

Statement of Tom Malinowski
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Committee on Oversight and Accountability
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Chairman Comer, Ranking Member Raskin, thank you for inviting me to testify today.

At a hearing focused on American vulnerabilities, I'd like to start by remembering our strengths.

America has massive comparative advantages over a CCP led China, which we must work together to preserve.

We have the strongest, most resilient economy of any major country in the world. China's economy is struggling in every possible way.

We have allies. China has none.

We are an open, democratic, rule of law society with ideas that people everywhere find attractive; China under the CCP is a dictatorship that stifles creativity and promotes ideas few would freely embrace.

For all these reasons, talented, creative, hard working people from all over the world want to come to America to contribute to our success. No one wants to emigrate to China; in fact, it is losing its best and brightest people to us.

And American democracy remains a much bigger threat to Chinese autocracy than the other way around.

All that said, a CCP led China does pose significant political, military, and economic challenges to the United States that we must be vigilant in countering. The CCP considers the United States to be China's main adversary. It seeks to displace us as the world's preeminent power by splitting our alliances, gaining influence over international institutions, and challenging those global rules that favor open, democratic societies and that protect weaker countries from stronger neighbors. It seeks to dominate the industries and technologies of the future through massive domestic subsidies and theft of intellectual property. It works within our country and globally to discredit the example American democracy sets for the world.

The CCP recognizes our advantages, but also believes that America's political divisions are a weakness it can exploit. It's no coincidence that just a few days after the January 6th attack on the Capitol, Xi Jinping announced that "time and momentum are on [China's] side."

We will hear a lot today about how the CCP engages in political warfare in America. But it's essential to remember why it does so, and what it is trying to accomplish, which is to amplify our divisions and to create political paralysis so that our government does not act to meet the global and domestic challenges of our time.

That's how the CCP intends to win its contest with us — the economic contest, the contest for influence in the world, the contest of ideas about how nations should be governed and how they should relate to each other. Here's how I think we can win.

First, I believe the Trump administration deserves credit for beginning to change the old paradigm of US-China relations when it took office in 2017, by recognizing the need to counter the CCP's aggressive behavior across multiple fronts, instead of avoiding confrontation to preserve a positive relationship. The Biden Administration rightly continued this approach, making no concessions on matters of principle or national interest for the sake of better ties, and keeping all of the Trump administration's trade measures against China in place. In fact, Biden has added far more effective restrictions on outbound investment to deny China access to semiconductors and other critical technologies and to shift supply chains away from China. Foreign direct investment in China has fallen to its lowest level in decades.

But if we want to win the contest with the CCP, it's not enough for the United States to take these economic measures alone — we need to bring other wealthy nations along with us. That's something the Biden Administration has done that the Trump administration did not. The European Union has started following our lead on restricting high tech exports to China, and, just a few days ago, imposed tariffs on Chinese electric vehicles. We've signed agreements with the Netherlands and Japan to block export of microchip manufacturing machines to China. Again, this is precisely what CCP political warfare aims to prevent, and under the Biden Administration, it is failing.

If we want to win the contest with the CCP, we need to invest in our own industrial base, by modernizing our infrastructure, bringing high tech manufacturing back to America, and making sure that America and our allies, not China, dominate the clean energy technologies of the future. This is exactly what the Biden Administration is doing, thanks to the infrastructure legislation that the last Congress passed, thanks to the CHIPS Act, which is multiplying by leaps and bounds investment in semiconductor manufacturing in our country, and thanks to the clean energy and science investments in the Inflation Reduction Act (IRA).

Please remember — the Chinese government explicitly opposed passage of the CHIPS Act when Congress was considering it. It is suing the United States in the World Trade Organization to stop the IRA's clean energy and electric vehicle subsidies. The CCP knows that these investments are good for America and bad for China. If we want to win the contest, it would behoove us to keep making them.

