



China's Prince: Hunter Biden

How Chinese Communists Influence Joe Biden's Foreign Policy



Doing business in China often means hiring children of high-ranking Chinese officials to secure lucrative contracts and trade agreements.

China's Princeling Strategy



While his father served as Vice President, Hunter Biden was embraced by the Chinese Communist government as an American prince. Hunter was provided favorable business deals — despite his lack of experience or industry expertise.

Hunter's Business Deals



Joe Biden's Pro-China Record

Former Vice President Joe Biden has adopted the most pro-China foreign policy in U.S. history, routinely praising the Chinese Communist government and siding with China against U.S. workers in trade and economic policy.

Introduction

Former Vice President Joe Biden, the presumptive 2020 Democratic Party nominee, has maintained a cozy relationship with the People’s Republic of China – both as a member of the United States Senate and during his two terms as Vice-President.



Foreign policy experts at the Cato Institute describe Biden’s record as being “extremely vulnerable to charges of being soft on the PRC.” [Cato Institute, 5/15/2020] In fact, Biden’s pro-Chinese views have earned him the nickname, “Beijing Biden.” [Washington Times, 4/24/2020]

This report identifies how the Chinese Communist government has effectively influenced former Vice

President Joe Biden’s foreign policy with the People’s Republic of China via favorable business deals for Biden’s son Hunter.

China’s Princeling Strategy

Princeling Power at Top of Chinese Communist Party

Despite its Communist ideology appealing to the proletariat, the Chinese political system is ruled by an influential group of elitist politicians, known as princelings. These princes “come from families of either veteran revolutionaries or high-ranking officials.” [Brookings Institution, 2/10/2013]

The extent of princely power extends to the Politburo Standing Committee, or PSC, which “wields much of the political power in China.” [Congressional Research Service, 2009] As recently as 2013, the princelings constituted a majority of the PSC.

“Chinese politics thus seem to be entering a new era characterized by the concentration of princeling power at the top.”

- Cheng Li, Brookings Institution

“Chinese politics thus seem to be entering a new era characterized by the concentration of princeling power at the top,” writes Cheng Li in the Brookings Institution report, “Rule of the Princelings.” [Brookings Institution, 2/10/2013]

Princeling Approach to International Trade

In addition to maintaining control of the most powerful government positions, or perhaps because of it, the princelings have achieved remarkable wealth and success in business dealings. “The extensive control of China’s Communist Party over almost all aspects of China’s economy and society has often allowed princelings to leverage their political connections to amass wealth,” Reuters notes in a 2014 special report on private equity deals involving China’s princeling elite.

“You just have to know the right people. It’s why you invest with a princeling fund.”

The world’s largest and most powerful Western financiers, including pension funds, insurance companies, sovereign wealth funds, universities, and ultra-high net worth individuals, have embraced the approach as the preferred method for doing business in China. “You just have to know the right people,” one finance expert told Reuters. “It’s why you invest with a princeling fund.” Indeed, the Reuters investigation identified 15 princeling-led Chinese private equity firms that have raised \$17.5 billion in investments. [[Reuters, 4/10/2014](#)]

Foreign Corrupt Practices Act

This blatant corruption poses unique challenges for U.S.-based companies intending to comply with domestic anti-corruption laws, including the Foreign Corrupt Practices Act. The law forbids U.S. companies and individuals from paying bribes to foreign officials to secure international agreements or business deals.



Several prominent companies have paid major settlements to remedy Foreign Corrupt Practices Act claims.

- In 2008, Siemens AG agreed to disgorge \$350 million to settle claims that it has violated the Foreign Corrupt Practices Act. [[SEC, 12/15/2008](#)]
- In 2014, cosmetics company Avon paid a \$135 million fine to settle claims that it paid \$8 million in cash and gifts to obtain licenses in China. [[Guardian, 12-18-2014](#)]
- In 2016, JP Morgan Chase agreed to a \$264 million fine “for giving investment-banking jobs to the children of high-ranking Chinese officials.” [[Axios, 10/17/2019](#)]

Hunter Biden's Chinese Business Deals

Former Vice President Joe Biden has stolen a page directly from the Chinese Communist playbook for anointing princes. As political website Axios observes, "Hunter Biden, Joe Biden's son, has received much good fortune over the course of his life, first as the son of a Delaware senator and then as the son of the vice president of the United States." [Axios, [10/17/2019](#)]

2012: Great Point Energy & China Wanxiang Holdings

Even before his father became Vice-President, Hunter began to capitalize on his father's political power in relation to deals with China. His nascent consulting firm, established in September 2008, conducted work for GreatPoint Energy.

