively engaged in self-censorship on human rights, choosing to prioritize what they have clearly believed to be their more important interests over their purported values. In the past five years, since Xi became president, discussions on human rights have been relegated to fruitless dialogues with the Chinese foreign ministry, which has never had any power over domestic concerns.

President Barack Obama led the West in playing down concerns with China on human rights and was conspicuous by his unwillingness to help Liu, his fellow Nobel Peace Prize laureate. He raised Liu Xiaobo’s case publicly only once after he was awarded the Nobel Peace Prize, and whatever he might have said privately clearly had no impact. At the same time, he did not join 134 Nobel laureates on a letter to Xi, did not publicly condemn Liu Xia’s detention under house arrest and even threatened to veto a bill, passed by the Senate, to rename the street in front of the Chinese Embassy “Liu Xiaobo Plaza.” Chinese security officials even exploited the United States’ repeated refusal to help the Lius in torture sessions with detained Chinese dissidents. They explained to their victims that they surely must have observed that Washington had refused to help the world’s only imprisoned Nobel Peace Prize laureate and his wife – so what hope could they expect if they were to be disappeared, tortured or imprisoned? The American refusal of support to the Lius gave Xi license to act with total impunity to repress domestic dissent.

Much as that unknown protester stood in front of the tank in Tiananmen Square, Liu Xiaobo volunteered to be the first signatory of Charter 08, knowing that by symbolizing the Chinese people’s demands for human rights, democracy and the rule of law, he would pose a singular threat to the one-party system. For that courageous stand, he paid with his and his wife’s freedom, and he is about to pay with his life.

Now is the time for Trump and the United States to honor his sacrifice and his dying wishes and to implore Chinese authorities to allow him to obtain medical treatment here and live out his remaining days in freedom.

Jared Genser, founder of Freedom Now, is pro bono counsel to Liu Xiaobo and Liu Xia. Yang Jianli is president of Initiatives for China.

III

Democracy for China: Missed Opportunities and Opportunities Ahead
Speech at the Congressional Defense and Foreign Policy Forum Hosted by Defense Forum Foundation.

by: YANG Jianli

June 17, 2016

Thank you so much, Suzanne, for such a kind and generous introduction. The only problem was that, hearing the introduction, I thought I was dead. But I cannot and shouldn't think that, for my mission is not yet finished.

I am honored to be invited by the Defense Forum Foundation, and specifically by its Chairman, Ambassador Middendorf.

I was impressed to learn that Ambassador Middendorf did such a good job as President Ford's Secretary of the Navy that President Carter paid him the unusual tribute of asking him to remain as Secretary.

I also admire the many years of efforts by DFF's President Suzanne Scholte to expose human rights abuses, especially in North Korea, which surpasses even China in the primitive brutality of its repression. Suzanne invited me to speak more than 7 years ago about Charter 08 not long after it was published. Charter 08 is a manifesto led by Liu Xiaobo demanding a peaceful democratic transition in China, for which Liu Xiaobo was arrested and sentenced to 11 years in prison, and for his leadership role in Charter 08 and two decades of peaceful struggle to advance human rights and democracy, he won the 2010 Nobel Peace Prize. But I want to remind everyone that as I speak he is still languishing in China's prison.

Thank you, Suzanne, for inviting me back to talk about China's democratic perspectives. Can you think of any topic harder than this?

I personally think the three most difficult things facing humanity are: making peace in the Middle East, democratizing China, and losing weight. Unfortunately, I am taking up two of the three.

Let's go back to the most important reference point in talking about Chinese politics—the 1989 Tiananmen incident, whose 27th anniversary we just commemorated less than two weeks ago.

The 1989 pro-democracy movement stood against government corruption and for democracy and freedom. This movement was widespread but ended in bloodshed. The Tiananmen massacre created a strong sense of fear and dismay of general politics among ordinary people. Any room for a public system of checks and balances against governmental abuse of power was taken away.

It also created a sense of fear and crisis within the Communist regime, because it had brought unprecedented public awareness to human rights and democracy. Life was no longer the same for the rulers who had to face a completely different domestic and international environment.

