

To: Senator Chris Van Hollen (R-MD)
From: Shirui Zhou
Date: 05/18/2021
Re: Recommendation Regarding the Vote on final Senate passage of S.1169 (**Strategic Competition Act**)

Background

In 2021, amid concerns about cybersecurity threats, the South China Sea dispute, and the rising economic power of China, the Strategic Competition Act of 2021 was introduced to counter China's expanding global influence. This Act, proposed on April 8, 2021, by Senate Foreign Relations Committee Chairman Senator Robert Menendez and Committee ranking member Jim Risch, aims to sustain the United States' global leadership role. It asserts that the Chinese government is leveraging its power across various domains to compete globally with the United States. I recommend voting 'yea' for this bill, as this stance aligns with the hard approach to the CCP, emphasizes human rights, and acknowledges the potential threat, especially from a nation with ideological differences.

The Strategic Competition Act of 2021 focuses on enhancing U.S. diplomatic strategy to respond to challenges posed by China. It reaffirms commitments to allies in the Indo-Pacific and globally, invests in universal values through human rights measures, and confronts China's predatory economic behavior. The Act also addresses intellectual property violations, monitors Chinese companies in U.S. markets, and provides technical assistance to countries countering corruption. Furthermore, it bolsters American competitiveness in science, technology, and cybersecurity, and calls for improved arms control coordination with allies considering China's military advancements.

The Act includes seven amendments in the manager's package, addressing strategic concerns like the disputed South and East China Seas, China's influence in Latin America and Africa, and its impact on U.S. freedoms such as speech and media. These amendments also tackle funding issues for the National Science Foundation and U.S. universities, and support the Diplomatic Boycott of the 2022 Beijing Olympics, reflecting concerns about China's human rights record.

Your affirmative stance is in line with promoting a proactive U.S. approach to the challenges presented by China. Your contributions include amendments that address imbalances in U.S.-China relations across various sectors, such as diplomatic treatment, press freedoms, and trade policies. These amendments aim to counter China's exploitation of U.S. openness and establish a more balanced relationship. Your strategies also enhance the deployment of U.S. innovation and digital technologies worldwide, counter China's influence in developing nations, and strengthen international partnerships. They focus on sanctions related to nuclear technology transfer and violations of U.N. and U.S. sanctions on North Korea. Your efforts are pivotal in reinforcing American interests and maintaining global strategic influence in the face of China's growing assertiveness.

Administration position

The Biden administration, particularly given the fact that foreign policy is typically carried out at the executive branch level, holds the responsibility to develop a highly effective strategy. Last month, the administration raised the importance of the Quad with a heads of state dialogue meeting. This initiative followed Secretary of State Blinken and Secretary of Defense Austin's trip to the Indo-Pacific in February, as detailed in the meeting's business documents.

Additionally, the administration views China primarily as a strategic competitor. This perspective is evident in various policy documents and statements, where China is often described as the biggest geopolitical challenge of the 21st century. Moreover, the administration has expressed concerns over China's military activities, particularly in the South China Sea and near Taiwan. In response, the U.S. has continued its freedom of navigation operations and reinforced its commitment to Taiwan's defense.

Furthermore, the Biden administration has been cautious regarding technological competition with China, especially in areas like 5G, artificial intelligence, and cybersecurity. Efforts have been made to secure American technological

infrastructure and prevent intellectual property theft, reflecting a comprehensive approach to the challenges posed by China in the technological realm

Positions of Congressional leadership

In the context of the Strategic Competition Act of 2021, key Congressional leaders exhibited varying positions. Senate Majority Leader Chuck Schumer (Democrat) and Senator Dick Durbin (Democrat) both voted in favor of the Act, aligning with the Democratic leadership's approach to addressing the challenges posed by China. On the Republican side, Senate Minority Leader Mitch McConnell and Republican Whip John Thune both voted against the Act, indicating a divergence of views within the Republican party, despite the overall bipartisan nature of the bill. This variation in votes among the top leaders of the Senate underscored the complexity and multifaceted nature of U.S. policy towards China. These votes by the Congressional leadership highlight the nuanced perspectives within both parties regarding the U.S. policy approach to China, as encapsulated in the Strategic Competition Act of 2021. Despite the bipartisan nature of the bill, as evidenced by the strong support it received in the Senate Foreign Relations Committee, there were differing opinions among some of the top leaders in the Senate.

Positions of key special interests

The Strategic Competition Act of 2021 had diverse impacts on various special interests. Major internet companies faced potential challenges due to increased scrutiny and regulations in digital connectivity and cybersecurity, possibly affecting their global operations and market access in China. Taiwan human rights groups likely supported the Act for its symbolic recognition of Taiwan, including provisions like displaying the Taiwanese flag, aligning with their advocacy for Taiwan's sovereignty. On the other hand, universities expressed concerns, fearing the Act's stringent stance on China could lead to a decrease in Chinese students in the U.S., thereby affecting a significant revenue source. Additionally, potential restrictions on academic collaborations with Chinese entities posed further challenges. These varied responses highlighted the Act's broad implications across economic, educational, and diplomatic sectors, reflecting the interconnected nature of global affairs and national policy.

Positions of Foreign Government

The Strategic Competition Act of 2021 resonates differently across the global stage, with nations involved in the South China Sea dispute like Vietnam, the Philippines, Malaysia, Brunei, and Taiwan likely appreciating U.S. efforts to counter China's assertiveness, potentially strengthening their stance in territorial conflicts. Conversely, countries benefitting from China's Belt and Road Initiative, such as Pakistan, Sri Lanka, and various African and Central Asian nations, might be hesitant to express clear support, balancing economic gains from China with diplomatic relations with the West. Key U.S. allies including NATO members, Indo-Pacific partners, North American neighbors, Middle Eastern allies, and Southeast Asian nations are generally supportive of the Act, aligning with the U.S. in countering China's global influence through security, economic, and diplomatic collaborations. This spectrum of reactions underscores the complex geopolitical dynamics shaping responses to the Act.

Conclusion

The Strategic Competition Act of 2021 represents a significant U.S. legislative response to the multifaceted challenges posed by China. It encapsulates a complex blend of domestic and international considerations, from cybersecurity and human rights to global diplomatic alignments and economic interests. The Act's broad implications across these diverse domains underscore the nuanced and intricate nature of modern global affairs, reflecting the need for a carefully balanced approach in the U.S.'s strategic competition with China. As nations and interest groups navigate their positions, the Act serves as a pivotal point in shaping the future trajectory of U.S.-China relations and, by extension, the global geopolitical landscape.