



American Attitudes Toward China

Views on Issues Concerning Greater China and US-China Relations

EXECUTIVE SUMMARY

Phase Two: Congressional Staff and Business Leaders

Background

The Committee of 100 is a national, nonpartisan organization composed of prominent American citizens of Chinese descent. Members collectively pool their strengths and experiences to address important issues concerning the Chinese American community, promote the advancement of Asian Americans, as well as foster better U.S.-Greater China relations.

This Executive Summary presents the key findings of the second of a two-phase study to assess the attitudes of the general US population (General Public) as well as key segments (U.S. Congressional Staff, and Business Leaders) towards Greater China and U.S.-China relations. (Opinion Leaders, a subset of the General Public, was another segment polled, but not included in comparisons for this Executive Summary of Phase II that focuses on comparisons between the General Public and the most recently polled segments.) The objectives of this study are to provide primary quantitative and qualitative research that can be shared, discussed and used to better understand U.S.-China relations and formulate recommendations on how to improve these relationships.

The study is being conducted in collaboration with the world-renown polling firm Zogby International, noted for the excellence of its methodology, experience, database and insights.

The findings of Phase II, comprised of “Business Leaders” (a sample of 150 in-depth interviews of chief executives, communications directors, corporate board members, and other top officers at major companies throughout the United States) and “Congressional Staff” (comprised of 101 chiefs of staff, legislative counsels, legislative directors, legislative assistants, press secretaries, and staff assistants) are based on polling conducted between March 17 through 30, 2005. 48.5% of the Congressional Staff sample is Democratic; 36.6% is Republican and the remaining 14.9% is Independent, Libertarian or other.) Margin of error for the Business Leader sample is +/-8.3 percentage points and +/-9.9 percentage points for Congressional Staff. Margin of error for General Public sample was +/- 2.9 percentage points.

Summary of Key Findings

American general public attitudes toward China have improved significantly over the past 10 years since the Committee of 100's study in 1994, indicating that 46% of Americans view China favorably versus 59% in 2004. 63% of Business Leaders share this overwhelmingly favorable impression of China while 19% of Congressional Staff perceives China in a positive light.

Most of the American General Public (45%) and Business Leaders (43%) expect U.S.-China relations to continue improving, while a slight majority (34%) of Congressional Staff believe that the relationship between the U.S. and China is worsening, 27% improving and 30% no change.

All three survey samples—the General Public (63%), Business Leaders (77%) and Congressional Staff (57%)—tend to view low-cost products manufactured in China as beneficial to the American public. In a surprise finding of the General Public survey, even union households (63%, the same as for the General Public) indicated an appreciation for low-cost goods made in China.

All three groups generally see trade between the United States and China in a positive light: 82 % of the Business Leaders see trade as a benefit, as compared with 73 % of the General Public and 67% of Congressional Staff. But, China's emergence as a global economic power is seen as a serious threat to the United States by large segments of all three groups: the General Public (24%), Business Leaders (31%) and a majority (54%) of Congressional Staff.

Human rights is the top concern expressed by the American General Public (46%) and Congressional Staff (54%) with regard to China. China's intellectual property infringement is the top concern for Business Leaders (53%) and the third key concern for Congressional Staff (45%). China's military modernization came in second as a key concern for Congressional Staff (47%) and registered as the third most important concern for Business Leaders (37%) and the General Public (20%).

Lower percentages of the General Public (15%) and Business Leaders (16%) described China as a serious military threat vs. the significantly greater percentage of Congressional Staff (36%). On the subject of the U.S.-led war on terror, 27% of the American General Public and 25% of Business Leaders described China as a dependable ally, as compared with 16 % of Congressional Staff.

For those polled who answered the question, "If a declaration of independence by Taiwan leads to hostilities, should the U.S. commit military forces to defend Taiwan?": 32% of the General Public said Yes, and 59% said No. On that same question, Congressional Staff answered 52% Yes, 19% No, and 29% Not Sure; Business Leaders were evenly divided.

