

Opening Remarks of:

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Hearing on "The PGA Tour-LIV Deal: Examining the Saudi Arabian Public Investment Fund's Investments in the United States"

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Chairman Blumenthal, Ranking Member Johnson, and Members of the Subcommittee, thank you for the opportunity to testify today. I am pleased to join my esteemed fellow witnesses in addressing your questions about the PGA Tour-LIV deal and the government of Saudi Arabia's Public Investment Fund (PIF). I serve as Director of the Democratizing Foreign Policy Program at the Quincy Institute for Responsible Statecraft, where we strive to minimize the influence of special interests on U.S. foreign policy. And, to the focus of this hearing, I have been analyzing Saudi Arabia's influence in the U.S. for more than 15 years.

Based on that experience, let me start by saying that we'd be naive to believe that the PIF's actions related to the PGA Tour are not part of the Kingdom's much larger lobbying, public relations, and broader influence operation in the U.S. Saudi lobbyists have made the case for this deal in Congress. The public relations firms that are paid millions by the Saudi regime have spun the PIF narrative about this to mainstream media outlets.

We would also be naive to believe that this is just another business deal. Last month at this Subcommittee's hearing, the PGA Tour witnesses made clear that there is no business rationale that can explain the PIF's extraordinary spending on the game of golf. PGA officials also previously described LIV as an "irrational threat, one not concerned with the return on investment or true growth of the game."



If the Saudi government is not buying into a profitable investment what are they buying? In short, silence. They want to muzzle Americans critical of the regime. And, they want to rebrand themselves. They want Americans to associate Saudi Arabia with golf rather than the brutal murder of Saudi dissident Jamal Khashoggi. All of which is especially important now, as the U.S. government is considering offering the Saudi government security guarantees as part of a normalization agreement with Israel - a major foreign policy decision that could mean committing U.S. troops to fight for the Saudi dictatorship.

At its core, this is not a business deal, it is a foreign influence operation. It is meant to shape U.S. public opinion and ultimately U.S. foreign policy. We do America a disservice if we do not evaluate it accordingly, especially given that censorship and the silencing of dissidents has been a key part of numerous Saudi business arrangements.

For example, U.S. businesses operating in Saudi Arabia face rampant censorship. In fact, the US International Trade Commission conducted a <u>survey</u> last year asking US businesses about censorship they've faced in foreign markets. Aside from China, more companies reported censorship in Saudi Arabia than any other country in the world. The Saudi government is also a major financier of Twitter, now X, and a Twitter employee has been convicted of spying on Saudi dissidents through the platform. Just this month a Saudi man with just 8 followers was <u>sentenced</u> to death for tweeting critically of the regime.

The Saudi government has also made major investments in Hollywood, leading one film industry insider to <u>say</u> "They're the new Chinese." And, this too has resulted in direct censorship by the Saudi regime. Specifically, when Oscar-winning documentarian Brian Fogel was working on a documentary about the assassination of Jamal Khashoggi, it was virtually <u>blacklisted</u> in Hollywood and <u>Saudi trolls</u> launched a coordinated effort to lower its online review scores.

And, of course, we already know the framework <u>agreement</u> with the PIF and the PGA Tour includes a "non-disparagement clause" intended to silence criticism of the Saudi regime. When asked to explain this "non-disparagement clause" and other aspects of the proposed merger, PIF representatives once again declined to appear before this Subcommittee and failed to



provide the documents that were requested of them. Unfortunately, the Saudi government has a long track-record of not playing by the rules in the U.S.

A Washington Post <u>investigation</u> in 2021 revealed that the Saudi embassy operates a ring of "fixers" that helps Saudis charged with crimes in the U.S. flee the country. The alleged offenses of the Saudis the embassy has helped flee the U.S. include possession of child pornography, rape, and even murder.

Just two days ago was the 22nd anniversary of the terrorist attacks of 9/11. Yet, the victim's families have still been denied justice from the Saudi government. The Saudi monarchy has spared no expense to avoid accountability, even stooping so low as to trick U.S. military veterans into lobbying against the 9/11 victim's families.

If this merger goes through the Saudi government will have a stranglehold on the international game of golf and a crown jewel in their reputation laundering efforts in the U.S. While that is troubling in its own right, Saudi sportswashing isn't happening in an international vacuum either. Authoritarian regimes learn from each others' influence operations in the U.S. When China proved it could effectively silence the human rights concerns of the NBA and its players, Saudi Arabia was watching. And, rest assured that China is watching now. If the U.S. once again offers little resistance or oversight of an authoritarian regime's sportswashing efforts, this could become a blueprint for how to garner influence in the U.S., and open the floodgates for even more foreign domination of American sports as a tool for broader foreign influence over our government, our media, and the American public.

Thank you again for the opportunity to testify today, and I would be happy to answer your questions.