The subsequent disintegration of the Soviet Union and the Eastern European Bloc cast an even heavier cloud over the heads of Chinese Communist officials. “How long can the red flag continue to fly?” They all started to doubt.

To be sure, the CCP regime was struggling to survive the Tiananmen crisis, for which breaking international isolation was one of the imperatives facing the regime. Less than three weeks after the Massacre when China’s leadership was least assertive and most susceptible to outside pressures, President Bush secretly sent his special envoy National Security Adviser Brent Scowcroft to meet with Deng Xiaoping and other Chinese leaders.

The meeting, later made public, did not seem to bring about any tangible results for either side. But this very gesture of President Bush’s revealed America’s weakness and assured China’s leadership the US’s intention to continue the recognition of, and maintain the normal relations with, the repressive regime even if there was no indication of its willingness to admit or correct its serious mistakes or crimes. On July 28, 3 weeks after his special envoy returned to Washington, President Bush wrote a second, extremely carefully worded letter to Deng Xiaoping. “Please understand”, wrote Bush, “that this letter has been personally written, and is coming from one who wants to go forward together. Please don’t be angry with me if I have crossed the invisible threshold laying between constructive suggestion and ‘internal interference’...” What could that imply? Judge for yourselves.

Democrats, especially Governor Bill Clinton in his campaign trail, harshly criticized Bush for “kowtowing” to China, while some conservatives saw Bush’s move in the aftermath of the Tiananmen incident as premature in the absence of conciliatory gestures from Beijing. Different China views were reflected in the debate on whether and how to continue to grant China a MFN trade status.

One side of the debate, led by Rep. Nancy Pelosi and Senator George Mitchell, asserted that US trade relations with China must be linked to China’s human rights record. We, Chinese democracy activists, supported this idea because we understood that without such a linkage, continuing normal trade with China would be like a blood transfusion to the CCP regime, making it more aggressive and harming the interests of both the American and Chinese people. This idea was embodied in Pelosi and Mitchell’s

legislation in 1993. But one year after assuming presidency, President Clinton took a 180 degree turn and reversed the policy. The reversal was based on the theory, which was widely upheld by corporations, columnists, pundits and policy makers, that trade would lead to democracy because trade would inevitably result in economic growth and the growth of the middle class which would in turn demand more political freedom.

This theory does not seem to apply to China, at least up to this point.

With money and technology pouring in from the U.S. and other Western countries, the Chinese Communist regime not only survived the 1989 crisis, it catapulted into the 21st century. The country's explosive economic growth lifted it from one of the poorest countries to become the number two economy in the world; but China remains firmly near the bottom of indicators on democratic development. Over the years China's middle class have largely been acquiescent to its one-party dictatorship and its gross violations of human rights. What has gone wrong, in China and the international community?

Let's look at China.

In 1992, when the Americans were heatedly debating about China policy and about to delink human rights from trade, Deng Xiaoping took the famous Southern Inspection Tour to further economic opening up. Communist officials at all levels soon realized three realities: First, the Chinese Communist Party's stay in power has nothing to do with communist ideals. Second, "economic growth means everything;" that is, continued economic growth is the last, best hope to keep the CCP ship afloat. Third, in order to uphold the one-party dictatorship, it had to rely on capitalizing on the dark and evil side of human nature: spoiling the elite in exchange for their loyalty.

With the understanding of these three realities, the communist officials developed an undocumented but almost unanimously accepted code of conduct-or rather, code of corruption. So, every piece of governmental power is on sale in the market and every corner of the market is invaded by political power.

Officials in all government agencies spent most of their energy beefing up GDP, engaging in power arbitrage, bribing their superiors, and seeking luxurious personal perks. As a result, the Communist Party elite, who used to label themselves "the vanguards of the proletariat class," had either turned themselves into get-rich-overnight capitalists, or become brokers, patrons, and backers of domestic and foreign capitalists.

