Select Committee on China, Opening Statement
January 30, 2024

Introduction

Good morning. Chairman Gallagher, Ranking Member Krishnamoorthi, it is a privilege to have been invited to address the Select Committee on China. The work you are doing here is vital to protecting and defending the United States for years to come. I've been impressed by the approach this committee has taken and the results it has achieved. This represents the best of what Congress can do.

Right now, this Congress is facing critical decisions. We have wars raging in Eastern Europe and in the Middle East, our southern border is being overrun on an unprecedented scale, a war in South America is a real possibility, and the threat of armed conflict in East Asia is growing ever more likely. As someone who has had the privilege of serving in these same halls, I know you have difficult choices to make regarding how America's resources are used.

I hope my testimony today will give you some context and data to help make the best decisions for the nation.

State of Global Affairs

First, we need to honestly assess the state of global affairs: For two years, war has raged in Ukraine. In the Middle East, Hamas' barbaric October 7th attacks on Israel have since expanded into a wider conflict that has seen more of Iran's proxies spread violence and mayhem across the region.

3 American soldiers were recently killed in attacks by Iran's poxy militias.

Asia is more tense than ever. Chairman Kim recently stated that the peaceful reunification of North and South Korea is impossible, while Xi Jinping continues to step up its pressure and threats over Taiwan.

Closer to home, Nicolas Maduro is threatening war in South America, against our friend Guyana, which is just a three-hour flight from Miami.

It may be tempting to dismiss these conflicts as far-away and of no consequence to the average American family or your constituents. This is simply not the case.

What occurs in the Middle East, in Ukraine, or in the Indo-Pacific affects every citizen in our country by impacting supply chains, inflating prices, or placing the men and women in our military at increased risk. Every American you represent has no doubt felt the effects of these crises.

CCP is the Common Link

We must recognize that the Chinese Communist Party links these crises together. Regimes in Moscow, Tehran, Pyongyang, and Caracas all owe their continued existence to the Chinese Communist Party. And China is now watching how the West responds to these conflicts around the world.

If you want to know how Iran has the capacity to fund proxies across the Middle East, look no further than Beijing: Iran's oil exports to China have tripled since 2020, and nearly all of its oil exports last year ended up in China. The Communist Party's enrichment of the Ayatollah's regime is a direct cause of the violence we are now seeing spread across the region.

It's not just Iran. It's Russia, too: China's purchasing of Russian oil is the reason Putin's economy has remained stable while at war despite Western sanctions. Indeed, last year Russia passed Saudi Arabia to become China's top oil supplier. The CCP is the reason Putin's failed invasion of Ukraine has now become a war of attrition. It is keeping Putin's economy on life support or even better.

The same is true with respect to Venezuela and North Korea. Over the past decade, China has lent the Maduro regime nearly $70 billion in exchange for future oil payments. Venezuela will be indebted to China for decades and make no mistake, China will collect that debt. In his new year's letter addressed to Xi Jinping, Chairman Kim vowed that North Korea was committed to promoting cooperative relations with China.

China, Russia, Iran, North Korea, and Venezuela represent a new axis of evil regimes that is pushing a dangerous model for the world. One where personal and religious freedoms are curtailed and controlled by the state, where neighbors can be invaded, coerced and abused, and economic colonialism is the norm.

One where the yuan replaces the dollar as the standard reserve currency. Where China controls vital technologies that are essential for nearly everything we use.

Where the CCP alone controls access to vital resources and shipping lanes, and where Beijing wields its vast military and economic power to advance the CCP's objectives. This world would not only be far less prosperous for the American people, but far less free.

Clash of Models

I urge every Member here, Republican or Democrat, to clearly understand what the CCP wishes to impose.

Its governance model – which it claims is supreme – is dangerous for the United States and humanity.

Consider the enormous costs the CCP's model has wrought for both the Chinese people and the world. Years of direct government intervention have turned its stock market into a disaster, and now it is stealing money out of state-owned, offshore accounts just to stabilize it.

When COVID leaked from one of its own labs, the CCP's inherent paranoia and distrust made it impossible for officials to seek help or alert the rest of the world.

The CCP's demographics also foretell disaster. Last year, its birth rate was the lowest since the founding of Communist China in 1949. Immigration won't help either, as far more people are leaving China now than want to live there.

I do not point to these signs as evidence that it is a foregone conclusion our model will prevail – only to make clear that theirs will not. But make no mistake, a weakened China, is an ever growing danger to the United States and the world.

Whether the model of the free world will prevail depends on the United States. The question for us remains – to paraphrase what Abraham Lincoln stated so many years ago – will we be the author of our own destruction?

Conclusion

Today we are at risk of destroying the very things that will deliver victory over the CCP's dark vision.

Narratives, like the 1619 Project, tell sinister lies about the founding and fundamental character of our nation.

We are content to solve difficult economic and societal problems by simply printing more money and handing it out to privileged political groups.

The American work ethic, once the pride of our nation and envy of the world - and what makes the American Dream possible - is now seemingly discouraged in favor of a larger and larger welfare state.

We refuse to enforce the law, whether on our southern border or within our cities. A nation that will not even enforce its own laws cannot hope to command the respect of others.

The fundamental virtues of our culture – religious faith, decency, respect for vital institutions – are demeaned today.

The CCP's model will not prevail. But a nation and society intent on despising and destroying itself will not prevail, either. As we discuss the challenge posed by Communist China, I encourage each of you here today, Republican or Democrat, to consider what ultimately makes our country free, prosperous, and secure.

It is a strong America, with a strong economy, and a strong military that deters aggression and fosters freedom and the free market.

Finally, as we contemplate the challenge posed by the CCP, we must focus not on responding, defending or parrying the CCP, but deterring it. The Chinese Communist Party has been at economic war with the United States for decades; we pretended it wasn't so.

The United States and like-minded nations must not simply fight this economic war to a muddled draw, but we must win it. The world and the post-World War II order depend on it. If we do not win it and deter the CCP, the prosperity of our nation and the West is at real risk. This

confrontation is not only in the South China Sea and the Indo-Pacific -- it is here at home. The CCP is inside the gates at our research labs, our government research institutions and our information space.

This cannot remain, and I look forward to discussing how to confront each of these challenges today.

Thank you, and I look forward to taking your questions.