

# **Engaging with China**

Practical Advice to Maximize Benefits and Minimize Risks

As the People's Republic of China (PRC) accelerates outreach to U.S. states and cities amid strained national relations, many local leaders are unsure how to engage. Built on advice from top U.S.–PRC experts and national security officials, ALLIES offers this practical guide to help leaders engage the PRC deliberately and safely. With the right awareness, preparation, and safeguards, working with PRC counterparts can advance key interests. The essentials are transparency, adherence to U.S. law and values, and consultation with federal partners when certain questions arise. **Practical tips for leaders start on page 2.** 

# Background

## I. PRC Tactics and Objectives

While the tenor of U.S.-PRC relations can change over time, most experts in the United States view the PRC as a strategic competitor and/or adversary across multiple domains, including security, economic influence, and political interference. To achieve its broader goals, Beijing conducts sophisticated influence operations targeting U.S. state and local officials through multiple channels:

#### 1. Economic Coercion

- Promise/withdrawal of investments to influence political positions and pressure on companies with PRC operations (and Chinese companies with U.S. operations)
  - Example: In 2012, Montana closed its trade office in Taiwan after the PRC promised a \$150 million investment. The investment never materialized, and Montana reopened the Taiwan office in 2021.

#### 2. Political Pressure

- **Direct letters to officials** demanding policy changes and demands to **cancel Taiwan events** or include "One China" language in agreements
- **Requests for political commitments** regarding Taiwan or human rights issues, including hidden clauses inside "sister-city" agreements
  - o **Example:** In 2023, the PRC's Chicago Consul General urged Illinois lawmakers to kill a pro-Taiwan resolution; legislators rebuffed the attempt to dictate policy to a democratic state legislature.

#### 3. Information Operations

- Taking statements out of context for propaganda purposes
- Using local community members and organizations to pressure local officials on behalf of PRC interests
- Manipulating media narratives to advance Beijing's preferred outcomes

#### 3. Influence Operations

- "Free" travel opportunities with the expectation of favorable statements
- Excessive gift-giving beyond normal diplomatic courtesy
- Assistance with the campaigns of local officials

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#### II. Taiwan

**Taiwan is among the most sensitive issues between the United States and the PRC.** Under Xi Jinping, Beijing has set a national objective of *readiness* for unification with Taiwan by <u>as early as 2027</u>. PRC officials, therefore, view the next five to ten years as decisive and may employ a wide array of tactics to weaken support for Taiwan—especially in the United States.

Taiwan is a thriving democracy and major economy with which the United States maintains <u>friendly</u>, <u>unofficial ties</u>. The United States has a "One China policy"; the PRC asserts a "One China principle." These are not the same:

- **PRC "One China Principle":** Beijing's non-negotiable understanding that Taiwan is an "inalienable part of China" under PRC sovereignty. You may have heard that Taiwan is a "renegade" province.
- **U.S. "One China Policy":** The United States acknowledges (does not accept or recognize) Beijing's position but treats Taiwan's status as undetermined and calls for a peaceful resolution acceptable to both sides. The U.S. does not call Taiwan a "country" or a "sovereign government," but it also does not state that Taiwan belongs to Beijing.

The Taiwan Relations Act (1979) provides for "extensive, close, and friendly commercial, cultural, and other relations" with the people of Taiwan. Stricter diplomatic protocols bind federal officials; state and local officials generally have greater latitude to engage Taiwan.

For more information, see the <u>Congressional Research Service's U.S. "One-China" Policy and Taiwan primer</u> and the State Department's U.S. Relations with Taiwan fact sheet.

# Tips for State and Local Leaders

### I. Red Flags and Warning Signs

#### 1. Immediate Concerns

- Requests to cancel Taiwan activities or avoid Taiwan representatives
- Pressure to include "One China" language in agreements or statements
- Off-record political discussions about sensitive topics
- Disproportionate offers or gifts that seem excessive for the relationship level
- Attempts to isolate officials from staff during meetings
- Separate targeting of family members or staff

#### 2. Escalation Indicators

- **Economic threats** tied to political positions
- Requests for commitments regarding future policy positions
- Pressure to criticize U.S. federal policies that go against PRC interests
- Demands for public statements supporting PRC positions

# II. Practical Security Measures

#### 1. For Meetings

- Set ground rules in advance on recording/photography
- **Keep discussions focused** on legitimate business and mutual interests
- Issue your own statement or tweet immediately afterward to control the narrative
- Have gifts inspected for potential surveillance devices
- See below for useful talking points.