In such a political environment, political power was dancing a full-swing tango with capital operation. Low human rights standards, low wages, lack of environmental protection regulations and enforcement, and the illegality of collective bargaining all contributed to creating a golden opportunity for domestic and international speculative capitalists. As a result, "money" quickly courted "political power." Business venture takers would go to any length to seek out someone in power to serve as backers so that they could grab market opportunities without fair competition. They also used political connections to shed any and all legal and social responsibility. In a sense, the Chinese

Communist Party, which used to be China Inc.'s sole shareholder, had now opened up its equity and offered its shares for capitalists to purchase.

This is very important for one to understand why "the middle class prediction" has so far failed in China.

One. Given China's government-market relations, the middle class owed its success to the privileged relations with the state. To expect such a state-dependent class to make bold political claims would have been fanciful.

Two. Trade and economic development were carried out as a matter of deliberate state policy, unlike the US and UK these early developed countries which developed without knowing, the fast growth did not give rise to a politically independent middle class, but instead allowed the existing ruling structure to absorb into its own ranks the most talented and ambitious members of business elite. The CCP's 16th National Congress, for example, published a new Party Charter that welcomed capitalists as Party members.

Meanwhile, the shares of China, Inc. were offered to China's intellectuals as free, performance-related stock options. In order to sustain stability, the CCP regime offered all kinds of bribery incentives to buy off anyone and everyone of importance and influence in society. The bribery list includes bureaucrats at every level, military officers, and business leaders as well as college professors, journalists, publishers, authors, art performers, high-profile athletes, and so on. The government pays all these people off in the form of salaries, bonuses, state-covered expenses, free medical insurance, subsidized housing, free pension plans and so on. Laws and policies more and more favor this group of people in exchange for their recognition and acceptance of the political status quo. Their income and perks add up to wealth that is disproportionately higher than that of ordinary workers, farm workers, clerks, and small business owners. Such a policy of co-opting and buying off potential opposition was quite effective in conjunction with the purges and persecution after the Tiananmen massacre. The cruelty of political reality created terror in the minds of intellectuals as a psychological deterrent. As time went on, fear turned into the cynicism, they became increasingly indifferent to what was right and what was wrong. Indifference and hypocrisy rapidly became a new fashion that the modern Chinese intellect tried to follow. This, coupled with a piece of the action in China Inc., made many intellectuals-who had once been independent and once been considered the conscience of the society-soften up their position against the post-1989 status quo.

Over the 1990's and the first 10 years of the 21st century, in China, power (political elite), capital (economic elite) and "intellect" (social and cultural elite), were bonded together and formed an alliance that is maintaining the existing political order. This alliance owns and runs China, Inc., dazzling the entire world with its wealth, might and glory. With China's vast geographic size and population, the shareholders of China, Inc. have impressed many observers with their prodigious wealth accumulation and astonishing growth rates, making those same observers believe that one-party dictatorship is good for economic growth. By the same token, these shareholders also control all the channels of the information flow and dominate the public discourse. They can make their

voices loud enough so the outside observers believe that they represent China, that they are China-the whole of China.

The truth is, there is another society named China, a society constituted of over a billion Chinese who are virtually laborers working for China, Inc. and whose basic rights are almost totally disregarded, the China that people sarcastically call “the China of shitizens.”

This was the China’s two-China structure I often talked about before Xi Jinping took the power. This was largely a two-player game.

During the same period, the US diplomatic establishment largely harbored the delusion that economic growth will bring about democracy in China. US Presidents and other senior officials, deeming human rights issues inconvenient while engaging with China, would avoid them as much as they could. Faced with the rising China, US gradually lost leverages. Now, the Chinese leadership practically cares little about the pressure from Western public opinion because politicians and businessmen from around the world are salivating at China’s immense purchasing power, investment and markets. It’s no exaggeration to say that today, Chinese leaders are the most well-received, honored guests in a majority of countries worldwide; China is the destination for many of the world’s elite who thirst for gold.

