

GREAT POWER COMPETITION IN THE INDO-PACIFIC

HEARING

BEFORE THE

COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTEENTH CONGRESS

SECOND SESSION

September 18, 2024

Serial No. 118–131

Printed for the use of the Committee on Foreign Affairs



Available: <http://www.foreignaffairs.house.gov/>, <http://docs.house.gov>,
or <http://www.govinfo.gov>

U.S. GOVERNMENT PUBLISHING OFFICE

63–340 PDF

WASHINGTON : 2026

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GREAT POWER COMPETITION IN THE INDO-PACIFIC

Wednesday, September 18, 2024

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10:21 a.m., in room 2118, Rayburn House Office Building, Hon. Michael McCaul (chairman of the committee) presiding.

Chairman McCAUL. The Committee on Foreign Affairs will come to order.

The purpose of this hearing is to discuss the United States competition with China and learn how the administration is working to maintain a strong U.S. presence in the Indo-Pacific. I recognize myself for an opening statement.

OPENING STATEMENT OF CHAIRMAN MICHAEL McCAUL

We stand at a pivotal moment in history where the dynamics of global power are shifting rapidly. The great power competition with China is not just a contest of military might or economic dominance.

It is a struggle over the rules which will shape the 21st century and the global balance of power. This is not a future threat or an isolated problem on the other side of the world.

The CCP poses an immediate danger to the security interests of the United States and our allies. China is working every day to undermine our safety, prosperity, and values. Just look at the recent news of an embedded spy in the New York Governor's office.

They've escalated their military activities, conducted aggressive drills around Taiwan that I've seen firsthand, and increased their belligerence in the South China Sea, particularly against our allies in the Philippines that our delegation on a recent trip also witnessed firsthand.

They are ramming their ships, cutting off sailors' fingers, and using high-powered lasers to blind the Philippine Coast Guard. I saw the CCP's Coast Guard and maritime militia presence again, when we flew over the South China Sea during a CODEL, which I led.

Following my visit, China continued to ratchet up their actions against our partners in the Philippines. The CCP's actions are not isolated incidents, but part of a broader strategy to assert dominance in the region, challenging international norms and threatening the sovereignty of neighboring countries.

Look no further than the oppression of the CCP's own citizens. The Uyghurs, the Tibetans, we recently visited the Dalai Lama, and Christians live in fear practicing their religions.

In fact, a genocide is still taking place in the Xinjiang Province. For Tibetans, the CCP is attempting to insert themselves into the succession of the Dalai Lama. And Chairman Xi's commitment to unify with Taiwan is no longer an idle threat.

This is why partnerships such as the Quad, AUKUS, and the trilateral partnership with Japan and South Korea are critical to countering China. Specifically with regards to the Quad, we must strengthen ties with India to ensure the two largest democracies in the world are working together to advocate for and safeguard democracy.

While these partnerships are critical to countering China, I must say, I've been disappointed that they have not gone further. The congressionally mandated AUKUS defense trade exemption was delivered 4 months late. The administration still maintains a lengthy excluded technology list that limits its effectiveness. I believe it guts the bill and undermines Congress' intent.

These are our closest allies, our Five Eye partners, with whom we share our most sensitive intelligence. The failure to advance and strengthen these partnerships directly correlates to emboldening the CCP. There is no NATO in the Indo-Pacific, which is why it is imperative that we strengthen our partnerships with democracies in the region.

However, China's influence extends beyond the Indo-Pacific. The tentacles of the CCP reach every corner of the globe. Their Belt and Road Initiative is a tool for expanding their geopolitical influence, often at the expense of the sovereignty and economic stability of other nations.

They have fueled conflicts, such as the war in the Ukraine, by supporting Russia's defense industrial base. And Russia, in return, as part of their no limits partnership, has shared sensitive technology with China.

Just the other week, you said Russia is providing China with, quote, submarine operations, activities of aeronautical design, including stealth that also involves capacities on missile capabilities.

I don't understand why we don't have sanctions on China to stop them from revitalizing Russia's military. To me, that is absolutely essential.

We passed in the supplemental sanctions on Iran on missiles and drones that are still being shipped to Russia to kill the Ukrainians. So, as Mr. Meeks and I work on the supplemental to get the funding, to get the weapons, the very instruments of war being shipped from Iran to Russia are not being sanctioned as required by law.

I want to thank you, Deputy Secretary, I know we've had a lot of good visits together, sometimes in other countries. I couldn't agree with you more that countering the CCP must be our top priority. We had a great trip to the Indo-Pacific. And I thought the embassy was fantastic in our trip. And on this one we are not political parties. Mr. Meeks and I want to work with you and this administration on what is in the best interest of the American people.

And so, with that, I now recognize the gentleman from New York, Mr. Meeks.

**OPENING STATEMENT OF RANKING MEMBER GREGORY
MEEKS**

Mr. MEEKS. Thank you, Mr. Chairman. And thank you, too, Deputy Secretary Campbell, for appearing before us today. Being a New Yorker myself, I just—any time we talk about China, and talk about the government of the PRC, that is one thing. But I just always want to caution, because of the climate we are in in our country, that when we are talking about the PRC, we want to also be cautious about what we are saying about all Chinese, particularly the Chinese individuals in the United States of America, and so that we are not causing violence and hate crimes against them.

Because that is not what we are talking about when we are talking about the malign interests of the PRC. Those are two different things. And to stereotype is difficult. And when I've seen individuals in my district who have often mentioned that to me, so I thought it was important for me to mention it opening this hearing today.

But to you, Secretary Campbell, you've played a pivotal role in advancing the administration's Indo-Pacific strategy. First, as Deputy Assistant to the President, where you served as a coordinator for Indo-Pacific affairs. And now, of course, as the Deputy Secretary. And the Biden-Harris administration has renewed U.S. leadership and engagement and revitalized our alliances and partnership and nowhere exemplifies this more than in the Indo-Pacific region.

In fact, when I went out, the Shangri-La Dialogue, it was very apparent there of us and bringing them together. Because, you know, this kind of effort strengthens the geopolitical guardrails on China. It creates resilience against its coercive policies and strengthens a collective deterrence.

And, after three and a half years in office, I can confidentially say that the Biden-Harris administration has made Americans safer and advanced our interests in the Indo-Pacific region. Today our alliances with Japan, South Korea, Australia, and the Philippines are stronger than ever.

But we are not just working with our partners bilaterally. They are increasingly working with one another and collectively with the United States in several diplomatic arrangements.

First, after elevating the Quad to the leader's level upon taking office, this weekend, President Biden will be holding the fourth in-person Quad Leaders' Summit, with leaders of Japan, Australia, and India, to continue delivering tangible benefits for the region.

Second, the Biden-Harris administration facilitated a trilateral summit with Japan and Korea. An achievement that would have been unthinkable just a few years ago. And this bolsters cooperation among these key American allies.

And, third, the administration's transformative AUKUS security partnership with Australia and the United Kingdom, will bolster deterrence, strengthen our defense industrial base, and advance high tech security cooperation with two of our most trusted allies.

Not done yet. Fourth, the Biden-Harris administration has revitalized our ties with the Pacific islands through the first ever U.S.-Pacific partnership strategy and the U.S.-Pacific Islands Country

Summit, as well as by extending the Compact of Free Association for Palau, Micronesia, and the Marshall Islands.

We still have a long way to go, but this web of partnerships is building resilience to the PRC's coercion and creating a coalition to uphold the region that is free, that is open, and that is governed by rules. It means that America is not in this strategic competition alone.

Moreover, the administration's diplomacy has opened critical lines of military to military communication with Beijing to make conflict in the Indo-Pacific region less likely. Something that I know that Secretary Austin has been pushing very, very much.

President Biden's decision to engage Beijing from a position of strength, has also led Beijing to restart counternarcotics cooperation, which has the potential to save American lives in the midst of a deadly Fentanyl crisis.

And, just this weekend, we welcomed reports that David Lin, an American citizen who was wrongfully detained in China for nearly two decades, is finally home safe and sound with his family. This is diplomacy at its best.

And I am grateful to the many individuals across our government and including those at the State Department, in the Biden-Harris White House, who continue to work tirelessly to bring every American, wrongfully detained overseas, home.

So, Mr. Secretary, I give the administration immense credit for getting our strategic competition right, and understanding that we need to invest at home and in the Indo-Pacific too, and have that strategy to outcompete China.

The last thing I'll say is, I would hope that my colleagues here, we will not continue to allow China to outbid us. Cutting the diplomatic budget by 12 percent, does not help us in our competition with China. That is not competing, and so, I hope we will do so.

So, I look forward to our discussion today. And I hope we can talk seriously about how we compete effectively with China instead of just talking in a bluster tone that the stakes are too awful.

I agree with the Chairman, this is something that we focused on in a bipartisan manner. And, with that, I yield back.

Chairman MCCAUL. Thank you. The gentleman yields. The members are reminded that opening statements may be submitted for the record.

We are pleased to have today the 22d Deputy Secretary of State, Kurt Campbell, before us. Your opening statement will be put in the record and your remarks are 5 minutes.

I now recognize the Deputy Secretary.

**STATEMENT OF KURT CAMPBELL, DEPUTY SECRETARY,
DEPARTMENT OF STATE**

Mr. CAMPBELL. Great. Mr. Chairman, Ranking Member, first of all, let me just say, it is an honor and privilege to be before you today.

I want to associate myself actually with each of your statements. I appreciate the comments were bipartisan, they are helpful. And frankly, they reflect the partnership that at least I, myself, have experienced with members of this Committee over the course of the last 4 years.

And I want to just say, I deeply appreciate the engagements that you have had in the region. When Chairman McCaul took the team down to Australia and Southeast Asia, we saw immediate movement on areas that matter to us, to fulfill our commitments in the Indo-Pacific.

And I do want to just underscore, I believe that this is an area of unique bipartisanship, and I'd like to continue it forward. And I will just simply say that some of the most important contributions that we've received, have come from this Committee. And I want to thank you for that.

In particular, what I appreciate, is the encouragement, the prodding on AUKUS. It is one of the most important achievements that holds the promise of the United States, Australia, and Great Britain, three great nations working together to preserve peace and stability in the Indo-Pacific.

As the Chairman indicates, this is a complex hard thing. We've not done something like this in 70 years. It needs encouragement and help from you all. I am going to take that message back.

So, I am going to submit my full testimony for the record. And you guys can take a look at it.

This, I think, becomes an important point as we are heading into an election. It's an inflection point. I want to give you at least my perspective.

So, I am now at the State Department. But, as the Ranking Member indicated, I started off at the White House. My job primarily was to ensure that we took the appropriate steps to sustain and to build on our engagement in the Indo-Pacific.

And one of the challenges that we've often faced is that we are focused on that issue and then other things draw us away, either domestic issues or challenges in another region.

And we see that now with Ukraine and Gaza. But I will say, I think, we are mindful of the need to sustain and step up our engagement in the Indo-Pacific.

So, I am just going to say a couple of things. I appreciate the review of the record. I am proud of a lot of the bilateral engagements, multilateral engagements.

I am going to give you a sense of what, I think, needs to come next. I'll do that quickly. And then, I am prepared to answer or engage on any issue.

Probably the most important thing that we are going to need to do in terms of the national strategy in the Indo-Pacific, is to sustain bipartisanship. And I do believe we are on the road to that now.

I think, there is a recognition that this is the most significant challenge in our history. Frankly, the cold war pales in comparison to the multifaceted challenges that China presents.

It's not just the military challenge. It's across the board. It is in the global south. It is in technology. We need to step our game across the board.

So, what we also need to do, is build much more capacity, both in Congress and inside the U.S. Government. I see it every day. And, remember, for the last 20 years, we've been intensely focused on the Middle East and South Asia.

So, a lot of capacity there. The Army, the land forces, people who understand the Middle East and South Asia, that is still critical. But we need much more capacity in our government in a couple of areas, language, understanding of the complex politics of the Indo-Pacific.

But, as importantly, recognizing that the dominant area of competition is in technology. So, we need more people in government that know what AI is.

That know what quantum computing is. That know how to create incentives for our own industries, but also block some of the critical capabilities from finding their way into the countries that are competing intensively with us.

We need to invest more in technology domestically. I want to commend this group and others to understand investing in chips, working with other partners who have technology.

That's going to be a critical arena of our national power going forward. We have to continue everywhere with engaging allies and partners.

As the Chairman indicates, its go time for AUKUS. I believe, we've made remarkable progress with the encouragement of Congress and the Senate as well. We need to be able to take a few more steps going forward.

I appreciate the Ranking Member making clear that the Quad is meeting next week. We're meeting on Saturday, all the leaders are converging.

They have a lot of questions about Delaware. We're trying to give them as much as we can. And the President is very much looking forward to showing them, you know, where he's from, all those issues going forward.

Really quickly to conclude. We're going to need more ship-building. We're going to need to invest more in our naval capabilities.

If you think of the last 25 years, its ground forces, special forces. Increasingly, we now need to focus more on our naval expeditionary capabilities.

We need to understand that this is not just a competition in the Indo-Pacific, an arena where we are doing better. It's in the global south as well. And, everywhere I go in the global south, I see challenges that we are facing.

I will say, I am pleased to tell you that our DFC, you have funded that and support that, is now competing toe-to-toe with the Chinese programs for investment through the Belt and Road.

Last, we can talk about the partnerships, all the things that we need to do. As much as anything else, we need to educate the American people about the nature of the challenge ahead.

It's not going to ease. It's going to continue. We need more resiliency in our own national institutions and a sense of national resolve for what it takes.

I will say, sitting before you, Chairman, I think, we are in a better place than we were several years ago. I will just remind you, 4 years ago, the general view globally was that China had eaten our lunch.

That they were going to surpass us economically and commercially. That we were in the midst of some sort of hurdling decline. I do not think that is what the general belief is today.

And that is largely due to the partnership that, I think, we've had with folks on this Committee. Thank you very much.

[The prepared statement of Mr. Campbell follows:]

**WRITTEN TESTIMONY FOR DEPUTY SECRETARY CAMPBELL
“GREAT POWER COMPETITION IN THE INDO-PACIFIC”
HOUSE FOREIGN AFFAIRS COMMITTEE
September 18, 2024**

Chairman McCaul, Ranking Member Meeks, distinguished members, thank you very much for the invitation to testify today.

I want to express appreciation for your partnership and the bipartisan focus you bring to our efforts to advance American leadership in the world, and in particular to the defining geopolitical challenge confronting modern American diplomacy—strategic competition with the People’s Republic of China (PRC).

A key Administration priority for President Biden and Secretary Blinken has been to demonstrate our commitment to a free and open Indo-Pacific, deepen the durability and impact of our engagement, and strengthen the regional security and economic architecture.

And we have. I appreciate the opportunity to testify before this committee and share with you the results and the work that continues to advance this ambitious whole-of-government agenda.

The strategic imperative is clear. The Indo-Pacific is home to more than half the world’s people, nearly two-thirds of the world’s economy, and seven of the world’s largest militaries. The United States is an Indo-Pacific nation, and the region is vital to our security and prosperity.

This region faces mounting challenges, particularly from the PRC – which is the only country with both the intent to reshape the international order and the economic, diplomatic, military, and technological power to do it.

The PRC is pursuing a sphere of influence in the Indo-Pacific, and its provocations in the South and East China Seas, growing pressure on Taiwan, and its military presence at the Line of Actual Control with India all threaten the stability and prosperity of our partners and allies in the Indo-Pacific and beyond.

And more recently it has become clear that the security and stability of the Indo-Pacific and Europe are deeply intertwined – Beijing’s support for Russia’s defense industrial base and Russia’s use of DPRK ballistic missiles in Ukraine all threaten

international norms and laws at the expense of fundamental freedoms and the foundations of global security.

To meet these complex challenges, we have intensified our focus in the Indo-Pacific, revitalized our alliances and partnerships, deepened our economic engagement with partners in the region, and strengthened people-to-people ties.

At the same time, the Administration has taken steps to responsibly manage the competition with China to ensure that it does not inadvertently veer into conflict or confrontation. We have maintained open lines of communication with Beijing, even as we continue taking competitive steps to defend our interests and values, in close coordination with our allies and partners. And we remain open to working together in areas that deliver for the American people, like counternarcotics cooperation and climate change.

Our focus on the Indo-Pacific is durable – even in the face of war and crises in eastern Europe and the Middle East. It is durable by design, because we are building – on top of strengthened bilateral relationships – a latticework of connected partnerships among likeminded countries to address shared challenges, mobilize resources, and accomplish more ambitious goals.

This includes creative “mini-lateral” partnerships such as AUKUS, the Quad, and trilateral U.S.-Japan-Republic of Korea (ROK) and U.S.-Japan-Philippines engagements, and efforts to strengthen ties between Europe and the Indo-Pacific through dialogues and NATO’s Indo-Pacific Partners.

Deepening our cooperation with allies and partners has helped us successfully preserve the values and norms of the international system, address regional challenges, and deliver on the needs of the region.

Three years ago this week, the President launched AUKUS. This was the first time in 70 years that the United States had taken steps to provide an ally with nuclear-powered submarine capability. AUKUS is modernizing our existing partnerships with Australia and the United Kingdom to better meet the security challenges of the future. As announced by the AUKUS leaders earlier this week, we are also consulting with Canada, New Zealand, and the Republic of Korea to identify possibilities for collaboration on advanced capabilities under AUKUS Pillar II.