Key Findings by Subject

American Attitudes Towards China and US-China Relations

- Both the General Public (59%) and Business Leaders (63%) view China positively — and, for General Public, significantly more positively than ten years ago (59% in 2004 vs. 46% in 1994). However, only 19% of Congressional Staff have a positive view of China with an overwhelming majority (79%) holding an unfavorable view.
 - A majority of all three samples view the relationship between the US and China as better than 10 years ago-- 69% of Business Leaders, 57% of General Public and 52% of Congressional Staff.
 - Furthermore, both Business Leaders (43%) and the General Public (45%) expect relationships with China to continue to improve, while only 27% of Congressional Staff foresee an improvement in relations.
 - How to improve US-China relations? General Public calls for increased negotiations, communications, diplomacy, and dialogue between the two countries.
- Human rights issues remain a top concern of Americans (the number one concern for Congressional Staff-54% and the General Public-46% and number two concern after intellectual property rights for Business Leaders -49%). Majorities of all three groups advocate linking China's trading status to its human rights record.
 - However, with the exception of Congressional Staff, 69% of whom disagree, there is a perception that the human rights situation in China has improved over the past decade by 53% Business Leaders and 52% General Public.
 - 77% of Congressional Staff agree that China's access to US markets should be linked to its human rights record along with 65% of Business Leaders and 69% of General Public
- Only 15% of the General Public and 16% of Business Leaders described China as a serious military threat vs. a significantly greater percentage of Congressional Staff (36%).
- China is viewed as a dependable ally in the War on Terrorism by no more than 30% of respondents in any of the three samples, with two-in-three (64%) Congressional Staff saying that China is not a dependable ally.

American Attitudes Toward China in the Global Economy

- Congressional Staff and Business Leaders overwhelmingly view China as an economic threat with 80% or more of both groups viewing China as a serious or potential economic threat, compared to 60% for General Public.
 - Despite this, the majority of respondents of all three groups consider economic trade with China as beneficial to the US, with Business Leaders at 82%, followed by the General Public at 73% and Congressional Staff at 67%.

- Moreover, 77% of Business Leaders, over 60% of the General Public (including union members), and 57% of Congressional Staff, consider low cost goods from China as a benefit to the American consumer.
- A majority of Congressional Staff (54%) and a plurality of Business Leaders (47%) *strongly* agree that the Chinese government is responsible for the large US trade deficit with China as compared to 30% of the General Public. However, majorities of all three groups generally agree on this point.
- On the question of U.S. job losses, all three groups (General Public-52%, Business Leaders-48% and Congressional Staff- 51%) identified China as the top source of job loss, followed by India, then Mexico.
- Surprisingly, there is no union gap, with very minor differences in attitudes regarding severity of job loss among union vs. non-union households.
- Significantly, Americans who lost their jobs in the past year do not view China as a major cause.
- 63% of Business Leaders agree that China is no longer a true communist country as compared to 47% Congressional Staff
- All three samples concurred that China's growth is having negative consequences for the global environment, 71% of Congressional Staff, 67% of Business Leaders, and 56% of the General Public.

Cross Strait Relations and Other Findings

- A majority of Congressional Staff (53%) and a plurality of Business Leaders (40%, with 19% better, 25% same) compared to 30% of the General Public feel that Hong Kong is worse off since its handover from Britain to China in 1997.
- More Congressional Staff (49%) feel that the US should take a more active role in Cross Strait relations (28% disagree, another 24% are unsure) while General Public and Business Leaders are evenly split on the issue
- The General Public cites work ethic, family values, history, and commitment to education as the most admirable things about the Chinese and their culture.
- All three samples view Chinese immigration as a more positive than negative development (Business Leaders –51%, General Public 29%, and Congressional Leaders 26%).
- Higher percentages of Congressional Staff (40%) and Business Leaders (37%) have visited China, Taiwan, or Hong Kong compared to only 10% of General Public.

Below are the key findings of questions only asked of the Congressional Staff and Business Leader segments, respectively.

Congressional Staff Findings

- An overwhelming 92% of Congressional Staff disagree with the European Union’s plan to lift its 15 year-old embargo on the sale of arms to China; 76% of these *strongly* disagree.
- On the issue of foreign ownership of US debt, a majority (67%) of Congressional Staff believes that China owns too many US government bonds.
- Most Congressional Staff (87%) agree that China’s recently passed “Anti-Secession Law” will heighten Cross Strait tensions. It is worth noting that polling was conducted immediately after the legislation was passed in March 2005.
- 56% of Congressional Staff believe that China has been an ally to the US to contain North Korea’s nuclear program while an overwhelming majority (89%) feels that China should take a more active leadership role in US arms negotiations with North Korea.

Business Leader Findings

- 45% of Business Leaders polled currently have business interests in China or are planning to expand business operations to China.
- Of these, most Business Leaders (44%) conduct business in Shanghai followed by Beijing (28%) and Hong Kong (24%).
- 57% of Business Leaders indicate that the peg of the Chinese currency to the US dollar adversely impacts the US economy, while 33% say it has a negative impact on their business, and 20% a positive impact.
- Business Leaders with business interests in China, whether planned or current, cite low labor cost as the top advantage to conducting business in China (52%), followed by low manufacturing cost (31%), vs. expanding Chinese market (25%)
- 32% of Business Leaders with current or future business interests in China list bureaucratic interference as the top factor impeding their business operations followed by cultural issues and language barrier.

For complete results, please refer to www.committee100.org