Beijing tightly controls the freedom of the press. They could cut off Google and Yahoo anytime; they’d refused visas for New York Times journalists and critical scholars, and blocked access to Twitter and Facebook. All with impunity. While at the same time, they can set up any media they would like in the US. Ironically, China, which screens, censors and bans any print and electronic publication, has been invited to serve as the country of honor at book fairs in Frankfurt, London, and New York! Hollywood is the epitome of free American culture; filmmakers are free to ridicule, mock, and criticize American politicians and government officials such as senators, judges, and the president, without fear of persecution. But in their pursuit of China’s box office dollars, Hollywood executives have consciously decided to steer clear of any criticism of the Chinese government. Despite this, American movies are still censored in China, and some are not allowed at all. Virtually all American media are blocked in China. In the United States today, the Chinese government and its surrogates have wide access to universities, think tanks, and broadcast studios through which they can advance their opinions and rationalize their actions.

China is using the economic power it has gained with the help of the West to build a formidable, modern military. As its power grows, China is demanding a re-write of international norms and rules. China wants to create a new international order with China at the center of the Asia-Pacific region, bringing regional and world peace under threat. The current South China Sea tension is just a case in point.

In short, the failure of the US to proactively seek advancement of human rights and democracy in China has in turn harmed its long term national interest and its democratic

way of life.

Let's look at China again to examine opportunities ahead of us.

Despite his unprecedented high-profiled anti-corruption effort, Xi Jinping has largely continued the two China structure and shown the world that he is more determined than his predecessors not to abandon the one-party dictatorship in favor of democratic reforms.

A important change albeit subtle change, however, is taking place largely due to Xi Jinping's personality, anti-corruption campaign and the unstoppable economic down turn.

Xi Jinping has concentrated power in his own hands and built a cult of personality. The Economist writes that Xi is now not the CEO (the chief executive officer) but the COE, the "Chairman of Everything." He's the head of state, the leader of the Communist Party, the commander-in-chief of the armed forces, the head of the security services, the head of the committee in charge of the so-called "comprehensive reform," and also the person in charge of the economy.

He has abolished the practice of "collective leadership," which was adopted in 1982 to prevent a return to the totalitarian terror of Mao's unchecked dictatorship, which produced such horrors as the Cultural Revolution. All this has undergone through power struggles in form of anticorruption campaign. In doing so he has alienated his comrades at all levels and they have remained in a "state of idle" to quietly protest. One of the major reasons behind Xi's anticorruption campaign is the two-China ruling model--co-opting the elite and exchanging corruption for loyalty, has become increasingly costly and thus almost unbearable. But ending that model without granting people more liberties is an impossible task. The only thing it can achieve is to alienate the political, business, intellectual elite, the middle class if you will. With the economic down turn, more and more members of the middle class are feeling insecure and seeking to leave the ruling structure and even the country.

At the same time, Xi, acting out of fear, has overseen the harshest crackdown on dissent since the Tiananmen massacre, arresting lawyers, academics, workers, and civil society activists, and tightening controls over the media and access to the Internet.

Politically, the elite who are just beginning to turn their backs on the regime, are caught between a ruling party above, and a mass of workers and peasants below, with whom there is no mutual trust.

Xi Jinping is a game changer. He is unwittingly turning the two player game into a three player game, dissolving the power base that has helped the party stay in power to this day. This is the deepest crisis facing the Xi Jinping regime.

To be sure, growth is slowing; the party is in disarray, because the rules it has established to limit internecine political warfare have collapsed; Beijing's foreign policy is driving

the Sino-U.S. relationship toward conflict; middle-class acquiescence is beginning to erode.

But I do not pretend that revolution will take place tomorrow. We must be noted it usually takes four factors to be present at the same time to begin a real democratic transition in an autocratic country: 1) general robust disaffection from people; 2) split in the leadership in the autocratic regime; 3) viable democratic opposition; and 4) international support.

Let me elaborate.

First. China's Stability Sustaining System treats every citizen as a potential enemy, and it has successfully made them enemies—dissidents, independent intellectuals, land-lease peasants, victims of forced demolitions and eviction, victims of forced abortion, veterans, migrant workers, Tibetans, Uyghurs, Mongolians, Christians, and Falun Gong practitioners, you name it. The CCP regime does not lack enemies. With slower economic growth, the grievances of the shitizens will be laid barer and social unrests can only be mounting.

Second. As I said earlier, the elite China is beginning to decompose. Party's leadership unity has also disintegrated, as shown by the purge of Bo Xilai, Ling Jihua, Zhou Yongkang and their cronies since 2012.