We’ve made historic progress in our trilateral engagement with Japan and the ROK. Last summer, when President Biden hosted Prime Minister Kishida of

Japan and President Yoon of the ROK at Camp David, our three nations made ambitious pledges of cooperation to defend and promote human rights and gender equity; strengthen economic and energy security; address supply chain resiliency, the climate crisis, people-to-people ties, global health; and expand trilateral security cooperation. We believe cooperation between our countries is indispensable for meeting today's challenges and will set the stage for a prosperous future.

President Biden elevated the Quad to the leader-level and will host the fourth leaders' summit this Saturday in Wilmington, Delaware. I'm pleased that the Quad has strong bipartisan support, and we believe it's critical to sustain that support. Through the Quad, we've delivered in areas that are critical to our partners in the Indo-Pacific: Health, natural disaster relief, maritime security, critical and emerging technology, climate, and more. This weekend we will show the world that the Quad is here to deliver, and here to stay. Thank you to both the Chairman and Ranking Member Meeks, and Members across the Committee, for your leadership on supporting the Quad.

We also held the first-ever Japan-Philippines-U.S. Trilateral Leaders' Summit on April 11, where we launched the Luzon Economic Corridor to develop critical and emerging technologies and reaffirmed our partnership for supporting peace and security in the region.

Since the first historic White House Summit with Pacific Islands Forum (PIF) leaders in 2022, the U.S. government has announced more than \$8 billion in new funding for the Pacific Islands. This includes \$7.1 billion in extended assistance under the Compacts of Free Association with the Federated States of Micronesia (FSM), Palau, and the Republic of the Marshall Islands (RMI)—which was approved by Congress earlier this year, fulfilling a priority U.S. commitment to these longstanding partners. We opened new embassies in Solomon Islands and Tonga in 2023 and I cut the ribbon on another in Vanuatu in August. We established Partners in the Blue Pacific (PBP) which now includes Australia, Japan, New Zealand, the United Kingdom, Canada, Germany, and the ROK to enhance our efforts to support Pacific priorities.

Since the launch of the Indo-Pacific strategy, the State Department and USAID have successfully deployed \$10 million for sustainable infrastructure projects across the Indo-Pacific region under the Transaction Advisory Fund (TAF) program. These projects not only have benefited Palau, FSM, RMI, Sri Lanka, and

Indonesia, but they have advanced transparency and high-quality infrastructure throughout the region.

The United States is committed to working with ASEAN, including through ASEAN-led mechanisms like the ASEAN Regional Forum and the East Asia Summit, as well as the Mekong-U.S. Partnership. In May 2022, we hosted a historic U.S.-ASEAN Special Summit in Washington, D.C. In November 2022, we elevated the U.S.-ASEAN relationship to a Comprehensive Strategic Partnership. The remarkable expansion in our ties has seen a variety of new efforts and initiatives, including the launch of the U.S.-ASEAN Center, based here in Washington D.C., which serves as a hub for the exchange of ideas between both regions, and the U.S.-ASEAN Smart Cities Partnership, which harnesses U.S. public and private sector expertise to advance sustainable urbanization in the ASEAN region. We are proud that the United States is the number one source of foreign direct investment in ASEAN and our two-way trade continues to grow, with record trade flows in recent years.

We are raising our profile in the Indian Ocean Region, including through our investment of a half billion dollars in a port initiative in Sri Lanka facilitating greater maritime trade region-wide. We've opened a new diplomatic mission in the Maldives. And we are working with regional bodies – like the Indian Ocean Rim Association (IORA) - to enhance climate resilience and maritime security.

We are also working with European partners to support the Indo-Pacific. We hold regular consultations with European partners to align our efforts on a range of issues including maritime and cybersecurity; infrastructure and energy connectivity; and countering foreign information manipulation and interference.

We are bringing together NATO and Indo-Pacific Partners Australia, New Zealand, the ROK, and Japan to cooperatively address shared global challenges.

We have also been focused on driving economic prosperity to advance our shared interests in the region. According to Aid Data, U.S. investment totaled \$24.5 trillion and grew by at least 18% in the past decade, which includes private sector and philanthropic support for the region, highlighting our model is whole-of-society. Through the U.S. Development Finance Corporation (DFC) and multilateral partners, U.S. government financing increased by 2113% in the past decade, from \$103.7 million in 2012 to \$2.3 billion, to help Indo-Pacific economies unlock access to international private investment from the U.S. and beyond. APEC and the Indo-Pacific Economic Framework for Prosperity (IPEF)

have been essential as platforms to deliver substantive outcomes to partners in the region.

In 2023, the United States hosted APEC for a third time and used the opportunity to lead on multilateral economic cooperation, enhance engagement with partners, uphold international rules and norms, deliver substantive outcomes on sustainable economic growth, economic resiliency, the digital economy, and economic inclusion, and strengthen public-private collaboration. We are working to cement these deliverables during Peru and the ROK's respective 2024 and 2025 host years.

In May 2022, President Biden formally launched the IPEF in May 2022 with thirteen other partners. IPEF is establishing high-standards and deepening Indo-Pacific economic engagement in record time across four pillars: Trade, Supply Chains, Clean Economy, and Fair Economy.

We are also deepening our engagement in the critical area of infrastructure and investment through the PGI-IPEF Investment Accelerator. I mentioned the Luzon Economic Corridor, which was announced at the U.S.-Philippines-Japan Trilateral Leaders' Summit. This initiative aims to accelerate coordinated investments in high-impact infrastructure projects, including rail; ports modernization; clean energy and semiconductor supply chains and deployments; and agribusiness to further connect and drive economic growth in the Philippines and bolster global supply chains. We held the first Luzon Corridor Steering Committee meeting in May and the second in August, discussing priority sectors and projects for engagement.

We have supported digital connectivity through the development of undersea cables, particularly in the Pacific Islands including the East Micronesia Cable and broader connectivity efforts.

We have promoted semiconductor supply chain resilience by working with partners to develop early warning systems and utilizing CHIPS Act funds to diversify supply chains in emerging markets including Vietnam, Indonesia, the Philippines. Our partnership with key global partners, including Australia, Japan, and the ROK, bolsters critical supply chains essential for the clean energy transition.

Because of our work together to invest in the sources of American strength, deepen alignment with allies and partners, and continue to compete vigorously and defend our interests, we are strengthening our ability to compete with China.

The chorus of international voices supporting the Philippines and supporting international law and freedom of navigation in the South China Sea has reaffirmed the importance of international law in maintaining peace and stability in the maritime domain.

Our efforts to build maritime security capacity and increase foreign military financing for the region have strengthened deterrence against increasing PRC provocations in the maritime space.

Our allies and partners in the Indo-Pacific and in Europe are standing up to support European security and addressing PRC and DPRK support for Russia's war in Ukraine.

We are increasingly aligned on approaches with Europe on the protection of critical technology and on derisking and diversifying supply chains.

The Administration has encouraged record numbers of states to call for peace and stability across the Taiwan Strait. We have intensified our efforts to strengthen cross-Strait deterrence and help Taiwan maintain a sufficient self-defense capability, commensurate with the threat it faces, including through the first-ever use of Foreign Military Financing, Presidential Drawdown Authority and International Military Education and Training.

We appreciate the broad bipartisan support to address the U.S.-Taiwan double taxation issue, which is both important for U.S. efforts to advance our CHIPS initiative and attract investment from Taiwan in the U.S. semiconductor ecosystem, as well as a critical priority to support Taiwan's diversification and resiliency efforts in the face of PRC economic coercion. Negotiating a double taxation agreement now would send an important signal to the U.S. and Taiwan's investment communities at a time when many are deciding whether to move forward with or delay investment decisions.

When we strengthen our alliances and partnerships and invest at home, we put ourselves in what the President rightly called "the strongest position in decades to compete with China or anyone else."

As the security and prosperity of the Indo-Pacific, the Middle East, and Europe are increasingly intertwined, we will continue to work with our partners inside and outside of the region to increase our presence and activity.

As we continue to navigate competition with the PRC, our ability to offer an alternative and affirmative vision for the region remains a core American strength.

Thank you. I look forward to our discussion.

Chairman McCAUL. Thank you, Deputy Secretary Campbell. I now recognize myself for question.

You know, one of my big takeaways from the region was how much progress we have made. The alliance between Japan and South Korea and the Philippines, is extraordinary. Who would think that those countries would be aligned together.

It is a counter to China's maligned influence. And, in many respects, China could be its own worst enemy with its belligerence against the Philippines.

I think President Marcos has gotten even stronger in his rhetoric. And we certainly felt that the Island nations, as they feel more threatened by China, their perception of China changes.

And I think Australia is in that category as well, which is why AUKUS is so important. As you mentioned, this is—you know, if you polled someone on the street, they wouldn't know what we are talking about. But I think it is one of the most important alliances that we've seen in recent history. The idea that the U.K. and Australia and the United States could come together and counter the threat in the Pacific from China, is really extraordinary.

And it was bipartisan. And, you know, the intent of Congress, as I've stated in my op-ed in the Wall Street Journal, was that the exemption should apply to all defense articles except those explicitly prevented by statute or treaty.

Now, this excluded technology list came out. So, you have ITAR that basically says, look, these international regulations are not going to apply to this partnership.

However, the exceptions and the excluded technology list really does not get the intent of Congress and the bill itself. The current ETL does not reflect, in my view, the intent.

We, Craig Meeks and I, had dinner with some high-level DoD officials, the Ambassador to China, and others, they too shared the concern about the State Department's interpretation of Pillar 2.

Pillar 1, the nuclear submarines, seems to be well on its way. Pillar 2 though, I see in some respects as even more important. Because, as you said, this is a great competition for technology and AI.

So, when I look at the list of excepted or excluded technologies, when it talks about precision weapons, this one, unmanned underwater vehicles, well, we got a presentation in Australia of one of the most cutting-edge AI underwater vehicles that could really make a difference.

That would be excluded by this technology list that came forward. The communication networks, naval acoustics, and then jet engines, that just being a few.

I think, those broad categories of excluded technologies send a, I think, a really bad message to Australia that we don't trust them. Even though we share the crown jewel, nuclear submarines. And they are part of the Five Eyes we share with them the most sensitive, you know, intelligence.

But we are not going to trust them with co-production. And I think co-production could actually help us with the defense industrial base problem that we have, you know, also.

So, I kind of get a sense where you are, sir, on this. And I think I have a good understanding where the Secretary is. I happen to

think that these decisions were made at a lower level, and they were done in a very proprietary, protective way that will damage, again, the intent of Congress.

So, my takeaway to you, sir, as you take this back to the Secretary, is raise this to the higher level, the policy level of people that know the right thing to do. That know what Congress intended to do.

Because it is not what came out on this list that, by the way, was 4 months delayed. I think we can get there. We've got about 60 days. I would challenge you and the Secretary to work with us, Mr. Meeks and myself and with the Department of Defense to get to a better place, because in Australia, it is a 2050 year commitment.

And they see that. And, you know, that is a strong commitment to Australia and to the U.K. in a common defense against China. If we fail at this one, we've poorly executed the plan that we had.

And I can tell you based on intelligence I've seen, without getting into classified, AUKUS is probably one of those issues that Chairman Xi is most concerned about. And probably is one that keeps him up at night.

And so, I want to give you a chance to respond.

Mr. CAMPBELL. So, first of all Chairman, sincerely, I appreciate these comments. And I am going to take those views back. And it is something I've worked on AUKUS since its inception. I think, it is very strategically significant. I will just underscore a couple of things.

The natural instincts of our government, rightly at DoD, at the State Department, is to restrict technologies that have been central to our national security.

But you are absolutely right. If we've made the decision to work in the strongest possible partnership with our two closest allies in many respects, Great Britain and Australia, we are going to have to make those adjustments. It will be challenging. But we are going to have to make those adjustments.

Now, what I will tell you, just by way of, just a quick explanation, those areas that you mentioned, acoustics and stuff, it is not that the folks at lower levels are saying, the answer is no. They're saying, we have to review each case as it comes to us.

It doesn't mean that they'll reject it. But I think what our Australian friends are primarily concerned with, Chairman, is that that could lead to a very cumbersome process.

Long reviews, you know, overruns in terms of times and delivery. And so, we need to make this usable for defense planners and others that are making billion-dollar investments.

And so, I think, the point that you're underscoring, is critically important. Your op-ed, your letters, what you have done in conjunction with the Ranking Member, have actually helped us to be able to make sure that we are doing the right thing in our government to acknowledge this partnership.

Just one last thing I would say. So, Pillar 1 is the part that is about the submarines. And Pillar 2 doesn't get enough attention. And that is really about not just, we have three countries engaged in that now.

But, looking at advanced technologies, capabilities that are innovative, perhaps not as expensive. And you're exactly right, if you

look behind the scenes, both Great Britain and Australia have made investments in innovative capabilities that would be very good for us.

So, we need to break through and work on those issues together. Sorry to go over.

Chairman MCCAUL. Yes. And I think AI, you know, land, air, and sea will be critically important. I would then—I would ask that you engage with us on the Committee on this.

We don't want to see some product come out of the, you know, lower levels of the State Department that we've been secluded from in darkness. Or, that we have no idea what's going on, when it is going to come out, what's going to be in it.

And I think you're the perfect person to engage with this Committee in the next 60 days, on how we can work together to carry out the intent of Congress in passing this important legislation.

Mr. CAMPBELL. I completely wholeheartedly accept that challenge. And I will make it so. Thank you.

Chairman MCCAUL. Thank you. I recognize the Ranking Member.

Mr. MEEKS. Thank you, Mr. Chairman. Mr. Secretary, let me just, there are certain things that are really, you know, important to me.

We don't have a NATO in the Indo-Pacific. But, seeing how we are bringing people together, even to see when I was at the Shangri-La Dialogue, how Europeans were also impressive working together.

So, that became tremendously important to me, to show that we are bringing it together. Because once upon a time, you know, when I was at the European, they said oh, you don't care about us, because you're pivoting to the East.

And when I went to the Indo-Pacific, they said, oh, you don't care about us, because all you care about is the West. I now find and see where they are talking and understand how it is important to both that we figure out how to work together.

So, to that, what does concern me, is the PRC's continued support for Russia's war. It seems as though that, you know, and I'd like you to tell us whether, you know, China is contributing lethal, non-dual use materials to Russia's war effort.

Is that correct, something you see? And so, what are we doing?

What is the State Department doing to deter Beijing from providing these lethal supports to Russia, to hold, and how do you see us holding Beijing accountable for doing so?

Mr. CAMPBELL. Ranking Member, thank you for the question. First, let me just underscore, I do believe that helping construct this latticework of alliances and partnerships, which include not just our formal treaty allies, but others, I would underscore, this is a point that the Chairman mentioned.

We need to make sure that partnership with India is significant. Maybe our most important going into the 21st century. We're committed, I think, in a bipartisan sense to do that.

You're also exactly right. One of the most interesting things that is occurring, is European partners are working with us in the Indo-Pacific. And, as you note, Indo-Pacific partners are supporting

Ukraine substantially in their efforts to resist the brutal invasion and illegal invasion of Russia.

So, you mentioned a point that I am deeply concerned by. And that is China's support to Russia's defense industrial base. But it is not just China that is doing it. It is also support from North Korea to Russia, in terms of artillery rounds and missiles, and more recent reports of Iran supporting Russia.

So, now you have these other countries that are engaging and supporting Russia in an effort that frankly poses not just a challenge to Ukraine, but long-term peace and stability in Europe going forward.

I would simply say, I think, the most important thing, the reason that I am spending so much time in Europe, we frankly have taken a lot of sanctions against Chinese firms. We've sent signals about our concern about the financing of these deals between Chinese, you know, secondary technology firms and their Russian partners.

The challenge is, we've got to get more support from Europe on this. And there is a growing recognition of what China is doing in Russia.

But you'd need to understand, for many of these countries, they've faced a huge shock with the energy being shut off from Russia. And most of these countries made a bad bet on sort of that Russia would be a reliable provider of energy.

And, for many of these countries, doing business with China has been a big deal for 15 or 20 years. And so, the idea to be kind of a one-two punch, you can understand leaders in Europe have some anxieties.

However, I will simply say, what we are seeing between China and Russia, has the potential to destabilize Europe over the medium term and long term. And we have to be resolute about this.

And I will say, this is a relationship guys, China and Russia, that we, the United States, has always had problems with. We did not understand the Sino-Soviet split in the 1960's and 1970's.

We were late to understand it. And, frankly, I think, we have been slow to recognize the absolute intensity of engagement between President Putin and President XI.

So, I want to associate myself with the sense of the Committee that this is something that we need to do more on. In truth, it is affecting the battlefield in Ukraine.

But, as importantly, it will affect the longer-term relationship between Russia and the other countries in Europe as well.

Mr. MEEKS. Sure. And that is what I am thinking about also. Because, when I think about, you know, the Indo-Pacific and what we are doing here in the United States, could you just tell us, do you think it is important?

Or, how important is it for our resolve here in the United States, to support Ukraine for bolstering? Does that have a way, it helps bolstering deterrence in the Indo-Pacific?

And whether or not if we fail the Ukraine, will there be any lessons that Beijing will take away as a result of that, or the lack of our resolve in Ukraine?