According to the Financial Times, "In 2012, GreatPoint received a \$420m investment from China Wanxiang Holdings, an industrial conglomerate. It was the largest venture capital investment into the US that year. It is unclear if Hunter Biden was directly involved in securing this investment." [Financial Times, [10/9/2019](#)]

2013: Hunter Biden's Air Force Two Flight to China

Hunter Biden has used the U.S. government's imprimatur to support his private business dealings with Chinese businesses. In December 2013, Hunter Biden flew on Air Force Two with then-Vice President Joe Biden to Beijing. [Washington Post, [10/14/2019](#)]

While in Beijing, Hunter Biden arranged for Jonathan Li, who ran a Chinese private-equity fund, Bohai Capital, to meet with Vice President Biden. In an interview with the New Yorker, Hunter Biden admitted that he arranged a meeting with Vice President Biden and Li "to shake hands with his father in the lobby of the American delegation's hotel." [New Yorker, [7/8/2019](#)]



Biden's Rosemont Seneca Partners, reportedly reached "an exclusive deal with Chinese officials, which they signed approximately 10 days after Hunter visited China with his father." [New York Post, [3/15/2018](#)]

2014: Bank of China Investments in Hunter Biden's Company Rosemont Seneca

In 2014, Hunter Biden's Rosemont Seneca attempted to raise \$1.5 billion in a partnership with Harvest Fund Management and Bohai Industrial Group. According to the Financial Times, "The Bank of China International Holdings was one of the biggest stakeholders in Bohai at the time." [Financial Times, [10/9/2019](#)]

2014: Hunter Appointed Director Chinese Private Investment Fund

Hunter Biden was appointed a director of BHR Partners, which is described as “a private investment fund backed by some of China’s largest state banks, local government and the national pension fund. At its inception in 2014, BHR listed Rosemont Seneca Thornton LLC, an investment firm co-founded by Hunter Biden, as a shareholder that owned 30% of the fund.” [\[Financial Times, 10/9/2019\]](#)

In October 2019, following investigations into his Chinese business deals, Hunter announced that he had resigned from BHR. Biden’s attorney, George Mesires, attempted to dismiss further scrutiny of Hunter’s Chinese deals, “In any event, Hunter will agree not to serve on boards of, or work on behalf of, foreign owned companies.” [\[CBS News, 10/13/2019\]](#)

Hunter’s Investments Received Backing of State-Owned Bank of China

Of particular significance, Peter Schweizer, best-selling author of “Secret Empires: How the American Political Class Hides Corruption and Enriches Family and Friends” and Jacob McLeod, a senior researcher with the Government Accountability Institute, explain that Hunter Biden’s business dealings in China received the backing of state-owned enterprises: “With the backing of the state-owned Bank of China, one of the country’s “big four” financial institutions, BHR had access to the types of deals that most Western firms only dreamed of, including IPOs of state-owned companies.” [\[New York Post, 10/10/2019\]](#)

According to the Financial Times, BHR Partners has made investments in the following areas in China:

- **Megvii:** Facial-recognition company linked to Chinese government surveillance, including against the Uighurs.
- **CGN Power Group:** Nuclear power company blacklisted by the United States for stealing U.S. technology to benefit the Chinese military.
- **Henniges Automotive:** Auto-components manufacturer; as part of deal with Chinese government-owned Avic Auto, which was included on U.S. export blacklist.
- **Didi Chuxing:** Ride-Sharing
- **3SBio:** Biopharmaceuticals
- **Tenke:** Mining
- **Sinopec Petroleum Sales Co:** Oil Refiner
- **Chengdu Xijiao Rail Transportation Technology Co:** Rail Technology
- **Jilin Zhishi Dairy Co:** Dairy Products
- **Tuniu:** Online Travel Agency
- **Contemporary Ampere Technology:** Lithium Ion Battery Maker



Democrat Joe Biden's Pro-China Foreign Policy

Joe Biden in His Own Words on China

Rising China... Positive Development for the United States & World: “Let me be clear -- let me be clear: I believed in 1979 and said so and I believe now that a rising China is a positive development, not only for the people of China but for the United States and the world as a whole.” [\[August 2011 Speech in Sichuan, China\]](#)

Eat Our Lunch: “China is going to eat our lunch? Come on, man.” [\[Washington Post, 5-2-2019\]](#)

Political Openness... That's a Decision for You to Make: “China has followed a very different economic and political path to prosperity, enhancing some aspects of a free-market system, while resisting political openness and maintaining the state's deep involvement in economic affairs. That's a decision for you to make.” [\[August 2011 Speech in Sichuan, China\]](#)