Perhaps the only achievement in China's political system in the past 30 years is the establishment of the "two-term, 10-year, one-generation" term limit system. Many observers predicted that such a system would ensure long-term stability for the CCP regime, wishfully believing that this system helped the CCP find a way out of the pit of power discontinuity that has plagued all dictatorships in history. The Bo Xilai incident, however, mercilessly burst that bubble. Now it is Xi Jinping himself that is challenging this norm. The cracks within the party are only widening.

Third. The concept of democracy has prevailed in the minds of the general public, thanks to the dozens years of efforts made by the pro-democratic activists both in and outside of China.

In the meantime, the ordinary people are becoming more mature, more skillful, and more aggressive in fighting for their own civil rights. Generally speaking, as citizen forces grow and the civil protests escalate, struggle for power among different factions with the communist regime will become public. Especially, once the external pressure reaches a critical mass, the rivalry factions with the CCP will have to take the citizen force into serious account and seek or use the latter's support.

That said, I want to emphasize that we need an overall, viable pro-democracy movement to force the dictatorship to crack open. A milestone to meet that objective would be the formation of a group of civil leaders able to represent the general public, integrating the middle class and lower class people in demanding for democracy, and to at least partially

disrupt the current political order — a group that will catch attention and support of the international community and can carry out and to call for effective negotiations with the government.

Fourth, last but not least, international support.

China under one-party dictatorship cannot rise peacefully, and its transition to a democratic country that respects human rights, rule of law, freedom of speech and religion, is in everyone's best interest, including America. In other words, the U.S. must push for a peaceful democratic transition in China. The reason for this is simple: To support China's regime, a regime that ruthlessly represses its own people, denies universal values to justify its dictatorship, and challenges the existing international order to seek its dominance, is morally corrupt as well as strategically unsound. Like Frankenstein's monster, China is now seeking to revenge against its creator – the West.

While many policymakers in Washington have now realized that it is time to get tough on China, some still believe that the present and future conflicts between the U. S. and China can be managed. My view is this: Without China's democratization, a clash between the U. S. and China is unavoidable because the two countries' strategic goals are on a clashing course and their core interests cannot be compromised.

I hereby call the US to end the compartmentalization of human rights and begin to engage China with moral and strategic clarity.

To start, the Congress should pass a China Democracy Act that flatly states that enhancing human rights and democratic transition in China is decidedly in America's national interest and that directs the Federal government and all its agencies to make democracy and human rights advocacy the core of all engagement with China. This would be binding legislation precluding the currently widespread but inaccurate claim that Congress must balance, on the one hand, its claim to support the universal value of human rights, and, on the other hand, "America's national interest." The bill also would require a report from the President to Congress every year on how any government program, policy, or action during the prior twelve months has strengthened or weakened human rights and democratic values in China.

All federal departments of government – every single one – should have to report on what they're doing to bring democracy to China by advancing human rights and the rule of law there. The Act also put them on notice to take no action, adopt no policy and implement no program that would undercut the democracy movement, or weaken human rights in China.

Such a China Democracy Act will give us a better idea of what successes we've had so far, what caused them, and how we should increase financial resources and deploy them to promote democracy and human rights.

Such an Act will serve as America's grand strategy toward China, setting a firm

foundation that not only guides U. S. activities with China in all spheres, but also makes clear of the U. S. intentions to the Chinese government and sends an unequivocal message of support to the Chinese people.

No one can predict with precision when the moment of dramatic opening for change will come in China. Virtually every one of the sixty some peaceful transitions to democracy in the past few decades have come as a surprise to the US.

Above all else we must maintain our faith in my compatriots that they can and will join the vast majority of the world's peoples who now live in free or at least partly free countries. An opening for change could come in the next few months or it may take a few more years. But it will never come without collective efforts, including those from the international community. So we must persevere and keep the faith and be ready.

Perhaps, Suzanne, you will invite me to speak at this forum again in 7 years. If so, it is my hope that by that time the China Democracy Act will have long been enacted and my topic will be Perspectives of Consolidating China's Nascent Democracy.

Thank you all.