Mr. CAMPBELL. So, it is a great question. I would just have the Committee note in the last couple of days, what we've seen is one

of the largest exercises between Russia and China in the Indo-Pacific.

We're continuing to see them working closely together in a variety of areas. Not just in Ukraine, but increasingly across the Taiwan Strait.

And so, look, there are academics and think tankers who tell, who say, oh, no, no, we've got to, we've got to not focus as much on Ukraine. We've got to focus more on what's going on in the cross strait.

I would, my counsel to you is that you cannot separate these things. How we fair on the battlefield in Ukraine, how the Ukrainians do, has incredible implications for how others think about potential areas of conflict in the Indo-Pacific.

And I will say what's happening in Ukraine on the battlefield is leading militaries around the globe, but particularly in the Indo-Pacific, to think about their own procurement and their own strategies.

I am pleased to say I know that the Chairman and you had dinner last night with the Chairman of the Joint Chiefs. They are deeply focused on learning the lessons ourselves so we can apply it to new potential avenues of deterrence in the Indo-Pacific.

Mr. MEEKS. Thank you.

Chairman MCCAUL. The gentleman yields back. The chair recognizes Mrs. Wagner.

Mrs. WAGNER. Thank you, Mr. Chairman. Deputy Secretary Campbell, thank you for being here today. Last week, during the House's, I'll call it China week, we passed numerous Foreign Affairs Committee bills to position the United States to better compete with China and win. I am happy to say that the House unanimously passed my legislation, the Export Control Enforcement and Enhancement Act, to ensure that State, Defense, Energy, and other national security agencies can play a stronger role in curating the entity list while also setting a 30-day clock to make sure that proposals to change the entity list do not languish in red tape.

Deputy Secretary Campbell, can you tell us how Chinese companies exploit loopholes in our export control system to maintain access to cutting-edge U.S. tech and how is the administration taking action to stop this behavior?

Mr. CAMPBELL. First of all, that is a great question. It is an important question. You know, the recognition is this: five—seven years ago, there were probably no two countries more intertwined, interconnected than the United States and China. Now we are in a situation where I think we recognize exactly, as your bill suggests, that there are areas, in technology in particular, where we want to be much more restrictive and we want to be careful because those engagements in, you know, AI chips, in a variety of capacity semiconductors—

Mrs. WAGNER. It is our technology and the loopholes, you can, you know, drive trucks through them. And I hope that this bill that puts a 30-day clock will become law, but, in the meantime, we have got to act to stop them from stealing our technology.

Mr. CAMPBELL. So, look, I would simply say I completely agree that technology is our high ground. The biggest challenge that we faced over the last 25 years is not Chinese espionage. It is very sig-

nificant. We have not had a very good technology strategy. We have exported a lot of things. We have not understood that these are national capabilities that we need to invest in.

Mrs. WAGNER. It is. Now, switching tracks, sir, during the Biden administration, Taiwan has lost four diplomatic allies: the People's Liberation, Army violations of Taiwan's Air Defense Identification Zones have increased over 1,000 percent, and the Chinese military is conducting military exercises in new areas around Taiwan. Chinese coercion of Taiwan is clearly ramping up, and it will only escalate from here unless the U.S. and its allies stand up to China. China's coercion techniques may fall short of a full-scale attack on Taiwan, sir, but they are exceptionally dangerous.

If China can bring Taiwan's to its knees using a sustained coercion campaign instead of costly invasion, it will. And it seems to me that the U.S. has no plan to deter such a campaign. What is the Biden administration's strategy to deter Chinese coercion against Taiwan, and what metrics are you using to measure success?

Mr. CAMPBELL. Thanks for your question. I worked on the maintenance of peace and stability across the Taiwan Strait for most of my career, almost 35 years. I do want to say it is a great achievement of American foreign policy bipartisan commitment. For 50 years, we have seen democracy thrive—

Mrs. WAGNER. I don't have much time, sir, and I want to try to stick to the clock, unlike others. So what are you doing about the—to deter coercion against Taiwan and the metrics that you are using to measure successful?

Mr. CAMPBELL. So I would simply say we believe that the guiding document of our engagement is the Taiwan Relations Act passed in 1979. It mandates us to have the capabilities in the Western Pacific, which we do, to resist aggression. We have provided enormous amount of capacity to allies and partners in the Indo-Pacific. A huge amount of deterrence is not just what the United States does alone but with other countries—

Mrs. WAGNER. You recognize that there is a sustained coercion campaign—

Mr. CAMPBELL. Oh, of course.

Mrs. WAGNER [continuing]. And what they are doing?

Mr. CAMPBELL. Of course.

Mrs. WAGNER. It will bring Taiwan to their knees without an invasion. We must do something.

Mr. CAMPBELL. Yes. So, first of all, I believe Taiwan is highly resilient. They just had one of the most successful elections in their history. By the way, much more successful than ours more recently. I do believe, I do believe they recognize that many countries stand with them.

Ten years ago when something would go wrong, it would only be the United States that speaks out—

Mrs. WAGNER. Thank you very much. My time is expired. I will submit the rest of my questions for the record, and, you know, I think we need more answers than we need word salad. Thank you.

Chairman MCCAUL. The gentlelady's time is expired. The chair recognizes Mr. Sherman.

Mr. SHERMAN. Thank you. China gives incentives to its people to invest in Chinese stocks, but they don't give those incentives to invest in American stocks. That makes perfect sense. The United States incentivizes investment through the capital gains allowance. We provide that at a cost of billions of dollars to our Treasury to those who invest in Chinese stocks. So I would point out to my colleagues that, if you think we should stop subsidizing investments in Chinese stock, you will want to join me on the bill that I have had on that issue.

But I will ask our witness would it be disastrous for American foreign policy if we stop spending billions of dollars to encourage American billionaires to invest in Chinese stocks? That is a yes/no question, I think.

Mr. CAMPBELL. So, Congressman, I would simply say the investment law——

Mr. SHERMAN. But from the foreign policy standpoint, it would be a disaster if we stopped subsidizing these investments?

Mr. CAMPBELL. I would answer it this way: I do believe a huge part of our national strategy should be the restrictions of certain kinds of investments or technologies in areas——

Mr. SHERMAN. I will reclaim my time. I will reclaim my time. The State Department won't give a visa to a Taiwanese high-government official to come here to the Washington, DC, area. But during COVID, we learned that we can have hearings with our witnesses appearing virtually. And, of course, foreign officials, we don't have hearings, we have briefings. Would the State Department object if this committee had a briefing by Zoom with the foreign minister of Taiwan?

Mr. CAMPBELL. First of all, I can't make decisions for the committee——

Mr. SHERMAN. I am asking whether you would advise against it.

Mr. CAMPBELL. We have deep, substantial engagements, unofficial and other engagements with the Taiwanese government. I believe that you do, as well.

Mr. SHERMAN. And I am hoping that the chair would have a briefing of this committee by the foreign minister. Our policy toward North Korea for this whole century has been a manifest failure in that they keep making more fissile materials and we keep telling them they don't have nuclear weapons or they shouldn't. I think we should be changing our bargaining position. We changed our style radically with Trump but not our position.

But I want to focus on a much smaller issue, and that is a bill that I have with substantial support in Congress urging you to do something you should do anyway that has majority support in the South Korean parliament and that is to announce a willingness to negotiate a peace treaty with North Korea to replace the armistice that Eisenhower signed. This is not a concession to them anymore than Eisenhower's policy. Is the United States willing to negotiate a peace treaty and formally end the war of 1953?

Mr. CAMPBELL. So, first of all, I will just say, diplomatically, we are prepared to sit down and engage with the North Koreans. We do have some conditions. We will not accept North Korea as a nuclear——

Mr. SHERMAN. Are we willing to negotiate on this one issue only after they give up their nuclear weapons, or are we willing to negotiate to solve the problems of 1953?

Mr. CAMPBELL. I will tell you all of our engagements are attempts. We wanted to help to assist during COVID, we wanted to open the door for certain—just one thing: For the last 6 years, we have had virtually no communication with North Korea. They have chosen not to engage with us directly on any subject—

Mr. SHERMAN. I would hope that we would announce that we are willing to negotiate on this one subject. Dr. Afridi remains in prison in Pakistan. We should have agreed to a Siddiqui-Afridi trade. We didn't. I don't know if that is still on the table, but let us not regard the killing of Osama bin Laden as a complete success when the man who was critical to that remains in jail.

As to Pakistan, they banned the batsman. Imran Khan is in jail. They are proposing changes to their constitution that would make Victor Orban blush in the sense of changing the independence of the judiciary and perhaps bringing Imran Khan before a military court.

I would urge you to instruct the U.S. Ambassador in Islamabad to simply visit Imran Khan in prison and demonstrate that we meet with various Pakistani leaders at all times and we are willing to meet with him.

Mr. CAMPBELL. I have got both those issues. Thank you. I will take those both back. Thank you, Congressman.

Mr. SHERMAN. Thank you. I yield back.

Chairman MCCAUL. The gentleman yields. The chair recognizes Mr. Mast.

Mr. MAST. Thank you, Chairman. I want to stick with China's support for Russia's industrial base, something that you spoke a little bit about, but I think you spoke about it from 30,000 feet and I would like to drill down on it a little bit more and move into something that you said, as well, which is that we are sending signals about this.

So let's start with, more specifically, what is the most worrying, the most problematic support, of Russia's industrial base that you are seeing out of China?

Mr. CAMPBELL. I would say, for me, Congressman, the most worrisome thing is that it comes from the very top, and it appears that the Russians are prepared to provide a broad range of support for their military industrial capacity in Russia. I think, right now, we see the role of UAVs and other capacities that are penetrating the Ukrainian airspace. Much of that has been supported surreptitiously by China, and it raises real concerns.

Mr. MAST. Give me more specifics ordinance related, electronics related, technology related.

Mr. CAMPBELL. Chips, some design features, some capacities associated with the making of explosives. I think, in this session, I can't go very much further. In a private session, which I would be happy to have anytime, I will give you. But I would just say, Congressman, it is substantial and it is affecting Russian capabilities on the battlefield.

Mr. MAST. What are the signals that we are sending that are, by the way you said it, I take them as inadequate? Signals. You mentioned in your comments we are sending signals.

Mr. CAMPBELL. So we have done dozens and dozens of sanctions against particular Chinese firms. We have put some of their financial institutions on watch. We have worked closely with international financial institutions to signal our concerns about the financing of the deals. These are hard to get at it. Sometimes, that financing is below swift sanctions that major financial institutions are——

Mr. MAST. The way you said signals, when you first said it, and I would take it the way you said it just now, as well, to me, it seemed as though you were indicating it was inadequate. Where would you like to see those signals move from and to?

Mr. CAMPBELL. So, look, our assistant secretary is going to brief later today in classified session. I am going to ask him to go through this. I will say it features in every diplomatic engagement we have.

So I got back from Europe last week, met with NATO. We are working closely with partners to share as much information as possible with them. Every meeting we have with the Chinese, this is our number-one issue.

Mr. MAST. So we will continue that portion of the conversation, we will continue that portion of it in the classified briefing. Happy to do that at that point.

Let me move to a different entity, same conversation. What, if anything, can you point to as far as effective posturing or policy out of the WTO to help deal with this?

Mr. CAMPBELL. I don't think this would be consider——

Mr. MAST. Or are they an affected entity——

Mr. CAMPBELL. The WTO, Congressman, is affected in things like overcapacity, so we are deeply engaged with the WTO about China's attempts to dump electric vehicles in the United States. The specific technologies and things that are taking place, sort of the dual use and other directed capabilities, frankly, have to be undertaken more in channels with allies and partners like NATO.

Mr. MAST. So when you are in a situation of all-hands on deck, it is exactly what that sounds like. Do you think there is a role that WTO could play more subsequently to be a better ally and be of better assistance as the entity that they are?

Mr. CAMPBELL. I mean, I hear you. I think we have briefed the WTO. My own sense, Congressman, is that it will prove unwieldy and that there are a number of states in the WTO that would not share with this assessment. It might be hard to move them. They are a majority action——

Mr. MAST. What states would you be most concerned about?

Mr. CAMPBELL. There are a few states in Europe, I think we both know what they are, that probably associate more with Russia and China, like Hungary, that would be of concern. I will say I believe this is an arena where we are best suited to work with our strong allies and partners. That is why we are working with Japan and Australia, Ukraine, all of our countries in Europe who are also taking like-minded steps to send, I think, probably the clearest possible signals that these steps by China and Russia have the poten-

tial not just to upset the battlefield—that is happening—but longer-term security in Europe.

Mr. MAST. Thank you. And my time is expired.

Chairman MCCAUL. The gentleman yields. The chair recognizes Mr. Connolly.

Mr. CONNOLLY. Thank you, Mr. Chairman, and welcome Deputy Secretary. Would you say that Kim Jong and Xi Jinping are malign influences with respect to U.S. foreign policy and our interest in the Indo-Pacific region?

Mr. CAMPBELL. So I would say, clearly, Kim Jong Un is undertaking deeply malign steps against American strategic interests, against our closest partners in Japan and South Korea, and I do not believe there are any redeeming features about their role on the global stage. I think you know that our relationship with China is much more complicated—

Mr. CONNOLLY. Well, let me stick with that Korea one. So do you know who President Trump was talking about in 2019 when he said, quote: He has a great and beautiful vision for his country and only the United States, with me as president, can make that vision come true. Do you know who President Trump was talking about?

Mr. CAMPBELL. I think it was Kim Jong Un but I—

Mr. CONNOLLY. Kim Jong Un, you just said no redeeming quality. Okay. Well, who was President Trump—because, certainly Xi Jinping, it is complex, I will grant you. But, certainly, his activities in the South China Sea and in the region more broadly have been aggressive and, at times, kinetic, provoking our allies and forcing us to respond. Is that not true?

Mr. CAMPBELL. It is true.

Mr. CONNOLLY. So who was President Trump talking about when he said, and I quote, and this is just last year: Think of him. Central casting, brilliant guy. You know, when I say he is brilliant, everyone says, oh, that is terrible, but, well, he runs with an iron fist. He is smart, brilliant, and everything perfect.

Who was he talking about; do you know?

Mr. CAMPBELL. I think that is President Xi Jinping.

Mr. CONNOLLY. See? You are winning. Xi Jinping. Some of my friends on the other side of the aisle love to bash the Biden administration for somehow being asleep at the wheel in this region, so let me just walk through a few things. Did President Biden in this administration bring together two long, if not adversaries, certainly suspicious of one another for historical reasons and getting cooperation really tough, and forge a bilateral cooperation agreement between Japan and Korea? Did that happen on our watch?

Mr. CAMPBELL. Trilateral, yes.

Mr. CONNOLLY. Thank you.

Mr. CAMPBELL. And I will say I saw personally President Biden's engagement with both leaders, pushing them to do things that were, frankly, a little bit out of their comfort zone and difficult for them politically. Ultimately, the leadership of President Yoon and Prime Minister Kishida, but President Biden very much helped.

Mr. CONNOLLY. Right. Big deal because they don't really trust one another. But a common foe and a common interest led by the Biden administration brought them together in the trilateral—and,

by the way, we passed the resolution on the floor of the House unanimously praising that agreement just last week.

Australia and United Kingdom. Did the Biden administration pull together something called AUKUS to co-develop modern technology and increase the capacity of our partners in the Indo-Pacific region?

Mr. CAMPBELL. I thought we did, but I heard maybe that it had come about earlier, but I don't think so. I think this was the Biden administration.

Mr. CONNOLLY. Did the Biden administration revive the relationship with the Philippines such that we, actually, now have been invited back to open four military bases, as I am counting, in the Philippines, again, designed to counter Chinese aggression and hopefully serve as a deterrent?

Mr. CAMPBELL. Yes. Very proud—

Mr. CONNOLLY. And how long did we go without military bases in the Philippines before the Biden administration reached that agreement?

Mr. CAMPBELL. Since, I mean, it has been decades since we—

Mr. CONNOLLY. Decades. So, again, reviving a relationship. We also have a quadrilateral security dialog called the Quad, which is working with Japan, India, and Australia to promote rules-based order. Is that true?

Mr. CAMPBELL. It is true.

Mr. CONNOLLY. And have we kind of revived that and poured new energy into that, especially given the concern about Chinese aggression in the region?

Mr. CAMPBELL. Yes. We have taken it to the leader level in unprecedented ways, yes.

Mr. CONNOLLY. And did the Biden administration bolster an unlikely partnership with a country with which we were at war not that long ago, Vietnam?

Mr. CAMPBELL. Indeed, yes.

Mr. CONNOLLY. And, again, was that fostered by concern about the aggressive posture of Xi Jinping in China?

Mr. CAMPBELL. Yes, but also the fact that Vietnam deeply wants a better, more constructive relationship with the United States, as well.

Mr. CONNOLLY. And is it true that the Biden administration led the first-ever U.S. Pacific Islands country summit and renewed the compacts of free association for the Pacific Islands?

Mr. CAMPBELL. Yes. This is like the greatest hits; I like this. But these are the things—

Mr. CONNOLLY. Yes, I thought you would enjoy it.

Mr. CAMPBELL. It does feel better than I thought, yes.

