



## **Opening Statement of Reva Price, Vice Chair U.S.-China Economic and Security Review Commission**

**November 19, 2024**

Thank you, Chairman Cleveland—during my time as Vice Chair I have learned a great deal from your experience on the Commission and appreciate your thoughtful leadership. I would also like to thank my colleagues, our expert witnesses who shared their insights with us over the course of the year, and very importantly the excellent and indefatigable staff.

As the Commission has found over many years, China’s ambitions represent a persistent and multi-faceted challenge to the United States, its allies and partners, and the international rules-based order. This year’s Annual Report details China’s efforts to assert itself internationally while strengthening its own capabilities and readiness for competition or conflict with the United States and its allies.

In 2024, China continued its campaign to build international influence by claiming to be the country most able to bring about a fair and equitable global order. Yet behind China’s self-declared quest for “globalization” and “multipolarization” is a desire to ensure its own dominance. The leadership in Beijing is prepared to leverage persuasion, manipulation, and coercion in order to advance its own agenda. And, make no mistake, its agenda is not about combating injustice or improving lives in what China’s leaders now call the “Global South;” Xi’s agenda is about control and opportunity for the Chinese Communist Party. For example:

- In the Middle East, China professes to support security even while failing to protect international shipping in the Red Sea. China also is a key supporter of one of the most destabilizing forces in the Middle East—buying 90 percent of Iran’s sanctioned oil, meaning it effectively pays for almost half of Iran’s entire government budget.
- General Secretary Xi insists that China is a partner for Europe, yet China continued providing large-scale support for Russia’s war machine, with NATO labeling China a “decisive enabler” of Russia’s war against Ukraine. China has also shielded the Russian economy from international sanctions.
- With the United States, China’s leadership professes interest in de-escalation, while refusing to take responsibility for any of its own destabilizing actions.

China’s willingness to use coercion is most visible in the Indo-Pacific, where the People’s Liberation Army and the China Coast Guard are using escalation tactics against Taiwan, the Philippines, Japan, and others to assert China’s interests through intimidation. Specifically:

- This year, the China Coast Guard resorted to violence against Philippine personnel operating within their country’s own exclusive economic zone.

- In 2024, China tried to influence Taiwan’s democratic elections and PLA aircraft have already violated Taiwan’s air defense identification zone over 2,300 times—the highest number on record and more than 100 times the number of such flights recorded in 2019.
- China also launched its first intercontinental ballistic missile test into the South Pacific in more than 40 years.

At the same time, China continues to tighten political control within its own borders. The CCP is intensifying political discipline within the Party and enforcing whole-of-society adherence to an ever-expanding vision of “national security.”

In Hong Kong, Beijing continues to deepen an environment of self-censorship, uncertainty, and fear through enforcement of the National Security Law and this year’s Article 23 Ordinance. Residents and businesses in Hong Kong can no longer trust that their freedoms and rights will be upheld by the city’s legal system or law enforcement.

Political control is just one way that Beijing is trying to insulate itself from risk. China is stockpiling large quantities of critical resources and continuing its longstanding efforts to “sanctions-proof” its economy. Militarily, China is streamlining its defense mobilization system to give the PLA greater access to local resources, reserves, and civilian talent.

Finally, China continues to build up its own military and technological strength. China’s military is advancing its capacity for surveillance, intelligence, and reconnaissance as well as its electronic warfare capabilities, which can be used alongside its missile arsenal to threaten and attack U.S. or allied forces in any conflict in the Indo-Pacific region.

Against this backdrop, U.S. efforts to ensure our own continued competitiveness, alongside those of our allies and partners, will be critical in protecting both our own interests and international security.

In the recommendations from this year’s Annual Report, we highlight potential avenues that Congress can take to address these and other challenges.

Thank you, and we look forward to your questions.