If we want to win the contest with the CCP, we also need to strengthen, not weaken, our security alliances around the world, and here again, the Biden Administration has been

extraordinarily successful — through the AUKUS submarine partnership with Australia and the United Kingdom, by defending our Philippine allies and the freedom of navigation in the South China Sea, by bringing Japan and South Korea closer together, and encouraging record Japanese defense spending. In contrast, President Trump threatened to pull our troops out of Japan and South Korea and to shred our alliances with these countries unless they agreed to pay extortionate rates for U.S. bases (and despite the fact that leaving these countries would cost US taxpayers more than staying under the cost-sharing agreements we currently have). Such a move would have realized the wildest fantasies of CCP strategists seeking to displace US power in Asia.

The Biden Administration has also been right to heed the advice of our friends in Taiwan by helping Ukraine defeat Russia's invasion. China supports Putin in Ukraine and wants us to stand aside because it wants a world in which big powers can do what they want to their neighbors. Our support for Ukraine has not only blunted that Chinese objective; it has encouraged our European allies to increase their defense spending (23 NATO countries now meet their 2% of GDP defense spending commitment as compared to just 9 in 2020), and to be more helpful to us in countering the CCP threat.

The CCP obviously was happy to see the national security supplemental, with its funding for Ukraine and Taiwan, stalled for months in Congress as it continued to help Putin kill Ukrainians and to threaten Taiwan. Passing that bill in a bipartisan way was another defeat for CCP political warfare.

Finally, if we want to win the contest with the CCP, we have to stand up consistently for our values and for American institutions.

I believe the Biden Administration has done that, too — by declaring China's persecution of the Uyghurs a genocide, by enforcing rules against exports of goods produced with forced labor, by speaking up about Chinese repression in Hong Kong. The Trump administration did some of those things, too, but it was repeatedly undercut by Trump personally, as he lavished praise on Xi Jinping, and, according to his top advisors, told the Chinese leader that it was fine to build concentration camps for Uyghurs. I don't see how you win a contest of ideas with the CCP under a leader who says, as Trump did last year, that Xi Jinping is "brilliant" because he "he runs 1.4 billion people with an iron fist. Smart, brilliant, everything perfect. There's nobody in Hollywood like this guy."

And please remember this: One of the goals of CCP political warfare is to discredit the United States, to convince people around the world that we're not the democracy we claim to be or that democracy itself is a spent, corrupted way of life. We're not going to defeat this argument if we have leaders in our own country who echo it— who say that America's democratic elections are "rigged," that our free press is the "enemy of the people," that our independent judiciary is "corrupt," that we have "political prisoners," that our FBI, our first line of defense against foreign espionage, should be defunded, that the United States and NATO are responsible for the war in Ukraine, and so on and so on. If you're a CCP propagandist trying to discredit America and you hear stuff like

that coming from America's own leaders, you don't have to invent your own material any more; you can just retweet the Americans who say it.

Republicans and Democrats have always disagreed about policy, but at least we were united in defending America, in saying that our country has the best institutions and finest system of government in the world. Blaming America first is no way to win an argument with China.

If we can agree on these basic principles, Mr. Chairman — investing in our own competitiveness, bolstering our alliances, defending our values and our institutions — we should be able to take additional steps to counter CCP influence in our country. There are many good, bipartisan ideas that everyone should be able to embrace. When I was in Congress, for example, I worked with Republican and Democratic colleagues to pass the Enablers Act in the House — a bill strongly endorsed by former Secretary of State Pompeo that would make it harder for foreign malign actors to bring untraceable money into the United States. I hope this Congress will take it up. When an NBA basketball team tried to fire an executive who criticized human rights abuses in China, I introduced bipartisan legislation to prohibit US companies from punishing employees who exercise their free speech rights in this way. I hope Congress will take responsible action on foreign adversary controlled social media apps, and reform the protections that allow all social media companies to amplify propaganda that divides Americans with no fear of accountability. On energy and trade, I hope you'll take up bipartisan proposals to impose a carbon adjustment fee on imports from China and other countries. I hope you'll consider the many good bipartisan pieces of legislation proposed by the Select Committee on the CCP.

But above all, I hope you will keep in mind what China wants us to do to ourselves, and then do the opposite.

Thank you and I look forward to your questions.