Mr. CONNOLLY. I just think, you know, it is easy to sit back and throw, you know, potshots at an administration. This administration has not been asleep at the wheel. This administration has actually been very aggressive in countering Chinese aggression in the South China Sea and in the Indo-Pacific region and has sought out and turned around relationships in the region to partner with to meet that threat. And I hope China has taken notice, and that is my last question because my time is up. And by the way, Mr. Chairman, I just want to go on the record as disagreeing with Am-

bassador Wagner. I think your extra time enlightened us all, and I thank you.

But what do you think? Has China taken note of all of this action and has it made a difference? And then I will yield back.

Mr. CAMPBELL. They have. I would also just underscore that I believe many of these issues, frankly, are bipartisan, as well, and they have benefited from the support of Republicans and democrats.

In many respects, the emerging consensus on the Indo-Pacific, I think, is strong, and I believe that there is a clear path for what issues that we need to do going forward. The things that you point out, the only one I would add to that is the engagement with India. It has been deeply consequential, and the fact that we have a stronger partnership with India today than ever before is also significant. And, yes, they are taking note in Beijing.

Mr. CONNOLLY. I thank the chairman, and thank you for holding this hearing. I think it is very enlightening. I thank you—

Chairman MCCAUL. Well, thank you for your partisan contribution to the hearing. I actually praised the Quad, praised the trilateral agreement, and I praised AUKUS, which I authored myself. But thanks for turning this into a partisan exercise. I recognize Mr. Burchett.

Mr. BURCHETT. Thank you, Mr. Chairman. Mr. Chairman, thank you. Sir, do you believe that the Chinese Communist Party is fully aware of the fentanyl that is coming from China?

Mr. CAMPBELL. I think China is an enormous country, huge numbers of firms. I think they have a general understanding of the fentanyl problem both in the United States but also globally. The synthetic drugs are a bigger problem now in China, in Southeast Asia, in the United States, Latin America—

Mr. BURCHETT. Well, are they doing anything to stop it?

Mr. CAMPBELL. Yes. They have taken some steps, not enough, but they have taken some steps, yes.

Mr. BURCHETT. What would those steps be?

Mr. CAMPBELL. They have outlawed some firms. They have taken a few people to court. They have issued restrictions. The reason that they have done that largely is the engagement of this committee and others directly with China, and so they recognize that there is a deep bipartisan anxiety about it in the United States.

Mr. BURCHETT. It would seem to me, though, if they knew that, if they were really against it, they would stop it. I mean, they have a totalitarian government. I appreciate saying they are going to court, but Xi Jinping says stop it, you know, you have these guys committing suicide by shooting themselves 12 times in the back of the head. That is generally what happens, and I don't see that happening.

Their Navy now outnumbers our Navy in terms of total number of warships. Do you think that makes the Chinese a more powerful navy or a more effective navy?

Mr. CAMPBELL. Yes. I still think we have the finest navy in the world, but we have got to get on our horse and do much better on shipbuilding. Yes, that is absolutely correct.

Mr. BURCHETT. I worry about that because, you know, my father's war, Japanese bombed Pearl Harbor, and then 6 months

later we roll out across the Pacific and take the world back, more or less. And I don't see that being the apparatus today. I mean, it is more automated. We have long-range missiles. You know, I realize the war machine in powerful Congressmen and senators' districts build those ships and the components of that, and I worry about that having too much influence.

Do you think that war in Taiwan is inevitable?

Mr. CAMPBELL. Not if the United States and allies have a resolute posture of deterrence.

Mr. BURCHETT. If Russia is unable to access components for weapons from China, what do you think that war looks like in Ukraine?

Mr. CAMPBELL. I think if China starts to hesitate in certain engagements with the military industrial capacity of Russia, I think it will limit some of their capabilities. You know, Congressman, it is hard to know completely exactly impacts, but it would be significant.

Can I just go back just to one point you made? I just want to associate myself. We spent 25 years really investing in ground forces, a lot of capability. This is a naval time. This is an expeditionary time. The Navy has to step up, we have to step up with them. We have got to figure out how to be much more capable in and faster in shipbuilding and design. It is the most important thing that we need to do over the course of the next 10 years.

And I will say I am grateful to this committee. AUKUS is an important step. Our submarine force is the jewel in the crown. We have to do more there. We have to get our submarines out of dry dock more quickly, but we need more capital ships arriving into the fleet much more quickly and we have to have more global capacity in the Indo-Pacific.

Mr. BURCHETT. What is the detriment to that? What is slowing that down?

Mr. CAMPBELL. So we have got 5 minutes each question. I can't give you all the answers which are so difficult. There are many issues. We don't have enough skilled work people, contracts are difficult. I could take you through it. We could do it over a longer period. But I would say is that this just needs to be an area of increased national purpose.

Mr. BURCHETT. Okay. One more question. Are there any sanctions not being enforced that could interfere with the weapons production and trade between China and Russia?

Mr. CAMPBELL. I don't think I understood the question completely. Just say it one more time—

Mr. BURCHETT. Are there any sanctions—I am from East Tennessee, sir. It is the only place in America where people don't speak with an accent. Are there any sanctions not being enforced that could interfere with the weapons production and trade between China and Russia?

Mr. CAMPBELL. I believe that almost all the sanctions that have been applied to China in this respect have been followed. I think probably more steps are going to be necessary going forward.

Mr. BURCHETT. All right. Thank you. Chairlady, I yield back my 12 seconds.

Mrs. KIM OF CALIFORNIA. Thank you. I now recognize Congressman Bera from California.

Mr. BERA. Thank you, Madam Chair. Mr. Connolly went through the greatest hits, so I won't repeat that. But I would emphasize something the ranking member raised, the marriage of the transatlantic strategy with the Indo-Pacific strategy I think is one that we are really seeing advancing in conversations.

I am going to shift. I know you represented us at the Pacific Islands Forum meeting. In the past few months, I have traveled a lot in the Pacific Islands. I have been to Tonga, Tuvalu, the Solomon Islands, PMG, and Fiji, and also, prior to that, spent some time in Southeast Asia, Vietnam, Cambodia, Laos, and Thailand kind of looking at the Mekong.

Mr. Burchett touched on some of the drug trafficking and fentanyl issue. One item I did not expect to come up when I was in Tonga, when I asked what is one of the biggest things that we could help you with, was actually drug trafficking. Again, some of what the cartels are doing in terms of fentanyl flowing, not so much to the islands but on their path to Australia, New Zealand, et cetera, you know, would love to get your perspective on that. I have raised the issue with Australians, and I think this is an area where we could all work together.

Also, along the Mekong, I did not expect to hear about some of these Exclusive Economic Zones that really are just Chinese organized crime setting up casinos, indentured servant, but also I do think a lot of drug trafficking moving through there, as well. Again, you know, if you want to touch on that, how we would be thinking about that as Congress working with the administration, not a partisan issue, an issue of concern, and then any other takeaways from the Pacific Islands Forum.

Mr. CAMPBELL. So, first, can I just also thank you personally for the time that you have given me, the opportunities to sit down, and the engagement that you have helped with, not just in the Indo-Pacific but also India and elsewhere. So just a sincere thank you more directly.

You are exactly right. If you travel through the Pacific, the issue that they are the most worried about right now, they are worried about illegal fishing, they are worried about climate change, but the increase in shipments through these islands of precursor capabilities, not just for fentanyl but other kinds of synthetic drugs, is a source of deep concern.

So I was there a week and a half ago. We have now immediately, I hope, gone into action to begin law enforcement cooperation with a variety of states with a particular focus on drug enforcement. So I thank you for that. I would appreciate your encouragement more.

Our challenge here, folks, is resources. Like, we are trying to do more with less. We are going to need more help in the Pacific. These countries vote with us. They are aligned with us. They want more from us. I must say I am concerned that we, frankly, neglected them for decades. Now we have got to do more. A little bit more support in this arena will go a long, long way.

I also want to acknowledge your commitment to the Mekong. We do have an initiative on the lower Mekong. I will say I am deeply concerned by some of the recent developments. I take what you are

saying about the issues about these free zones which you see in Laos and Cambodia, which even cause concerns in local governments. But what I am also worried about, the Mekong is one of the great rivers of the world. The actions that have been taken upstream with very little input from Vietnam, from Cambodia and Laos, have caused real problems for local communities in terms of agriculture and fishing and the like.

And so I am proud of the work that we have done to try to elevate and highlight the important work on the Mekong, and I thank you, as well, for your work on this.

Mr. BERA. Well, I look forward to working with you on both those issues. You know, earlier this Congress, the chairwoman and I held a hearing on the Indian Ocean region. It is an area where I don't think we pay as much attention, but we do see what the PRC is doing and whether it is Djibouti, you know, whether it is in the UAE, Pakistan, et cetera—

Mr. CAMPBELL. Can I just report on one thing? Again, through our encouragement, we haven't really announced this yet, but I can tell you this: for the first time, the United States and India and others are going to hold a session on the Indian Ocean, and we are going to talk about what our mutual concerns are, how we can work together. You are absolutely right. There are a variety of reasons why because it kind of falls between the cracks of all these commands, but the secretary, Secretary Austin, has asked Admiral Paparo to help sort of kind of fuse together our national military approach, security approach. We are going to work with the White House, DoD, State Department. This is the new frontier, working more closely with a partner like India in the Indian Ocean.

Mr. BERA. Great. And I know this committee wants to work with you.

Mr. CAMPBELL. Thank you.

Mrs. KIM OF CALIFORNIA. Thank you. I now recognize Representative Barr from Kentucky for 5 minutes.

Mr. BARR. Deputy Secretary Campbell, good to see you again.

Mr. CAMPBELL. Nice to see you.

Mr. BARR. And I literally just came from a meeting with TECRO in the Taiwan United Nations Alliance group, and Dr. Michael Tsai, former minister of defense, says to say hello to you and appreciated the relationship you all have had over the years.

What was discussed in that meeting was Resolution 2758, the U.N. General Assembly resolution from the 70's. Can you clarify the U.S. position on China using it to claim that Taiwan is part of China when, in fact, while it does address Chiang Kai-shek, it is silent on Taiwan's status.

Mr. CAMPBELL. Yes, exactly. And it is a tool that China has used, as you rightly point out, Congressman, in its diplomacy to make the argument that somehow Taiwan's status is illegitimate or an interpretation of a One-China principle leaves them at a disadvantage.

I simply want to say that we stand by our commitments to Taiwan. We try to clarify in all of our engagements the nature of our policy toward Taiwan, how it is influenced by the Taiwan Relations Act, the Six Assurances, the Three Communiqués. I will say, Congressman, that framework, it is difficult and challenging some-

times, but it has provided for an unprecedented level of development and peace and stability across the Taiwan Strait for 40 years. It is going to be harder going forward, but I do think it has given us the capacity and the framework to engage——

Mr. BARR. Well, thank you for that because I think less ambiguity relating to that and the U.S. position the better because, obviously, as you just pointed out, the PRC is using that to sever diplomatic ties or disrupt diplomatic ties between certain nations and also exclude Taiwan participation in international organizations.

Let me ask you about sanctions really quickly in Europe. I am leading a bipartisan congressional delegation to Europe, and I seek your guidance here. But one of the ways to enlist European allies and partners into this project relating to China and making sure there is de-risking happening with respect to China, in my view, is a better, more forceful use of sanctions. In August, the administration, Commerce, added 30 Chinese firms to the Commerce entity list for their role in supporting Russia's invasion of Ukraine, but were any of these companies added to the Treasury CMIC list?

Mr. CAMPBELL. I am going to have to take the specifics of that back, Congressman, and I will get back to you immediately on this. I do want to just go—I think what you describe is what is necessary between the United States and Europe. The first step is more engagement on the Indo-Pacific. You will find on your trip, when you talk to them about the Indo-Pacific, they are hungry for more information. They want to know more about our policies, but this is not an arena where they have a lot of deep experience, and so your ability to help them think through the challenges—they want to know more about cross-straits, they ask us a lot of questions about the South China Sea. They want to know about AUKUS and our security——

Mr. BARR. Well, can I just reclaim real quick because I think, again, getting the Europeans serious about this issue would be if we actually not just put these Chinese entities on a Commerce list but actually sanction them or put them on the CMIC list because that has a multilateral effect. The Europeans are looking at what Treasury is doing; and if these Chinese entities are aiding Russia enough to get on the entity list at Commerce, why are they not being put on the Treasury CMIC list and then, furthermore, why is Treasury not putting them on the full blocking sanctions list, the SDN list?

Mr. CAMPBELL. I will take that back——

Mr. BARR. Yes. And I need to talk to Secretary Yellen about this, too. We are not sending the right signals to the Europeans. If we sanction these entities for materially supporting Russia, then Europe will pay more attention. And I think that is what I would—you can help us in our diplomacy in Europe if Treasury would actually do this, as opposed to just putting it on a Commerce list.

Final question on the Philippines. Are the resupply trips to the Sierra Madre a long-term solution to assert the Philippines' internationally recognized sovereignty over Second Thomas Shoal? What is the long-term solution to Second Thomas Shoal?

Mr. CAMPBELL. So I think the most important things that we can do right now, Congressman, is, as we've heard, strengthen the bi-

lateral partnership between the United States and the Philippines to multilateralize. You will note in recent weeks we have had patrols from Australia, from Japan, other countries, to underscore our commitment to freedom of navigation. We have to increase Philippines' capacity, and we have to be absolutely resolute that the legal standing on which China is using to apply illegitimate force in these areas is antithetical to the international community.

Mr. BARR. All right. Thank you.

Mrs. KIM OF CALIFORNIA. Thank you. I now recognize the gentlelady from California, Representative Jacobs, for 5 minutes.

Ms. JACOBS. Thank you, Madam Chairwoman. Secretary, great to see you. Thanks for being here. I first wanted to ask you about the Global Fragility Act. I think it is an incredibly important bipartisan piece of legislation. My colleague, John James, and I introduced the reauthorization of it today. And thank you for being such a steadfast champion of it within the department.

I asked Undersecretary Bass the same question last week, and I want to get your answer to it, which is, as you know, the way we envision the Global Fragility Act is that it is not just a programming authority. It is about a whole new way of doing business, learning from the lessons of the Sahel and Iraq and Afghanistan, including the need to have an integrated response with the State Department in the lead because, at the end of the day, these are not actually only security challenges, they are political ones. And it is not only a programming thing, we need to have it infused in all of our diplomacy.

So I wanted to ask you how are you and the department doing diplomacy differently and pushing for political solutions pursuant to the GFA and how are you making sure that the GFA strategies and the idea of GFA are infused and integrated into all policy decisions?

Mr. CAMPBELL. Look, it has been a great policy tool. What it has helped us with the most, to be honest, is that it has helped forge more collaboration with key players inside the U.S. Government. And, in truth, what we have sought to do in addition is to bring other partners in, like I was talking about the DFC, the Coast Guard. And so what I think it has provided us is a way of thinking about challenges that allows us to motivate and to engage a whole of government on some of our issues that we are dealing with.

So, Congressman Bera, just really to give you an example, was talking about the drug issues. The drug issues can't be solved by our Navy patrols or our diplomatic engagement, but we have really good capacities on how to counter societies or groups that are being afflicted with drug flows. And so it is bringing those groups into the conversation and engaging them directly.

So I like the tool very much. I have used it primarily in a couple of different countries. I would like to see that framework extended to other countries, particularly in the Global South, where we need to step our game.

Ms. JACOBS. Yes. I couldn't agree with you more. I actually wanted to get to one of the specific countries since we are talking about the Indo-Pacific today. Obviously, Papua New Guinea is one of the GFA priority countries. I visited there a couple of years ago, and I think it is a good case study to figure out how GFA is a way we

can do things different even amidst global competition, but I wanted to know how are you thinking about the challenge of, like, through GFA and in general, we are offering more technical assistance to the judicial capacity and, you know, reducing violence, whereas, you know, China is offering to build roads. How are you thinking about the value proposition of the Global Fragility Act as it relates to Papua New Guinea?

Mr. CAMPBELL. Thanks. So I would simply say that the Global Fragility Act is important but not the totality of what we need to be able to do. So, in truth, you are right. You have traveled in the Pacific, so, you know, you go to these countries. We help with a lot of soft power issues on treatment of disease, on education, on capacity building, and they build a big stadium or a big head of government office. And it is quite visible and hard to, you know, to compete with in some respects.

I will say, in the last year or two, we have found a couple of areas that have been a big differentiator for us and something, again, the committee has been briefed on and supported. Our support to these countries being linked by undersea cable. The Pacific is the most vulnerable to storm surges. They have the most unpredictable, frankly not very good, internet which connects them to the larger world. These undersea connections give them the ability to connect in a durable way. It is going to be game changing for being able to survive storms, to be able to be connected to the global business community, education, and that is really American and partner innovation at work.

And so I just want to say we are going to have to do more with respect to building, you know, judiciaries and the like. But nothing is going to substitute for some real work in the infrastructure of these vulnerable nations.

Ms. JACOBS. Well, thank you. And thanks, too, for your emphasis in making sure we are providing support and partnership to the Global South and not just making them pawns in this game of competition.

Mr. CAMPBELL. I will say also, and I very much, Congresswoman, the way you said this, when you go into these meetings, wherever you are, in Africa or in the Indo-Pacific, if they believe the only reason that we are engaging is to compete with China, our partners are immediately suspicious. We have to meet these countries where they live, address their direct issues that matter to their people. In the Pacific, again, it is climate change, it is illegal fishing, it is capacity building. That is how we have got to engage, not go in and say, look, we are going to counter China. That is not interesting to them.