US Doesn't Intend to Enforce Human Rights: “Maybe the biggest difference in our respective approaches are our approaches to what we refer to as human rights. I recognize that many of you in this auditorium see our advocacy of human rights as at best an intrusion, and at worst an assault on your sovereignty. I want to tell you directly that this is not our intention.” [\[August 2011 Speech in Sichuan, China\]](#)

Wants Close Ties with China at Every Level of Government: “In order to cement this robust partnership, we have to go beyond close ties between Washington and Beijing, which we're working on every day, go beyond it to include all levels of government, go beyond it to include classrooms and laboratories, athletic fields and boardrooms.” [\[August 2011 Speech in Sichuan, China\]](#)

*And Even More Positive, Cooperative * & Comprehensive in Coming Years:* “President Obama and I will continue the important work of making this partnership even more positive, cooperative and comprehensive in the coming years.” [\[Washington Post, 5-2-2019\]](#)

Embarrassed He Can't Speak Chinese: “I'm embarrassed I can't speak to you in Chinese. I would -- seriously -- I would rather be able to honor you and show my respect for you by speaking your language.” [\[August 2011 Speech in Sichuan, China\]](#)

Referred to South China Sea as China Sea: Biden referred to the South China Sea — as the “China Sea” — and the “mountains ... in the west.” [\[Washington Post, 5-2-2019\]](#)



Joe Biden's Pro-China Record

Former Vice President Joe Biden has adopted the most pro-China foreign policy in U.S. history, routinely praising the Chinese Communist government and siding with China against U.S. workers in trade and economic policy.

Member of First Congressional Delegation to Visit China: In 1979, as a junior U.S. Senator, Joe Biden was a member of the first delegation of congressional leaders to visit China after normalization, where, in Biden's own words, he "had several days of business with then Vice Premier Deng Xiaoping." [[August 2011 Speech in Sichuan, China](#)]

Biden Lead Pitchman for Obama's Flawed TPP That Helped China: "Vice President Joe Biden served as the Obama "administration's leading pitchman for the Trans-Pacific Partnership (TPP)." [[The Hill, 01/28/2016](#)] Even far left journalists have noted that the TPP was a gift to China, with The Intercept writing, "China can get their goods to the U.S. and other countries through the back door, in a number of ways, and take advantage of TPP without being part of the agreement." [[The Intercept, 11/11/2015](#)]

Relationship with China Top Obama Priority: "When President Obama and I took office in January of 2009, we made our relationship with China a top priority." [[August 2011 Speech in Sichuan, China](#)]

60 Separate Dialogues with China During Obama Administration: "With that goal in mind, we have worked very hard to develop our cooperative partnership through more than 60 separate dialogues on issues of matter to both China and to the United States; and I would suggest to the world as a whole." [[August 2011 Speech in Sichuan, China](#)]

Obama Administration Launched 1st Strategic Security Dialogue with China: "That's why in May we jointly launched the first Strategic Security Dialogue, a new channel for civilian and military leaders to discuss sensitive topics, including cyber and maritime security." [[August 2011 Speech in Sichuan, China](#)]

Pushed to Increase Chinese Visas to U.S.: "I acknowledged on this trip the United States should undertake to make it easier for Chinese business people to obtain visas to travel to the United States." [[August 2011 Speech in Sichuan, China](#)]



Biden Flip-Flop: Is China Competition for the U.S.?

In his 2020 campaign, former Vice President Joe Biden has backtracked in an effort to hide his pro-China record.

- **2020: China Not Competition:** “I mean, you know, they’re not bad folks, folks. But guess what? They’re not competition for us.” [[NBC News, 5/2/2019](#)]
- **2011: China Will Compete:** “But even as we cooperate, the United States and China also will compete, and competition is healthy. We will compete in global politics and global economics... So make no mistake, America not only welcomes this healthy competition; competition is stitched into the very fabric of our society and our economic system.” [[Remarks by the Vice President at Sichuan University, August 2011](#)]

Conclusion

This report identifies how the Chinese Communist government has effectively influenced former Vice President Joe Biden’s foreign policy with the People’s Republic of China via favorable business deals for Biden’s son Hunter.

Former Vice President Joe Biden has adopted the most pro-China foreign policy in U.S. history, routinely praising the Chinese Communist government and siding with China against U.S. workers in trade and economic policy.

The Chinese Communist government has returned the favor from Joe Biden by providing his son, Hunter, with lucrative business deals and exclusive access to favorable agreements. Similar examples of blatant pay-to-play corruption have landed U.S. companies in violation of anti-corruption laws.

Under the Foreign Corrupt Practices Act, U.S. companies and individuals are banned from paying bribes to foreign officials to secure international agreements or business deals.

Former Vice President Joe Biden has stolen a page directly from the Chinese Communist playbook for anointing princes.





A REPORT BY THE UNITED STATES JUSTICE FOUNDATION

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