#### 2. For Travel to the PRC

Check the State Department's latest <u>China travel advisory</u> and sign up for <u>travel alerts</u>

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- Connect with the U.S. Embassy and Consulates in the PRC about your travels
- Understand limitations: You'll only see what hosts want you to see
- **Refuse to issue statements** or make comments about the trip. If you do, bring your own talking points and stick to them, understanding they will be manipulated.
- Adhere to cybersecurity best practices
  - o **Use "clean" devices** (new phone/laptop with minimal data)
  - Avoid hotel or any public WiFi for any sensitive communications
  - o **Assume comprehensive surveillance** of all your activities and communications, including the likelihood that your belongings will be searched when you are separated from them
  - For more information, see:
    - FBI's Safety and Security for the Business Professional Traveling Abroad
    - National Counterintelligence and Security Center's Travel Tips for Traveling Overseas with Mobile Phones, Laptops, PDAs, and Other Electronic Devices
    - NSA's Mobile Device Best Practices When Traveling OCONUS

#### 3. General Engagement

- Refer to the latest federal guidelines regarding PRC engagement, including:
  - DOJ FARA homepage + FAQs + statute index (what triggers registration, penalties)
  - DOJ's 2024–2025 rulemaking/advisory opinions (practical compliance signals)
  - o <u>Treasury's CFIUS Law and Guidance portal</u>
  - Bureau of Industry and Security Entity List
  - o <u>State Department's U.S.-China Relations homepage and resources</u>

## III. Tips for Handling PRC Media

#### 1. Preparation

- Prepare talking points before any Chinese media interviews
- Monitor usage of your statements in Chinese propaganda
- Coordinate with federal officials on sensitive topics through State Department channels, such as the Office of Foreign Missions and U.S. Embassy and Consulates in the PRC.

#### 2. Response Protocols

- Issue corrections immediately for any misrepresentations
- Control your narrative through proactive communication
- Document interactions for future reference and federal consultation

#### 3. Avoid PRC talking points:

- "Win-win cooperation"
- References to "One China Principle"
- "Territorial integrity" language
- Requests that you recognize Chinese "core interests"

#### 4. Suggested Key Talking Points

- If pressured about Taiwan engagement: "Our engagement with Taiwan is entirely consistent with U.S. law and the Taiwan Relations Act, which explicitly encourages these relationships."
- If asked for political commitments: "We focus on practical cooperation that directly benefits our constituents while maintaining our values and adhering to U.S. policy."
- If threatened economically: "We make decisions based on our constituents' best interests and our commitment to democratic values. We do not accept quid pro quo arrangements that compromise our principles."
- If asked to exclude Taiwan representatives: "We engage with all partners consistent with U.S. law and policy. Our Taiwan relationships are legal, valuable, and will continue."

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# IV. Legal Protections and Resources

#### 1. Your Rights

- First Amendment protections for meeting Taiwanese representatives
- Constitutional authority for international economic development
- Protection from foreign coercion under federal law

#### 2. Contact the FBI immediately if you suspect foreign influence operations, including:

- Offered illegal payments or benefits tied to political positions
- Threatened with **economic retaliation** for Taiwan engagement
- Approached for intelligence gathering or surveillance activities
- Experiencing harassment targeting you or your family
  - o Contact: Your local FBI field office or FBI tip line (1-800-CALL-FBI)

#### 3. Legal Counsel

- Consult legal counsel before signing any agreements with PRC entities
- Review all travel sponsored by foreign governments
- Document concerning interactions for potential legal action

#### V. Resources and Contacts

The Alliance of Local Leaders International (ALLIES) is happy to provide unofficial guidance. **Contact us at info@allies.net**.

#### 1. Federal Resources

- State Department
  - The Office of Foreign Missions (OFM) can provide location-specific guidance.
    - Contact them at OFMTravelServices@state.gov or by telephone at (202) 695-8282.
  - <u>U.S. Embassy and Consulates in the PRC</u> can provide advice and support when traveling to the country.
- Federal Bureau of Investigation
  - Connect with regional FBI offices to provide local counterintelligence briefings
- Congressional offices can provide additional guidance on federal policy

#### 2. More information

- State Department Office of Foreign Missions Guidance: Visits by Chinese Government Officials to State and Local Governments in the United States
- National Counterintelligence and Security Center Report: Protecting Government and Business Leaders at the U.S. State and Local Level from PRC Influence Operations
- DHS Public-Private Analytical Exchange Program Report: People's Republic of China: Tools of Influence
- <u>The Jamestown Foundation Report:</u> PRC Influence via the Chinese People's Association for Friendship with Foreign Countries

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