Mrs. KIM OF CALIFORNIA. Thank you. And I now recognize myself for 5 minutes. Secretary, thank you so much for appearing before our committee today. In the last administration, the United States enacted financial sanctions and export controls against 24 PRC companies that helped Beijing advance its territorial claims in the South China Sea. So I would like to ask you how many sanctions or export controls has this Biden administration used against PRC companies that are supporting either the military construction or harassment in these waters?

Mr. CAMPBELL. Yes. Look, all told, you know, in a variety of arenas, the Biden administration has done somewhere between 800 and 900 sanctions against companies, against individuals, on a very regular basis. I think we have continued the sanctions that have been put in place and added to them associated with some national security entities in China.

I will say, frankly, to be honest, Congresswoman—you know this because you have traveled in the region—the most important steps that we can take right now are capacity building in the Philippines and linking the Philippines with a larger—

Mrs. KIM OF CALIFORNIA. Talking about Philippines, yes. Thank you for raising that. I was at the Shangri-la Dialogue, and I was attending there when I listened to President Marcos make a presentation when he was asked about the red line question. President Marcos said the death of a Filipino citizen is very, very close to what we define as an act of war. Do you agree with that?

Mr. CAMPBELL. Look, I can't speak for President Marcos, a man that I admire greatly. I would simply say that our security partnership between the Philippines—

Mrs. KIM OF CALIFORNIA. So we have a mutual defense treaty with the Philippines. So if a Filipino sailor was killed by a CCP coast guard water cannon or deliberate ship ramming, would that invoke mutual defense—

Mr. CAMPBELL. So we have signaled very directly, we have reassured the Philippines and signaled to the Chinese that our defense treaty does apply in circumstances on the high seas involving Philippine naval assets and sailors. I am not going to get here and say, like, on this particular hypothetical. I would simply say you are exactly correct, Congresswoman, that the security treaty between the United States and the Philippines is very much active in—

Mrs. KIM OF CALIFORNIA. Thank you.

Mr. CAMPBELL [continuing]. These complex scenarios.

Mrs. KIM OF CALIFORNIA. So let me get to that next question about I have a legislation called the PAID Act, Protecting American Innovation and Development Act. This is a tool to expose foreign adversaries who steal U.S. intellectual property related to critical national security technologies because, as you know, CCP steals up to \$600 billion worth of U.S. intellectual property and trade secrets annually. So we need to use every tool available to stop this obvious theft and hold the CCP accountable.

So when Fujian Jinhua stole U.S. intellectual property that was tied to semiconductor production, the BIS and the End User Review Committee put that on the entity list. So do you agree with that action and what did that do?

Mr. CAMPBELL. So, look, I would simply say that I think the larger effort that you described to harden American companies or governments to intrusions and efforts to steal our industrial, commercial, technological secrets, that is an important order and incredibly vital to our own national security.

Mrs. KIM OF CALIFORNIA. So do you believe that theft of national security-related intellectual property by a foreign adversary, like PRC, should be a basis for an entity listing?

Mr. CAMPBELL. I do.

Mrs. KIM OF CALIFORNIA. Okay. Thank you. In my travels in the Indo-Pacific, as you know, and also attending Shangri-la Dialogue, having conversations with our counterparts at the governments there, and also with the U.S. defense startups actively participating with INDOPACOM, it is clear that the U.S. defense industry is strained and we need to revive our shipbuilding industry. And even INDOPACOM Admiral Paparo says we are not ready if something happens, so we need to activate all of our bases all around.

So a strained defense industry does not send a clear deterrence signal to our adversaries, so can you tell me and our committee how are you thinking through supporting our U.S. partners and allies and our readiness in the Indo-Pacific?

Mr. CAMPBELL. Thanks. It is a great question. In truth, you know, we downsized our military industrial complex subsequently in the 1990's, and we have really not taken the steps to diversify. We need more firms, we need more capacity. But, in addition, to be honest, Congresswoman, we need to work more with allies and partners. We need to work toward co-production. We have seen both co-production and co-design arrangements between the United States and Japan, South Korea, and others. I think those are incredibly important. They are difficult to arrange, a lot of the procedural stuff that has already been discussed.

Ultimately, we are going to need to step up our defense industrial base across the board, and we are in the midst of that. But it is not a short-term challenge. It is a longer-term challenge.

Mrs. KIM OF CALIFORNIA. My time is up. I would like to recognize the gentlelady from North Carolina, Ms. Manning, for 5 minutes.

Ms. MANNING. Thank you, Madam Chair. Deputy Secretary Campbell, as you may know, in July, the State Department unveiled the Global Guidelines for Countering Antisemitism, a major commitment by more than 40 countries and international organizations to act against rising antisemitism around the globe and to implement best practices to protect the Jewish community. Just this week, Congressman Chris Smith and I introduced a bipartisan resolution supporting the Global Guidelines and calling on more countries to embrace them. I am hopeful that the chairman and the ranking member will advance this resolution soon. And while I am glad that Australia has endorsed the guidelines, more countries in the Indo-Pacific should now follow their lead in the fight against antisemitism; and, sadly, we have learned that the existence of a large Jewish population in a country is not a prerequisite for antisemitism.

So can we count on you to make sure that the chiefs of mission across the regional bureaus are working to implement these best practices and to adopt the guidelines?

Mr. CAMPBELL. Yes.

Ms. MANNING. And let me suggest, I know Ambassador Lipstadt recently had a discussion about interfaith tolerance and antisemitism in Indonesia, so I would suggest that might be a place to pay attention to. And it would be helpful if you and other senior leaders at the department would raise this issue in your meetings at the U.N. General Assembly.

Mr. CAMPBELL. Thank you.

Ms. MANNING. Thank you for that commitment. Moving to a different topic, I understand how important our relationship with India is. And, yet, last month, thousands of medical workers in India went on strike after the rape and murder of a young medical student, and this is reminiscent of another horrific case, the Delhi gang rape in 2012. How is the State Department monitoring the treatment of women in India, the most populace democracy, and engaging with the government at the highest levels to address this significant and recurring problem of sexual violence toward women?

Mr. CAMPBELL. So thank you, Congresswoman, for your initial views about the importance of combating antisemitism. I do just want to underscore we have very fulsome dialog with our Indian partners on a range of issues, strategic issues, but we do not shy away from raising issues of concerns, whether it is domestic issues of treatment or extraterritorial activities that have raised concerns.

I will say I find Indian partners, though, willing to have a dialog and are attentive to issues that we raise.

Ms. MANNING. Continuing focus on this horrific issue would be much appreciated. Last year, the Biden administration released an updated Women, Peace, and Security Strategy and National Action Plan aimed at increasing women's participation in peace and security efforts and protecting women and girls from conflicts, crises, and violence. The Indo-Pacific, Japan in particular, has been a real leader on WPS issues, so can you share more about how the department is working to advance this important agenda in the Indo-Pacific?

Mr. CAMPBELL. Thank you very much. And so this relates to the question that we heard earlier about, for instance, Papua New Guinea. They have particular challenges there in terms of violence against women. We have seen that in parts of the Pacific. We are deeply engaged in programming and engagement, not just with local communities but with legal offices about appropriate steps to enact protections more generally.

I would simply say that this arena of discussion both on the role of women in society writ large but also protections has been very actively engaged across the Indo-Pacific. We see it in Northeast Asia and Southeast Asia. Ironically, many of these countries have made enormous strides in integrating women into power structures that had previously been dominated almost exclusively by men.

Ms. MANNING. I appreciate your focus on this issue. I want to turn quickly to Taiwan. We need to resolve the double taxation issue, which is holding back to the U.S.-Taiwan economic relationship. The House has already passed legislation to fix this problem. How important is it that the Senate do the same?

Mr. CAMPBELL. I think it is extremely important that Taiwan have more clarity on the double taxation issue. I appreciated the legislation that the House has passed. I know that this is something that is under very active consideration in the executive branch. I will tell you, in my own personal view, it is something we have got to get on top of and move forward on. Thank you.

Ms. MANNING. Thank you. Well, I hope our Senate colleagues will move forward on this, and I encourage the administration to

continue to drive this issue forward. My time is expired. I yield back.

Mr. CAMPBELL. Thank you. I appreciate all your views.

Mrs. KIM OF CALIFORNIA. Thank you, Ms. Manning. I know recognize the gentlelady from America Samoa, Representative Radewagen.

Mrs. RADEWAGEN. Hello, Secretary Campbell. It is good to see you again.

Mr. CAMPBELL. Nice to see you, as well, ma'am.

Mrs. RADEWAGEN. As you know, I represent American Samoa located thousands of miles from here in the South Pacific and, quite frankly, it is scary how active the PRC is in the Pacific Islands. They are developing infrastructure in the countries that surround my home district, Independent Samoa, the Cook Islands, and Kiribati. In fact, to get to my home district, we have to fly through Kiribati airspace.

The PLA is showing increasing interest in the Pacific Islands in recent years. Do you consider the Pacific Islands as a front line of strategic competition with the PRC?

Mr. CAMPBELL. Ma'am, I do think it is, but I will also say my own experience is that that is not the way to express it to Pacific Islanders. I think, when you start that way, they have a tendency to tune out. They want to hear about direct issues that affect their daily lives. We talked about climate change, illegal fishing, capacity building, health of the people.

And so I think what we have tried to do is to compete in a smart way, Congresswoman, to engage, open more embassies, do more USAID. You know the Pacific. They love the Peace Corps. Try to get the Peace Corps to go to more islands. So our strategy really is to step up our game in every element of societal engagement to show that we care about the Pacific. That is the best way to compete.

Mrs. RADEWAGEN. Not only do they love the Peace Corps but the Coast Guard, as well. Those are the two things—

Mr. CAMPBELL. I was afraid I was going to get cutoff, so I didn't mention everyone, like the Coast Guard. The Coast Guard is, frankly, our secret tool in the Pacific. They are magnificent. They do an incredible job. They are appreciated everywhere they go.

Mrs. RADEWAGEN. How much money is the Pacific Islands receiving from the \$400 million Counter PRC Influence Fund?

Mr. CAMPBELL. The specific amount from that \$400 million?

Mrs. RADEWAGEN. Yes.

Mr. CAMPBELL. Congresswoman, I don't have that exact figure. I would generally say that, as a basic matter, the Pacific has to fight for every dollar it gets. I find that a challenge. I would like, if I could encourage, if this committee thinks that we need to do more for the Pacific, you have got to direct funds more in that arena. We have to step up our game more. I would like us to have three or four new embassies in the next three or 4 years. I would like more USAID, I would like more DFC, I would like more support for anti-drug. All of those initiatives are important. They don't fall directly in the counter, you know, PRC, even though that is the larger impact. We are going to need more budget support if we are going to compete effectively in the Pacific.

Mrs. RADEWAGEN. So what progress has been made in the Indo-Pacific partnership for maritime domain awareness in the Quad?

Mr. CAMPBELL. Look, I don't want to get ahead of ourselves, Congresswoman, but we have some big announcements on Saturday, which will indicate that we have moved forward subsequently on efforts that basically allow for the Pacific and Southeast Asia to track largely untracked to this point illegal fishing fleets that are the scourge of these extraordinarily important fishing areas. The vast majority of those fishing fleets are Chinese. We think these capacities will be indeed very helpful in helping local governments repel illegal fishing in their home waters.

Mrs. RADEWAGEN. PRC is a top trading partner for nearly every country in the Indo-Pacific region, and do you believe FTAs have a role in U.S. foreign policy in the Indo-Pacific? And why is this administration not pursuing any free trade agreements?

Mr. CAMPBELL. So, look, I don't think I need to tell this committee, like, trade is complicated on both sides. I will simply say this: we have got to get more innovative and figure out how to have more trade commercial-related engagement with the Indo-Pacific. They look to us for open markets, for engagements. We are the largest investor. We play a very active role. Imports from these countries are all up, but more still needs to be done.

Mrs. RADEWAGEN. Thank you, Madam Chairwoman. I yield back.

Mr. CAMPBELL. Thank you.

Mr. MOYLAN. The chair now recognizes Representative Amo from Rhode Island.

Mr. AMO. Thank you, Mr. Chairman. And thank you, Secretary Campbell, for being here today. This week, as has been noted in this hearing, we celebrated the third anniversary of one of the most important security arrangements in generations, the Australia, United Kingdom, United States security pact, also known as AUKUS. Thanks to President Biden's work to strengthen this trilateral relationship, AUKUS is playing a critical role in maintaining security and stability in the Indo-Pacific.

The domestic benefits are worth noting, too. In my home State of Rhode Island, we are proud of our role in AUKUS defense production, ensuring mutual security and boosting our local economy through small businesses that provide good-paying jobs.

We need a smooth and orderly process to transfer defense articles between our nations for AUKUS to effectively deter threats and maintain security, and Congress has previously created exemptions to our International Traffic in Arms Regulations, or ITAR, to allow for easier transfer of information and weapons. And I know that there are concerns that the ITAR rule proposed by the State Department in August excludes critical technologies that our allies need. Technologies, like engineering, and capabilities of the Virginia-class submarine, which is produced in Rhode Island and is essential to fulfilling the promise of AUKUS.

Mr. Deputy Secretary, how is the State Department working with our Australian and United Kingdom partners to ensure the rules allow AUKUS to be effective while still protecting sensitive technology?

Mr. CAMPBELL. So, look, thanks for the question. We had some discussion, Congressman, a little earlier. First of all, I think we

have to do everything possible to remove as many restrictions on any kind of military engagement with Great Britain and Australia, so that is the goal, that is the direction that we are going to have to move toward. It will take some time. The natural proclivity of many elements of our national security bureaucracy are to protect those secrets. That is understandable, but we have got to be clear that we are going to work with the Australians and the British. They have taken a number of steps to give us more assurance about their ability to protect those secrets.

I will say that I think more needs to be done in terms of certain kinds of assurances. I will say those categories you give, it is not, just so you understand, it is not that those activities are prohibited. It is that the contracts themselves have to be reviewed.

And so what Australians are worried about and the British that long reviews take a huge, long period of time, and they can delay. So I think the idea there was not so much to say an outright no; but certain capabilities, very sensitive capabilities, we would need to review as part of the process. Overall, I think we need to move more in the direction that you indicate to expect that we are going to provide almost everything necessary for these countries to closely ally and partner.

Keep at it with us. We are working with you. I do think we have moved in the right direction. I very much appreciate the role that Chairman McCaul has in pushing us forward on this.

Mr. AMO. And, you know, the bipartisan cooperation here alongside the State Department is essential, and we will continue to be supportive of moving as fast as possible.

Very briefly, as I close here, I do want to note the concerning increase in cooperation between Russia, China, and North Korea, and your words publicly that you believe that China is providing Russia with material to continue their illegal invasion of Ukraine, material of support. In June, Vladimir Putin visited North Korea to sign a comprehensive strategic partnership that raised concerns about North Korea supplying Russia with munitions.

Do we have any evidence that Russia is being provided lethal assistance in their war in Ukraine by China or North Korea? And what sorts of actions can the administration do to deter this cooperation?

Mr. CAMPBELL. Look, we do see lots of indications of capabilities. Almost every weapon system that the Russians have utilized on the battlefield in their illegal war have component pieces of chips or other things that have come from foreign sources, many from China. We see signs of North Korean weapon systems, artillery rounds, longer-range missiles that are collected on the battlefields of Ukraine. So there is clear evidence on both cases.

North Korea is about the most heavily sanctioned country in the world. We have still added on a few sanctions as a result, and I have indicated in previous questions the steps that we have taken against Chinese firms that have been directly involved in certain capabilities that we believe are deeply antithetical.

Ultimately, for this to be effective, we need more Europeans to stand up and say these steps that China are taking on the battlefield in our homeland in Europe are unacceptable to a relationship that is positive with Beijing. They can't have it both ways. They

can't help to prosecute this war and expect business normal as usual with Europe.

Mr. AMO. Well, thank you. And I yield back.

Mr. CAMPBELL. Thank you.

Mr. MOYLAN. The chair now recognizes myself, Jim Moylan from Guam. Deputy Secretary, thank you for your testimony and coming before us today, and I want to put our attention to the Philippines. Now, President Marcos said the death of a Filipino citizen will be very, very close to what we define as an act of war. Do you agree with that, Deputy Secretary?

Mr. CAMPBELL. So what I do agree with is that our security treaty with the Philippines is strong. It applies to circumstances that we are now engaged on in the arena around Second Thomas Shoal and elsewhere in the South China Sea. I think we have taken, you know, direct steps to bolster our relationship, and the elements of the security treaty speak for themselves.

I think the Filipinos are very confident that we are standing with them. And, frankly, I leave to the president, President Marcos, on determinations, but I would simply say everything we have heard from him and his government is that he feels a great confidence working closely with us.

Mr. MOYLAN. All right. Well, we have House Resolution 837, a resolution I have led with Rep. Scott of Virginia, and it seeks to reaffirm our mutual defense treaty with the Philippines. And if a Filipino sailor was killed by a Chinese Coast Guard by water cannon, which we see happening, or a deliberate ship ramming, which we see again happening, would that invoke our mutual defense treaty?

