



**Opening Statement of Robin Cleveland, Chairman
U.S.-China Economic and Security Review Commission**

November 19, 2024

Good morning and welcome to the release of the U.S.-China Economic and Security Review Commission's 2024 Annual Report to Congress. I am pleased to note that the 2024 Report was approved unanimously, again reflecting the strong bipartisan consensus on U.S.-China policy. Our report offers 32 recommendations for Congress to safeguard Americans' security and economic opportunity, with 10 key recommendations voted on by the Commissioners as particularly important.

I am grateful to Senator McConnell who hired me in 1984 and has offered me multiple opportunities since then to serve our country. I am deeply grateful that he appointed me to the Commission in 2009 where I have been honored to serve alongside a distinguished group of energetic, dedicated and knowledgeable Commissioners. The greatest privilege, however, is to learn from the dedicated staff who bring language skills, deep expertise, curiosity, and, most of all, patience with the Commissioners as we work toward a bipartisan consensus of views.

Today, I will touch on some of our economic findings and themes and my colleague, Vice Chair Reva Price, will address findings related to security and foreign affairs. We will then move to questions from the audience.

Since being anointed Chairman and General Secretary, Xi Jinping has intensified efforts to control the public, the Party, the economy, and state institutions. This approach not only compromises wages, jobs, and opportunity for Chinese citizens, it sustains an aggressive export led growth model that counts on the rest of the world to absorb China's manufacturing excess capacity—in recent years focused on advanced technology. The strategy is intended to insulate China from export controls and sanctions while increasing global dependence on China's supply chains.

For decades we have engaged in whack-a-mole policy working within international organizations and guidelines to address the increasing and ambitious efforts by China to skirt laws or take advantage of trade loopholes. In our hearing on the threats to American consumers this year we heard from administration and expert witnesses who were starkly clear: U.S. agencies do not know if the majority of packages coming from China include a baby toy painted with a toxic chemical—a counterfeit piece of clothing made with slave labor—or a pin head amount of fentanyl which is enough to kill the average citizen. While the Administration has existing authority to shut down this flood of troubling products, we have a strong recommendation on legislative action that should strengthen safety and legal protections for consumers and manufacturers.

The report also focused this year on the U.S.-China technology competition. China has expanded investment and is accelerating efforts in multiple areas including semiconductors, AI, quantum

technologies, and biotechnology. Progress in these areas for any country will define both economic opportunity and the successful leverage of security power. Our recommendations this year address the need to constantly review and innovate in key policy areas including export controls, controls on information and communications technology imports, outbound investment reviews, and coordination of strategy with partners.

As the Congress and Administration go through a political transition, I hope our bipartisan effort and recommendations will be welcomed, debated, and addressed. Our change in government should not create any opportunity nor any doubt about the consensus that China poses the most significant economic threat of our times.

I will now turn to Vice Chair Price to address the security and foreign affairs concerns and related recommendations.