Mr. CAMPBELL. Look, Congressman, you will understand that if I am stating clearly how important our security treaty is, that matters enormously. We are normally expected in these circumstances to avoid discussing hypotheticals when we are not exactly sure the context. I do want to assure you and anyone watching that our security treaty with the Philippines is ironclad, and we will continue to build on our strong partnership with the Philippines. There should just be no question about that.

Mr. MOYLAN. I agree with the no questions about that. I think that is very clear. But what we want to make clear is that there is no hesitation in invoking the mutual defense treaty and that we take action. President Marcos is very clear, as any death of a Filipino citizen would be very, very close to what is defined as act of war, and that is what we are prepared to do. But, of course, diplomatically, we want to make sure it is done properly. I just want to ensure things to happen quickly in support.

Mr. CAMPBELL. Thank you. I think I register that view. I understand the strong people-to-people ties between the United States and the Philippines. This body reflects more than any other the sense that we need to stand resolutely with our partners in the Philippines, and we take that onboard, we take it seriously. It is a matter of enormous national import.

Mr. MOYLAN. Thank you for that. Just quickly, changing channels a bit, in June of this year, the government of Palau accused Beijing of launching a cyber-attack on its network. How can the U.S. enhance cybersecurity cooperation with Indo-Pacific allies to

defend against state-sponsored cyber-attacks, cyber-espionage, and other digital threats?

Mr. CAMPBELL. Thank you so much for this. I would simply say that Palau under President Whipps has been a very strong partner to the United States. It is essential that we stand with them in so many different ways.

Next week, there will be a formal signing of the COFA arrangement. We do this every 20 years or so. This is a big deal. Palau has gotten substantial new capacities through these arrangements. We have a major set of work undergoing with Palau on resilience of their capacities, both internet, resisting disinformation campaigns. Almost every area imaginable, we are working closely with Palau who is, frankly, a tremendous partner of the United States.

Mr. MOYLAN. Thank you for your answers. And that concludes my questioning. The chair now recognizes Representative Wild. You are now recognized. All right. The chair now recognizes Representative Stanton of Arizona.

Mr. STANTON. Thank you very much, Mr. Chairman. Our bipartisan CHIPS Act made historic investments in the production of American-made semiconductors, investments in my home State of Arizona is benefiting tremendously from that bill. The CHIPS Act also took steps to address supply chain vulnerabilities created by decades of offshoring. It was a good start, but there is so much more work that this Congress can and must do to diversify our semiconductor supply chain and protect our national security.

In this effort, the U.S. Development Finance Corporation is an essential tool. When this committee advanced a reauthorization of the DFC earlier this summer, we made two very important updates, expanding the range of countries where the DFC can invest and including a sense of Congress that the DFC should respond to the current topics of national, economic, and foreign policy concern, including semiconductor supply chains and critical mineral security. While the reauthorization legislation awaits a full vote, the DFC is already making moves that align with these principles.

The DFC and the Taiwan International Cooperation and Development Fund recently agreed to expand their partnership in the Indo-Pacific, particularly on projects related to infrastructure, information technology, energy, and more. So, Deputy Secretary Campbell, how is the State Department working with the DFC, the Millennium Challenge Corporation, USAID, and other agencies to maximize U.S. development and economic investments in the Indo-Pacific region to offer credible alternatives to China?

Mr. CAMPBELL. So, first of all, let me just associate myself with everything you have said.

Mr. STANTON. Thank you.

Mr. CAMPBELL. The DFC is our most important development tool. It should be diversified. I have to tell you I don't think people understand, when we go up against the Belt and Road, we have to have something in our holster. The DFC has done remarkable work, which it has not gotten enough credit for. And to allow it to work more in technology is, I think, one of the most important innovations that this committee has suggested.

I chaired the DFC board last week. I am pleased to tell you that the total amount of deals they signed last year is greater than

what China did through Belt and Road. So that means we are actually in the game. We just don't make enough publicity about it, we don't underscore it enough. What you guys are seeking to do here is exactly the right thing. It allows us to compete directly. We have to be able to compete in more countries and in more arenas like technology. So bless you for doing this, and I support it completely.

Mr. STANTON. That is great. If we want to win the long-term competition with China, we need to make sure that the U.S. maintains our edge in critical technologies, like semiconductors, and it is imperative that we prevent American innovation from being used to advance the CCP's malign and geopolitical goals.

The Biden administration has imposed extensive controls against China in the semiconductor and the advanced computing spheres to protect U.S. national security. In just over 3 years, the Department of Commerce has added more than 1,200 entities to the entity list, 300 of them from China. In this effort, coordination among allies and partners is imperative. While Japan and the Netherlands recently adopted some complementary export controls, most of the actions have been unilateral on the part of the United States.

What is the administration doing to ensure that any new export controls placed on China are not done alone but in concern with critical partners in those sectors?

Mr. CAMPBELL. Thanks, Congressman. So I would just say that we have deconsultations underway with key technology partners. I will tell you that one of the things that we have learned in this process is that many countries will join with us in an agenda to restrict the flow of certain capabilities, but they have to believe that we will also support them in investments and sharing of information.

So what we have sought to do with allies in both Europe and the Indo-Pacific is to strike that balance. None of these countries want every bit of innovation done in the United States. They want to know that we can work together more collaboratively, and I think, in that context, they are then prepared to take the necessary steps to restrict certain technology flows, both manufacturing and ultimate use into the PRC.

I would say, generally speaking, like, there is lots of stuff we could point to that have been hard. This is generally a pretty good news story, and I will tell you it has been felt in Beijing. We just need to continue it as we go forward and have folks understand that, yes, military issues are important, this technology area is the high ground, which we must keep, we must invest, we must understand and implement not just domestically but with allies and partners.

Mr. STANTON. I appreciate that very much. You have addressed fentanyl previously, but we are going to talk about it again. Last year, the U.S. and China launched the U.S.-PRC Counternarcotics Working Group to drive ongoing coordination to tackle and stop the production, financing, and distribution of illicit drugs. What concrete steps has Beijing taken since November to live up to the agreements made as part of the working group?

Mr. CAMPBELL. Thanks. We answered a little bit of that earlier, Congressman. I would just say they have taken a few modest steps. They have arrested some individuals. They have raided some prem-

ises. They have shut some companies down. I would simply say that I think those are modest steps. Much, much more needs to be done. Many of these groups operate kind of nefariously behind the scenes, hard to track even for a country like China. They appear to be committed to it. The reason they are so focused on it, frankly, is that it is not just the voice of the executive branch. The American people expressed through this body and other have gotten the attention of China, and I think they are determined to take some steps at least.

It is also the case that drugs are not just hitting the United States, China's own population, other parts of the world. And so this is an issue that the Chinese have to deal with diplomatically. They would, I think, appreciate not having to hear about this at every encounter, which they do now.

Mr. STANTON. Thank you. I yield back.

Mr. MOYLAN. Thank you. The chair now recognizes Representative Huizenga from Michigan.

Mr. HUIZENGA. Thank you, Mr. Chairman. I appreciate that. Deputy Secretary Campbell, we recently passed some legislation, which happened to be my bill. In July, the committee passed H.R. 8892, the Missile Technology Control Revision Act, which would give the administration the flexibility to exempt certain MT items under AUKUS while ensuring nonproliferation commitments made to the signatories of the MTCR. Do you support this legislation?

Mr. CAMPBELL. I do.

Mr. HUIZENGA. You do. Okay. There seems to be holdups, though, with this, and I need you to help explain this. The new AUKUS ITAR exemption contains a lengthy Excluded Technology List for items that are not eligible for license-free transfer. The ETL covers 30 percent of all defense export licenses between the U.S., UK, and Australia, and includes items crucial for the timely delivery of AUKUS Pillar 1 and 2 technologies. The broad ETL defies congressional intent, in my opinion, and will constrain future collaboration on cutting-edge defense technologies.

If we can't trust these allies, I am not sure who we can trust. So with these overwhelming majority of the licenses captured by the ETL relate to the missile technology, why are we having this holdup? What is State Department's plan to remove those MT items from the ETL?

Mr. CAMPBELL. So, first of all, let me just say there is hardly a word that you said that I would disagree with.

Mr. HUIZENGA. I am curious on the ones that you would because that might be where the holdup is.

Mr. CAMPBELL. No. I would agree and I would associate myself with almost every, with everything you said actually. And there are very few countries that we can trust as much as Great Britain and Australia. If we are going to give them our most coveted technology, nuclear weapons, nuclear propulsion capability, then we should be able to work with them in these other arenas, as well.

Mr. HUIZENGA. So why the holdup?

Mr. CAMPBELL. So, look, first of all, the direction of travel has been more and more things are being released. The particular areas that you mention, as I have tried to respond here, these are

not areas that are absolutely excluded. It means that they have to be reviewed by the U.S. Government before they are transferred.

Mr. HUIZENGA. Whom specifically?

Mr. CAMPBELL. It is a group of a variety of different agencies, including the State Department, DoD, others as well.

Mr. HUIZENGA. But this is outside of any CFIUS review.

Mr. CAMPBELL. I understand that. What I am simply saying is I do believe that we should move to allow as much sharing of technology as possible. I made that very point clear to the chairman.

We have more work to be done on this. It takes time. The dominant responsibility of folks at the Pentagon and the State Department in almost every arena here is to restrict for good reasons of those technologies.

Mr. HUIZENGA. Sure.

Mr. CAMPBELL. So it is not——

Mr. HUIZENGA. Let me refine my question. Where do you believe the holdup, hesitation, whatever word you want to use that is causing the delay, where is that located? Where is that clog in the pipe?

Mr. CAMPBELL. So, look, I would simply say, in some parts of our government, there is a philosophical question. Some areas there would be people that would argue we need to maintain and retain national advantage on certain absolutely key technologies——

Mr. HUIZENGA. But that is the unique thing about our constitution. It is not their choice. It is a legislative choice that Congress puts forward.

Mr. CAMPBELL. Look, I think that the chairman made is that he believes that our implementation or the implementation to date of the executive branch has not been consistent with what he wants to see more of, and I made a commitment directly to him, a direction that I believe in, by the way, that we need to do more here. I am going to take that back.

Mr. HUIZENGA. And you will make that same commitment that you will work specifically on this?

Mr. CAMPBELL. Absolutely. But I would also just tell you, just so you know, Congressman, I was there at the creation of this. I believe in it deeply. I think it was the most important step that we could possibly take with allies and partners, and we cannot put obstacles in its path that would curtail its success. So I am completely with you.

Mr. HUIZENGA. My time is running out. I am going to try to consolidate this, and I will give you the question and then——

Mr. CAMPBELL. Thank you.

Mr. HUIZENGA [continuing]. You will know where we are headed. My question is how does the administration plan to coordinate with the UK and Australia to remove the items from ETL?

Mr. CAMPBELL. So I think that, like, what actually happens enormously are hearings like this. We have an ongoing process with key actors in the Pentagon and the State Department. I believe there is growing alignment. We still have more time to be able to move in this direction.

I will just simply tell you it may seem easy, Congressman. For many of these folks, it is an unnatural act. So they have been——

Mr. McCORMICK. The gentleman's time is expired.

Mr. HUIZENGA. I yield back. Thank you.

Mr. McCORMICK. Thank you. I now recognize Representative Kamlager-Dove from California for 5 minutes.

Ms. KAMLAGER-DOVE. Thank you, Mr. Chair. And thank you, Secretary Campbell, for being here today. This just happened yesterday, so I have to ask. Yesterday's operation against the Hezbollah pagers involved a Taiwanese product. So based on your intel, did Taiwan have any involvement in or knowledge of this operation?

Mr. CAMPBELL. So, first of all, this, as you said, just happened. I can say just a couple of things quickly. Secretary Blinken in the Middle East this morning indicated that we had no foreknowledge of this and were not involved in this in any way. I have seen statements from the Taiwan manufacturer that they had no role in this. I think there are probably more revelations to come. I am just providing you the information that I have today.

Ms. KAMLAGER-DOVE. Thank you. I just wanted to get that on the record. So a top priority for the Pacific Island nations, which should be a priority to us given our relationship with them, is adapting to the adverse effects of a climate crisis that affects national security and also people's livelihoods. So how is the United States supporting the Pacific Islands in ramping up their adaptation and mitigation efforts, including greater U.S. contributions to the Pacific Resilience Facility?

Mr. CAMPBELL. Yes. I really thank you for this question, and it is something that I am deeply committed to. You know, the ultimate commitments that the Pacific Islanders want are reductions in CO2, and I think the United States has led the way here. A number of programs are underway, and you would think these are mostly about hardening facilities but, in fact, the strategies are multifaceted. It turns out that, in many places, the actual density of mangroves has a huge potential in helping with erosion and dealing with storm surge. We have worked with clean water technologies as more and more of the aquifers have become, you know, more contaminated with salinated water. We have worked on a variety of innovative efforts at construction of critical facilities. We have provided new means of internet connectivity with many of these islands, as you probably know, Congresswoman. If they are hit, they sometimes are without internet capacity for months, leaving them cutoff. So the multifaceted trends that we are trying to take would yield in greater resiliencies for all of these islands.

I do want to just say, though, I think the fact of the matter is the increase in storm intensities, the rising seawater levels, particularly for coral islands, coral atoll islands, is just an enormous challenge. We just have to recognize that, and the only way forward is to work more constructively with allies and partners. That is exactly what we are trying to do.

Ms. KAMLAGER-DOVE. Thank you. We also have to recognize that climate change is real. So away from the headlines, North Korea has ramped up its nuclear provocations, including releasing images of a uranium enrichment facility and testing ballistic missiles twice in the past week. How does DPRK cooperation with Russia impact North Korea's calculations regarding its ability to escalate tensions?

Mr. CAMPBELL. Another great question. Frankly, we worry about that partnership between the DPRK and Russia. It may embolden them to take more provocative steps. All I can tell you is that the best answer to that is deeper trilateral engagement between the United States, Japan, and South Korea. We have undertaken that.

Also, we have undertaken steps to make clear that our extended deterrence is strong, it is durable, and evolving to make clear that we will not accept any kind of threat to the ROK and the people living on the peninsula. So I think the steps of deterrence for deployment of engagement, working with allies and partners, that message of determination is unmistakable in Pyongyang.

Ms. KAMLAGER-DOVE. Great. Thank you. And I just want to say I applaud the Biden administration for knowing that climate change is real. In my last few seconds, we have talked about development being key, we have talked about defense being key. Diplomacy is also really important and would like to know in the remaining seconds how we are competing against China and the soft power arena of diplomacy and educational exchange.

Mr. CAMPBELL. Yes. So, first of all, educational exchange is critical. Every program at least I am involved with I want a people-to-people element to it. We have got to connect our peoples. The Quad fellowship, we are going to do more about that this week and thrilled that we are being able to bring more Pacific Islanders to universities in the United States. So I can't agree with you more.

And then on the diplomatic front, got to show up. And by the way, if I can just say that is not just us, that is you guys, as well. I would love to see a delegation of this committee go to the Pacific Islands. It will matter to them more than you realize.

Ms. KAMLAGER-DOVE. Thank you. And I yield back, Mr. Chair.

Mr. MCCORMICK. With that, we recognize Mr. Baird from Indiana for 5 minutes.

Mr. BAIRD. Thank you, Mr. Chairman. And, Mr. Deputy Secretary, thank you for being here. My question deals with, you know, the PRC is such a formidable trading partner in nearly every country in the Indo-Pacific, and I just wanted to get your perspective on the free trade agreements and do they have a role in foreign policy in the Indo-Pacific and why is this administration not pursuing some of those free trade agreements?

Mr. CAMPBELL. So, look, Congressman, it is a great point. I think in my opening statement I said it is going to be important in the next iteration. We have got to find a bipartisan way to signal that we want to engage in an open and optimistic way commercially, technology, with not only the Pacific but particularly the dominant nations of the Indo-Pacific. They still are disappointed on us for not moving ahead with TPP. We are not going to revisit that. That is behind the way. But now, going forward, we have got to do more.

I will say many of the economic and commercial indicators are positive. Exports are up. We are the largest investor in Asia. I think we are supporting initiatives so that American workers get the benefit of this engagement with the Indo-Pacific, but I would simply say that I think finding innovative ways to connect the United States commercially and economically with the Indo-Pacific should be at the top of the list.

Mr. BAIRD. I appreciate your thoughts in that vein because my background is agriculture, and, you know, China presents kind of a double-edged sword in a way because we export a lot of agricultural commodity, but, at the same time, with their trying to take over the world leadership, it is a concern to us. So we want to make sure that we continue to be cognizant of that situation in our relationship and how we deal with China and the Indo-Pacific because the Indo-Pacific also represents opportunities for other agricultural commodities or other commodities. And so—

Mr. CAMPBELL. Yes, totally agree. Look, ultimately, I think it means diversifying markets. I will note that many of the agricultural states in the United States who had only one or two markets in Asia are not diversifying more in India, more in Southeast Asia more generally. I support that.

But I also think unexceptional trade between the United States and China should continue. I think it is in the best interest to have trade links that do not compromise our national security. I think that is stabilizing. So I support your farmers in your district, sir, being able to sell their stuff to China. It just makes sense.

Mr. BAIRD. I appreciate that. You know, I have said many times, and, of course, my biases are probably showing through, but, you know, our farmers and ranchers have the ability to produce tremendous quality products, and then we have the logistic capability to make sure we can get them anywhere in the world. And I think that ought to be a part of our negotiation process.

But moving on to another area here, we have got about a minute and 30, what strategies should the U.S. employ to counter the influence of China's tech giants, like Huawei, and, if you have already talked about that, but Huawei in the region 5G infrastructure and ensure telecommunication networks, and do you support the sale and transfer of any good or service to Huawei, ZTE, or any other PRC 5G company? And, you know, it is my concern, too, that a lot of times you can have embedded in some of that technology avenues to get back to China. So that is my question.

Mr. CAMPBELL. Look, Congressman, we are worried about that and we talk about that a lot to our allies and partners that there are hidden back doors in some of this technology that are antithetical to our interests. And so, in truth, we have to compete technologically. And, in some cases, it is really choosing which system you are going to associate yourself with.

I do want to just underscore that China's games in the Global South and technology in the information spaces is real and, frankly, again, this is another area where we have to step up our game. At the core, though, it means that dominant technologies we must maintain a cutting edge, and I think, through the support of this committee and others, we have done that in 5G, in semiconductors, and in particularly AI, which is going to be very important going forward.

Mr. BAIRD. So thank you. And I just have to add to your data base Purdue University has just started a program to train undergraduates and graduate students in the manufacture of chips, and so that is bringing that back on shore. So I want you to know that.

Mr. CAMPBELL. That is great. That is good on Purdue. Thank you.

Mr. BAIRD. Thank you. I yield back.

Mr. MCCORMICK. With that, I recognize myself for 5 minutes. I will start on the topic you just mentioned with a colleague from the other side of the aisle. You talked about sea levels and islands and stuff like that. How much has the sea level risen in the last 50 years?

Mr. CAMPBELL. Congressman, where are you talking about? Like where——

Mr. MCCORMICK. You were talking about sea levels and islands and the threat of climate change. How much has the sea level raised in the last—approximately.

Mr. CAMPBELL. I understand. I am not a geographical engineer——

Mr. MCCORMICK. Okay. But you brought it up, so I am just asking you questions.

Mr. CAMPBELL. So——

Mr. MCCORMICK. If you don't know, just say I don't know.

Mr. CAMPBELL. Well, I don't know particularly, but I——

Mr. MCCORMICK. Okay. That's Okay.

Mr. CAMPBELL [continuing]. Have been to those islands, and many of the areas that were——

Mr. MCCORMICK. Have you ever read the book "Unsettled" by Koonin?

Mr. CAMPBELL [continuing]. Before are now being——

Mr. MCCORMICK. Excuse me. I reclaim my time. Have you ever read the book "Unsettled" by Koonin?

Mr. CAMPBELL. What book?

Mr. MCCORMICK. "Unsettled."

Mr. CAMPBELL. I don't think I have read it.

Mr. MCCORMICK. It is a scientific book written by a democrat physicist who was on the climate change board for Obama. There is not too many other books written about it, so I suggest, when you talk about climate change, that we are all educated on the topic. I get tired of people saying we need to recognize it. Of course we recognize there is climate change. The question is what is the science behind that, and I want to address it specifically because I am tired of people using it as a weapon to justify bad spending. I want to have scientific explanations. I want to have a real conversation, not a religion but a scientific conversation.

Has the carbon dioxide level ever been higher in Earth than it is right now? Has the carbon dioxide level ever been higher in the Earth's atmosphere than it is now?

Mr. CAMPBELL. I am sure there are periods——

Mr. MCCORMICK. It has. Okay. Has the sea level ever been higher than it is right now?

Mr. CAMPBELL. Yes.

Mr. MCCORMICK. Of it has. Way higher. Have we had climate change in the past? Of course we have. Is it on a 100,000-or a 40,000-year cycle? Of course it is. Rapid heating with slow cooling. Are we accelerating the process? Probably.

Do you know much, if we cut all of our carbon emissions in America from all of our vehicles, all of our ships, all of our planes, all of our trains tomorrow, how much would it change the sea levels in the next 50 years, 100 years? Do you have any idea. Of

course you don't. It is unsettled because it would make up the difference of 0.000167 percent of the atmosphere. It is negligible. Let's have a real scientific conversation to begin with. That's what I just want to have. I just want to have a scientific conversation instead of this idea that we, the United States, are the evil empire that is polluting this Earth and making the climate change when there is other planets in the solar system that are having exactly the same heating, and they don't have humans.

Let's have a scientific conversation. That's a Senate paper, by the way, based on a scientific science, and it is not me making up stuff. It is bipartisan. Let's have a scientific conversation, please.

With that said, Tigran Gambaryan, are you familiar with him? The hostage in Nigeria. I am going to call him a hostage because—

Mr. CAMPBELL. Yes, yes.

Mr. McCORMICK [continuing]. He was arrested after being lured there based on basically representing an organization, Binance. He is a guy who used to work for the IRS, has prosecuted a case. A super honest guy, a constituent of mine. He is being treated totally unfairly. He hasn't been given the rights that they guarantee him by their own constitution, by their own laws. He has problems getting access to a lawyer, problems getting access to his health care.

My question is this: based on the establishment of the Levinson Act, he meets at least 7 of 11 points to determine wrongful detainment. Why is the State Department leadership not elevating Tigran's case to the Office of the Special Presidency Envoy for Hostage Affairs? Now, I have asked this several times to several people. Nobody can give me an answer when he meets the criteria.

Mr. CAMPBELL. So let me say it is a subject of real concern. I, personally, on my trip to Nigeria, raised it with the leadership, and we very much want to get it resolved. And I think it is a subject of real concern, so I agree with you.

As you know, their government has concerns about Binance. So we do we. But—

Mr. McCORMICK. Why isn't this getting elevated? He meets the criteria?

Mr. CAMPBELL. Well, it has been elevated in attention in the U.S. Government, and I think we have tried to address it and we are going to continue until we get a resolution.

Mr. McCORMICK. Everybody gives me the same answer. In other words, they don't know because he meets the criteria but he has not been elevated to the Office of the Special Presidency Envoy for Hostage Affairs, which would help him. I want to help him, you want to help him. Everybody says they are concerned, but nobody wants to do what they can do to help him, which is that next step. I think we should be pressing for it. That is what I am doing right now with you in front of everybody, just so we know.

Last point, and I only have a few seconds to do this, but, basically, Secretary Blinken and yourself reported that China's massive trade in dual-use technologies has made machine tools and semiconductors that reconstitutes Russia's defense capabilities. Given this, many of these technologies are subject to U.S. export laws if destined for Russia or Belarus. Why has the administration not im-

posed significant consequences, like sanctions on Chinese banks and firms that are doing exactly that?

And by the way, if the president lacks insufficient authority, I would urge you to take a look at my bill, H.R. 8361, the Economic Espionage Prevention Act, which the House passed last week and work with me to get it signed into law, so he has the teeth to take care of this very important strategic issue.

Mr. CAMPBELL. Look, I share your concerns about what we are seeing between China and Russia. I talked extensively, Congressman, earlier about the worries about their support for the defense industrial base. We have targeted a large number of their firms. We have put many of their financial institutions on watch.

The reason I was in Europe last week, for this to be effective, it needs to be multifaceted. We have got to have Europeans with us. I think we are beginning to make headway, but I must say I take back what you have just mentioned. I think the indication from this committee is an expectation that we do more.

Mr. MCCORMICK. And it is not about concern, it is about action. Let's do it. Let's stop being concerned and let's start getting things done. That is what we are here for. Thank you. I yield and I recognize my relief, Mr. Issa from California.

Mr. ISSA. Thank you, Mr. Chairman. I recognize myself. The good news is I am the last. The other news is I have got a new topic, one that apparently somehow wasn't covered. We appreciate your being here, by the way, and we appreciate the fact that there is sufficient interest both in the White House and now at the State Department on China's actions. Now, you have been given some tough questions. This one is a little more public, and I want to make sure that it is in for the record.

Last week, the Washington Post released an article identifying by name six PRC diplomats who literally paid for, assisted, and provided for dissidents to be violently assaulted. The same morning the Justice Department undersealed charges against Linda Sun, which implicated China's consul general in New York.

I understand that you don't have the ability to arrest diplomats, but we have the absolute authority and responsibility to expel diplomats. To your knowledge, is the consul general still in the United States?

Mr. CAMPBELL. So my understanding is the consul general was in the process of transitioning out of the United States, and I believe that he has left as of last week. But I don't have final—

Mr. ISSA. Social media yesterday says that is not true.

Mr. CAMPBELL. So, again, he has been—

Mr. ISSA. Here is my question, and it is a question that goes straight to Foggy Bottom: did you, meaning the State Department, make him persona non grata and order him out, or are you waiting for him to happen to leave on his own?

Mr. CAMPBELL. We have not taken those steps yet, Congressman, no.

Mr. ISSA. So when you have American citizens being beaten, when the Washington Post has to bring out those names, when the Department of Justice, after a prolonged period of time, finally unseals an indictment, all of that is long after you at the State Department knew that he was the coordinator of it; and, yet, he is

still in the country as of yesterday. Do you see why that might frustrate those of us who want to take seriously your ability to take unilateral steps appropriate under international law and appropriate under international tradition?

Mr. CAMPBELL. I will say I, too, was concerned by some of the reporting in the Washington Post about activities that were undertaken against peaceful protesters in San Francisco and elsewhere. My understanding—

Mr. ISSA. But you were not surprised. The State Department and the Department of Justice knew about it before the Washington Post got it leaked.

Mr. CAMPBELL. No. I would say, actually, elements of that story I don't think were widely known, Congressman. And I think it is fair to say that there are several of these elements that have come to light that are under review now.

Mr. ISSA. During the last days of the previous administration, Iran was exporting about 160 to 180,000 barrels a day. They are now approaching two million barrels a day. Russia has been sanctioned but, similarly, has increased their exports back to a full amount of their production. In other words, nothing is being held back.

These are, again, areas in which China, along with India, are purchasers. And the question I have for you is what are you doing and what should we help you do to affect those sanctions? Because, today, those sanctions are moot. The idea that there are sanctions on China, on Russia, or on Iran, including the ones that lead to direct support against the people of Ukraine and perhaps would have a disastrous effect on Taiwan's future, they are not in place. Effectively, during the last three and a half years, we have undone any effective sanctions because the most effective sanction is not swift financial transfers, it is the oil that we sought to stop.

Mr. CAMPBELL. Look, Congressman, I will say that there have been very substantial sanctions, further sanctions, taken against Iran. I think we both know that. I take very seriously your point—

Mr. ISSA. But is Iran a nation? Is Russia a nation? Or like the late John McCain said, they are gas stations impersonating nations. John had a way. These are countries that are completely dependent on the export of minerals, particularly oil and natural gas. That is the only sanction that actually works against the ability for Russia or Iran to buy what they need.

Mr. CAMPBELL. Yes. Look, I think I understand this clearly. It has been discussed extensively. I promise I will take this back more directly. I will say I don't think there are any questions that we view Iran is acting in almost every arena in ways that are antithetical to our interest, and we context them in many ways in many vehicles.

Energy policy, I think you probably know there are lots of complexities associated with that, global markets, worries about what impacts it has on the United States. However, I do actually believe that the points, Congressman, that you raise are legitimate and require further exploration, yes.

Mr. ISSA. Well, in closing, although it is kind of nice to be last—they are going to be very patient if you will be—if the goal is to

get the CCP to be a responsible stakeholder, the questions I brought up for which the answers seem to be so far lacking, aren't we failing to hold the CCP accountable if we allow them to get the oil and natural gas they want and need? As a matter of fact, over 50 million barrels of excess oil went into those strategic petroleum reserves in the last two quarters, so they were able to buy what they needed, plus more than they needed, and they finally cut back now that they have filled those reserves. And we have seen the cabal or the coalition of Russia, Iran, North Korea, and China effectively thwart our NATO allies' ability to maintain and to end the Ukraine conflict.

So I am going to close by saying, if we cannot reverse those trends, is it fair to say that we have not moved forward to actually make the CCP have any reason to be a responsible actor?

Mr. CAMPBELL. So, look, I don't want to close on a negative note, Congressman. I have really appreciated that. I would simply say—

Mr. ISSA. Well, you can close on a positive note that you have been an amazingly candid and honest testimony, and I appreciate that.

Mr. CAMPBELL. I would say my own counsel would be that I think what we are actually seeking to do is to build capacity and partnership to sustain the operating system among a number of states that are like-minded. I do not believe we have been very successful in any endeavor in trying to ultimately shape the direction, the thinking, the national identity of a country as complex as China.

So I think we have to be careful in what we think we are doing. I am primarily focused now on working on this combined group of countries that believe that what we have built can and should be sustained, so my primary focus is really working on perfecting this grouping of nations and adding to it than believing that you are going to have an ability to shape the governance and the path of a country that has its own history, its own, you know, areas of focus.

And so I think the points that you make, however, about the energy flows are important. I am going to take those back. I hear you very clearly. I have been in other sessions where this has been raised. I do want to say I don't think there are any illusions about what we are seeing, the activities of Russia and China together, of North Korea, of Iran, occasionally Pakistan. This growing group of countries taking steps that are antithetical to our interests we have to be deeply vigilant toward and adopt strategies to address. I am completely for that. I think that is the right direction.

I do believe that there is, largely, a bipartisan commitment to doing that and that there are more steps that unite than divide us.

Mr. ISSA. On that, you are absolutely correct that it is bipartisan and bicameral. I want to make the record complete with one last thing that is a little off-subject, but it is important, I think, very important to the work you do. Over this last year, China-backed companies have defaulted on more than a trillion dollars' worth of real estate-related loans. And when I say defaulted, they are, in most cases, in U.S. Chapter 11. It has been not terribly well re-

ported, although it is reported. I watch CNBC every morning, and they, in passing, mention it.

The other day, they even mentioned that what used to be called a Hong Kong Shanghai Bank or HSBC now found themselves with a guarantee from the Chinese government being reneged on. So they now are in a situation where they are on the hook and they are having to make write-downs.

Would you say, and I think we have got one more person to be recognized now, would you say that, in fact, the fragileness of the Chinese economy has not yet been fully understood by people here on the dais or people around the world and that that could be one of your leverages to changing the CCP's direction?

Mr. CAMPBELL. Congressman, it is a great point, and you are right to highlight the challenges that they have had in real estate and property more generally in the larger cities. They are facing issues with respect to aging population. Their financial system is showing some areas of strain.

I would simply say my own counsel is that China is a very big country. It is difficult to say whether it is surging ahead or showing signs of weakness or both. I am kind of in the both camp. I think we are at risk of veering between one of two extremes: either they are ten-feet tall or they are collapsing before our eyes.

I think the reality is that China is going to be formidable. It has the capacity to continue on. I think U.S. national strategy has to take that fully into account, neither exaggerating or diminishing the challenges that they present.

Mr. ISSA. Secretary, you have been very kind, and I would agree with you on that point that large trees, when they fall, very large trees take down a lot of other trees with them, and we have to be aware of that with the Chinese economy.

And, with that, I recognize Congresswoman Titus for 5 minutes.

Mr. CAMPBELL. Thank you, Congressman.

Ms. TITUS. Thank you, Mr. Chairman. I was here earlier and had to run to T&I, but I appreciate you staying one more minute. We have heard a lot about diplomacy, and we can talk about it from now until Christmas, but the point is, if you don't have the funding, you can't do it. And if you look at the House Republicans' recent funding bill that was pretty extreme for a State foreign operations and related programs, it cut those budgets 12 percent beyond last year, 2024, levels.

So I would ask you have these budget cuts constrained the State Department's ability to engage in Great Power Competition? You are the expert on this. And what will be the impact of these cuts on our ability to compete for influence with China in the Indo-Pacific, which is what we have been talking about we need to do?

Mr. CAMPBELL. So, look, I appreciate coming up. I actually do think there is a lot of bipartisanship. I feel like folks are good to us, then we get back and our budgets are just destroyed. I think that there is a view somehow that the only thing that matters are our military budgets. Just nothing could be more wrong. We need more help in technology. We need more focus on USAID, we need more focus on the State Department.

Look, I believe that is money well spent. I am not in the business of procuring. I do think it puts us as a substantial advantage. I will

tell you, we were talking about the Pacific, I landed in one of these island nations. We are driving along. Our embassy is a ramshackle place. The Chinese, big tower, lots of stuff that they have built. I understand that sometimes we have got to get by with our know-how and our capability, but I do think we need to be able to do more as a nation diplomatically. And I hope that one of the things coming out of this upcoming election is a commitment to do so.

Ms. TITUS. And it is not just in the Indo-Pacific. We have seen how many embassies that do not have Ambassadors approved in Africa, where you also see China having a great deal of influence.

And, you know, we have announced some new embassies in some of the Pacific Islands. I think Tonga is one. How are we going to stand these embassies up and have them have any credibility if we don't have the funding to give them the resources that they need?

Mr. CAMPBELL. I am with you on this. The effort to try to stand up stuff in the Pacific has the feel of like scouting around the house for loose change. I would like to have more, but I understand that is a challenge, that it involves a lot of challenging issues. I do worry about, like, our Ambassadors having trouble.

I think what has been most concerning to me, I can understand why Congress might come at, like, a political person. We have to be prepared for this. We have to be able to step into the arena. The vast majority of people that are being held up now are career professionals. I don't think they really understand it. That is not what they signed up for. And the backlog, we are up in the many dozens of people waiting years. It is just not the right way to do business. It makes us look weak, and it is harder to make the case that these are areas where there is strong bipartisan support.

So I would love it if we could get through that stuff. There is always people who tell you reasons why. But when you travel and when you are out in the country and you are engaging your partners and they ask you questions about stuff like that, it is hard to answer.

Ms. TITUS. Absolutely. And you can't go into battle with one hand tied behind your back.

Mr. CAMPBELL. I have done it many times.

Ms. TITUS. If you want to compete, you got to have the resources to compete. And, certainly, that is what we need to be doing, as we have heard from everybody with China. Well, thank you very much. I yield back.

Mr. CAMPBELL. Thank you.

Mr. ISSA. I thank the gentlelady. And as someone who sat for 3 years waiting to be confirmed in the Senate, I am well aware of what that body sometimes does to perfectly good nominations.

Mr. CAMPBELL. Yes.

Mr. ISSA. Of course, Bob Mendes is gone now, so it could be different. And with that, Mr. Secretary, I really appreciate your candor and your honesty and your being as forthcoming as any witness we have. I couldn't answer some of those questions on the environmental situation either, but I do recognize that these are always issues that come up globally and I appreciate your answering them as best you could.

Members will have additional questions, and I would ask would you be able to, if you receive them within 5 days, to respond to them in writing?

Mr. CAMPBELL. Absolutely. I commit to do so.

Mr. ISSA. Thank you. I appreciate that a great deal. Pursuant to House rules then, members will have 5 days to submit those questions and their statements and any other extraneous material subject to the length limitation.

And with that, you are relieved, sir.

[Whereupon, at 12:55 p.m., the committee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD



**COMMITTEE ON FOREIGN AFFAIRS
FULL COMMITTEE HEARING NOTICE
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128**

Michael T. McCaul (R-TX), Chairman

September 11, 2024

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs to be held at 10:00 a.m. in room 2172 of the Rayburn House Office Building. The hearing is available by live webcast on the Committee website. <https://foreignaffairs.house.gov/>.

DATE: Wednesday, September 18, 2024
TIME: 10:00 a.m.
LOCATION: 2172 RHOB
SUBJECT: Great Power Competition in the Indo-Pacific
WITNESSES: The Honorable Kurt Campbell
Deputy Secretary of State
U.S. Department of State

*NOTE: Witnesses may be added.

By Direction of the Chair

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-226-8467 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS
MINUTES OF FULL COMMITTEE HEARING

Day Wednesday Date September 18, 2024 Room 2172 RHOB

Starting Time 10:21 Ending Time 12:55

Recesses ☐ (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____)

Presiding Member(s)

Chairman McCaul

Check all of the following that apply:

Open Session ☒

Executive (closed) Session ☐

Televised ☒

Electronically Recorded (taped) ☒

Stenographic Record ☒

TITLE OF HEARING:

Great Power Competition in the Indo-Pacific

COMMITTEE MEMBERS PRESENT:

Attached

NON-COMMITTEE MEMBERS PRESENT:

Attached

HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

Attached

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 12:55

Meg Wagner
Full Committee Hearing Coordinator

Committee on Foreign Affairs

118th Congress

ATTENDANCE

Date: SEPTEMBER 18, 2024 HEARING

Representative	Present	Absent	Representative	Present	Absent
Mr. McCaul	X		Mr. Meeks	X	
Mr. Smith		X	Mr. Sherman	X	
Mr. Wilson		X	Mr. Connolly	X	
Mr. Perry		X	Mr. Keating	X	
Mr. Issa	X		Mr. Bera	X	
Mrs. Wagner	X		Mr. Castro	X	
Mr. Mast	X		Ms. Titus	X	
Mr. Burchett	X		Mr. Lieu		X
Mr. Green		X	Ms. Wild	X	
Mr. Barr	X		Mr. Phillips		X
Mr. Jackson		X	Mr. Allred		X
Mrs. Kim	X		Mr. Kim		X
Mrs. Salazar		X	Ms. Jacobs	X	
Mr. Huizenga	X		Ms. Manning	X	
Mrs. Radewagen	X		Mrs. Cherfilus-McCormick		X
Mr. Hill		X	Mr. Stanton	X	
Mr. Davidson	X		Ms. Dean		X
Mr. Baird	X		Mr. Moskowitz		X
Mr. Waltz		X	Mr. Jackson	X	
Mr. Kean	X		Mrs. Kamlager-Dove	X	
Mr. Lawler		X	Mr. Costa		X
Mr. Mills		X	Mr. Crow		X
Mr. McCormick	X		Mr. Amo	X	
Mr. Moran		X	Mr. Mfume	X	
Mr. James		X	Mr. Schneider	X	
Mr. Self	X				
Mr. Zinke	X				
Mr. Moylan	X				

Great Power Competition in the Indo-Pacific
House Foreign Affairs Committee Hearing
10:00 AM, Wednesday, September 18, 2024
Rayburn 2172
Rep. Gerald E. Connolly (D-VA)

In under four years, the Biden-Harris Administration has renewed U.S. standing in the Indo-Pacific region. Through strategic partnerships and allies, they've established a united front against authoritarianism and growing hostility from the PRC. The message that the Biden Administration has delivered to our partners and allies in the Indo-Pacific is clear: The United States is back and will not waver as a Pacific power. Those that underestimate the United States and its commitment to an open, secure, and free Indo-Pacific should remember the fatal mistakes made by the Japanese Empire in the 1940's.

The Biden Administration has renewed U.S. leadership and alliances in the region to create a significant response to the PRC's malign economic, military, and diplomatic campaign:

- After years of animosity amongst two close U.S. allies, the Biden Administration brought the Republic of Korea and Japan together to create a mechanism for trilateral cooperation. Last week, I was proud to lead a resolution that unanimously passed the House of Representatives.
- With Australia and the United Kingdom, the United States unveiled "AUKUS" to codevelop modern technology and increase the capacity of our partner Australia in the Indo-Pacific.
- The Democratic majority in the 117th Congress passed the largest single investment in domestic semiconductor manufacturing as a part of the CHIPS and Science Act.
- President Biden and Vice President Harris have renewed the profile of the Quadrilateral Security Dialogue or the Quad, to work with Japan, India, and Australia to promote a rules-based order, protecting freedom of navigation, and promoting democratic values in the region.
- The Biden Administration has strengthened key partnerships in Vietnam and the Philippines, which has included elevating the U.S.-Vietnam relationship to a comprehensive strategic partnership and the expansion of four new Enhanced Defense Cooperation Arrangement (EDCA) sites in the Philippines.
- The Biden-Harris Administration held the first ever U.S.-Pacific Islands Country Summit and renewed the Compacts of Free Association that have been the cornerstone of the United States' presence in the Pacific Islands.

These are just the highlights, but they are impressive, especially given the Biden Administration had to tackle these important set of challenges against the backdrop of cleaning up the mess that was left by the Trump Administration after four years of American withdrawal.

The four years prior to our revitalized efforts in the region were defined by a Commander in Chief who wrote love letters to the North Korean dictator, and, according to his National Security Advisor, told the leader of the PRC that he should proceed in building concentration camps for Uyghurs in Xinjiang. At a Fox News Townhall with Sean Hannity, Trump proclaimed, “Think of President Xi. Central casting, brilliant guy. You know, when I say he’s brilliant, everyone says, ‘Oh that’s terrible.’ Well, he runs 1.4 billion people with an iron fist. Smart, brilliant, everything perfect.” This is someone who some of my colleagues on the other side of the aisle have characterized as “tough on China.”

But the dangerous rhetoric matches a set of disastrous decisions that will cost lives. President Trump oversaw the signing of a flawed deal with the Taliban; withdrawal from the Iran Nuclear Deal, Paris Climate Agreement, Trans-Pacific Partnership (TPP), and the World Health Organization (WHO) during a pandemic; and the weakening of our ironclad commitment to our NATO Allies. He started a trade war with China, applying tariffs that now average 18 percent to hundreds of billions of dollars worth of Chinese goods. He has floated tripling these tariffs and starting another trade war if reelected.

The United States had an opportunity to set the rules for economic engagement in the Asia-Pacific with the Trans-Pacific Partnership (TPP), which accounted for 40 percent of global GDP and 20 percent of global trade. A high-quality TPP deal would have given the United States the tools it would have needed to combat China’s gray zone tactics by strengthening ties to emerging partners and creating a rules-based order that set the rules for labor, environmental, human rights, and intellectual property standards. Conversely, the Trump withdrawal from TPP created a vacuum that gave an unbelievable gift to the PRC. They continue to pop champagne in Beijing.

In the Trump Administration, the story of U.S.-China relations was one of gob smacking incoherence. President Trump complained about China’s unfair trade practices, yet it was he who abandoned the Trans-Pacific Partnership, allowing China to write the region’s trade rules. President Biden has luckily charted a new path, increasing budget requests for aid to the Indo-Pacific and working with partners and allies in the region to develop the Indo-Pacific Economic Framework. The Biden Administration’s reversal of our unilateral withdrawal from the Indo-Pacific will buttress U.S. economic engagement in the region and finally place the United States in a position to compete with China. Competition, not capitulation, is the path to global leadership.

China’s nefarious tactics are one reason why I, as President of the NATO Parliamentary Assembly (NATO PA), urged NATO to put China on its agenda. In November 2020, I wrote a report for the NATO PA Political Committee entitled, “The Rise of China: Implications for Global and Euro-Atlantic Security” to encourage NATO to adapt to a new balance of power that reflects China as a world power. In this report, I urged my colleagues to include reference to

China's actions in NATO's strategic documents, including the Strategic Concept which was unveiled in April 2022 and highlighted the stated ambitions and coercive policies that challenge the Trans-Atlantic Alliance's interests, security, and values. I welcome the newly adopted NATO Strategic Concept which does just that.

China is playing the long game. For the United States to compete strategically, we need to make investments beyond the immediate horizon. That means investing in our diplomatic and foreign aid instruments. Continued partisan House State, Foreign Operations, and Related Programs appropriations bills that reduce overall funding by 12% and 20% below the Administration's request will only hamstring our ability to compete with the People's Republic of China. Under the 117th Congress controlled by Democrats, we did just that with the CHIPS and Science Act and the development of an Indo-Pacific Economic Framework. Now, we must follow up on that work and ensure the United States, as a pacific power, sustains long-term engagement in the Indo-Pacific.

**Questions for the Record Submitted to
Deputy Secretary of State Kurt Campbell by
Representative Joaquin Castro #1
House Foreign Affairs Committee
September 18, 2024**

Question:

With increasing Chinese provocations in the South China Sea, how is the State Department coordinating with the Department of Defense and the Philippine government to ensure that the U.S.-Philippines Mutual Defense Treaty acts as a deterrent?

Answer:

The Department of State consults and coordinates closely with the Department of Defense and the Philippine Government across the full breadth of security issues, including the South China Sea. This is done at all levels, up to and including cabinet secretaries. At our 2+2 foreign and defense ministerial on July 30, Secretaries Blinken and Austin reaffirmed that the Mutual Defense Treaty extends to armed attacks against either country's armed forces, aircraft, and public vessels – including those of their coast guards – anywhere in the South China Sea.

**Questions for the Record Submitted to
Deputy Secretary of State Kurt Campbell by
Representative Joaquin Castro #2
House Foreign Affairs Committee
September 18, 2024**

Question:

China's actions in the South China Sea often fall under "grey zone" tactics. What additional diplomatic or military collaborations are being considered to help the Philippines respond to China's aggressive maneuvers without escalating tensions into full conflict?

Answer:

Secretary Blinken announced an unprecedented allocation of \$500 million in Foreign Military Financing from the Indo-Pacific Security Supplemental at our 2+2 Ministerial in Manila July 30. These funds will improve our Philippine allies' maritime defense and domain awareness to uphold international law, exercise its high seas freedoms, and enjoy its sovereign rights and jurisdiction in the face of the PRC's escalatory behavior. The Departments of State and Defense would welcome the chance to brief you on additional efforts in a classified setting.

**Questions for the Record Submitted to
Deputy Secretary Campbell by
Representative Joaquin Castro #3
House Foreign Affairs Committee
September 18, 2024**

Question:

As the United States looks to expand its diplomatic footprint in the Indian Ocean Region, does the President's fiscal year 2025 budget request provide sufficient funding to support this expansion?

Answer:

The Department of State's FY 2025 request includes increases of: \$2.1 million to expand operations at Embassy Malé, Maldives; and \$1.1 million to sustain the recently opened embassy facility in Victoria, Seychelles. During FY 2024, \$2.8 million of Embassy Security, Construction and Maintenance funding was reprogrammed towards fit out of the Maldives embassy facility, yielding a total project cost of \$8.1 million. Subject to policy and the availability of resources, the Department will use its 2 FAM 411 post opening process if the Administration plans to open additional posts.

**Questions for the Record Submitted to
Deputy Secretary Kurt Campbell by
Congressman Joaquin Castro #4
House Foreign Affairs Committee
September 18, 2024**

Question:

How is the State Department planning to prioritize the opening of new embassies and enhance diplomatic engagements in this strategically important region (Indian Ocean Region)?

Answer:

I share your view that establishing a strong U.S. government presence in the Indian Ocean region will position us to advance the interests of the American people and demonstrate our commitment in the region. To expand its footprint in the Indian Ocean, the Department opened a new embassy in Victoria, Seychelles in 2023, and expects to open a new embassy in Malé, Maldives in 2025, upon completion of the Lease Fit Out project.

**Questions for the Record Submitted to
Deputy Secretary of State Kurt Campbell by
Representative Joaquin Castro #5
House Foreign Affairs Committee
September 18, 2024**

Question:

Given the growing influence of the Quad and AUKUS in the region, how is the United States ensuring that ASEAN's centrality in regional affairs is not undermined, especially in balancing security and economic cooperation?

Answer:

We regularly reiterate our deep commitment to the Association of Southeast Asian Nations' (ASEAN) centrality and firm belief that a strong and empowered ASEAN is at the center of a rules-based regional architecture. We demonstrated our commitment to ASEAN by elevating our relationship to a Comprehensive Strategic Partnership. We are clear that with ASEAN anchored in its central position, our latticework approach brings together all countries who share our interest in peace and prosperity across the region.

**Questions for the Record Submitted to
Deputy Secretary of State Kurt Campbell by
Representative Joaquin Castro #6
House Foreign Affairs Committee
September 18, 2024**

Question:

How is the United States working with ASEAN to expand economic cooperation, particularly in areas like digital economy, infrastructure development, and renewable energy, to provide alternatives to China's Belt and Road Initiative?

Answer:

Our economic cooperation with the Association of Southeast Asian Nations (ASEAN) starts from a strong position with the United States being the number one source of FDI for ASEAN countries. To build on this strong foundation, we are supporting the transformation of the region's burgeoning digital economy. We are intensifying our cooperation on secure information and communications technology infrastructure – undersea cables, cloud computing, and wireless networks – through the ASEAN Digital Ministers' Meeting. Our support of the ASEAN Power Grid is also bringing more clean, renewable energy to Southeast Asia.

**Questions for the Record Submitted to
Deputy Secretary Kurt Campbell by
Representative Joaquin Castro #7
House Foreign Affairs Committee
September 18, 2024**

Question:

Given Japan's crucial role in global semiconductor supply chains, is the United States considering new joint ventures to ensure supply chain resilience in critical industries like semiconductors, artificial intelligence, and quantum computing?

Answer:

Given Japan's role as an important technology partner, the United States cooperates extensively with Japan to strengthen the diversity and resilience of semiconductor supply chains and develop critical and emerging technology, including artificial intelligence and quantum computing. For example, building on our long history of semiconductor cooperation, we are working to establish a joint technology agenda within the U.S.-Japan Economic Policy Consultative Committee for cooperation on issues such as research and development, design, and workforce development.

**Questions for the Record Submitted to
Deputy Secretary Campbell by
Representative Joaquin Castro #8
House Committee on Foreign Relations
September 18, 2024**

Question:

As Japan continues to reinterpret its pacifist constitution to meet new security challenges, how is the U.S. supporting this evolution towards prioritizing regional defense responsibilities?

Answer:

The U.S.-Japan Alliance stands stronger than ever, and our bilateral partnership is global in scope. We are actively working together to further strengthen the Alliance and advance our shared vision of a free and open Indo-Pacific, including by improving Japan's self-defense capabilities and interoperability with U.S. forces. We are also working hard to bolster our ties with regional allies and partners, including the ROK and the Philippines.

**Question for the Record Submitted to
Deputy Secretary Kurt Campbell by
Representative Joaquin Castro #9
House Foreign Affairs Committee
September 18, 2024**

Question:

What plans are in place to expand the scope of the Quad STEM fellowship, both in terms of the number of participants and the range of academic disciplines covered, to further deepen educational ties between the United States, Japan, India, and Australia?

Answer:

The Quad STEM Fellowship program is now open to scholars from the United States, Australia, India, Japan, and Southeast Asia, reflecting the Quad's commitment to the Indo-Pacific. With the Quad's continued support for the fellowship at the recent leader's summit and private sector support from Google, the Pratt Foundation, and Western Digital, the current 50 Quad STEM Fellows will further strengthen educational ties between Quad partner countries and Southeast Asian countries. New U.S. government funding and private sector contributions are vital to sustain this initiative.