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China and the World: Issues for Congress

The Biden Administration has described the United States as engaged in “a strategic competition to shape the future of the international order,” with the United States’ main competitor being the People’s Republic of China (PRC or China), led by the Communist Party of China (CPC). U.S. policymakers and analysts assess many CPC ambitions and PRC actions as challenging the U.S. national interest and U.S. global leadership. Debates concerning China, including in the U.S. Congress, center on how to respond to or counter negative aspects of the PRC’s growing global influence, including PRC actions that may be coercive or otherwise undermine longstanding international rules and norms. Legislation and congressional oversight have often sought to press the executive branch to act in areas in which it has existing authorities, but, in Congress’s assessment, has not acted sufficiently to address PRC activities.

China’s Stated Ambitions

At the CPC’s 20th Party Congress in October 2022, China’s top leader, CPC General Secretary Xi Jinping, outlined goals the CPC has set for China to reach in the lead up to 2049, the centennial of the founding of the PRC.

- By 2027, the CPC’s aims include to “further increase China’s international standing and influence” and “enable China to play a greater role in global governance.”
- By 2035, the CPC’s aims include to “[s]ignificantly increase economic strength, scientific and technological capabilities, and composite national strength,” “[b]ecome a leading country in education, science and technology, talent, culture, sports, and health,” “significantly enhance national soft power,” and “achieve basic modernization of national defense and the armed forces.”
- By 2049, the CPC’s aims include to build China into “a great modern socialist country that leads the world in terms of composite national strength and international influence,” and to make its military, the People’s Liberation Army (PLA), a “world-class” force.

Regarding Taiwan, the self-governed island democracy of 23 million people over which the PRC claims sovereignty, Xi stated, as he has done before, that “realizing China’s complete reunification”—meaning achieving PRC control of Taiwan—is “a natural requirement for realizing the rejuvenation of the Chinese nation.” Xi said the CPC would “continue to strive for peaceful reunification,” while reiterating that it would “never promise to renounce the use of force.”

The PRC’s Global Presence

Examples of the PRC’s growing global presence and congressional responses include:

- **Trade and Investment.** China has become a top global investor and financier as its companies have moved offshore to access raw materials, commodities, and

energy; acquire foreign technology and related capabilities; and build infrastructure. Members of Congress have sought to address the growing role of the PRC state (i.e., Communist Party, military, and government) in the commercial ecosystem and in supporting and directing PRC industries’ operations, both overseas and domestically. Members have also sought to address asymmetrical market access terms the PRC sets for foreign firms, under which China restricts foreign firms’ ability to compete in China even as PRC firms expand and acquire foreign firms and capabilities in the same sectors overseas. Members have sought to strengthen U.S. authorities and collaboration with like-minded countries to address PRC industrial policies that require technology transfer to China and incentivize China’s acquisition of foreign technology by all means, including theft.

- **Belt and Road.** Through its Belt and Road Initiative (BRI), also known as “One Belt, One Road” (OBOR), launched in 2013, the PRC has sought to develop China-centered and China-controlled global infrastructure, transportation, trade, production networks, and standards. The PRC states that it has signed documents outlining BRI cooperation with 149 countries and 32 international organizations. In 2018, Congress passed legislation to restructure existing U.S. development financing authorities to provide developing countries alternatives to PRC investment and financing.
- **International Organizations.** China has sought influence in the United Nations and global technical bodies to legitimize its approach to such diverse issues as Taiwan, human rights, and the role of the state in the economy. As China’s economic heft has grown, so has its ability to affect outcomes within these institutions. China has steadily increased its role in the World Bank, the International Monetary Fund, and the World Trade Organization. It has also increased its involvement in technical and standard-setting bodies of the UN and other institutions. Members have sought to counter China’s influence in these bodies by seeking to expand the U.S. role and by pressing for more active collaboration with like-minded countries in these fora.
- **Coercion.** The PRC has increasingly engaged in sustained, punitive campaigns of diplomatic and economic pressure against governments and commercial actors the CPC deems to be challenging China’s interests. In 2021, the PRC cut off direct and secondary trade with U.S. ally Lithuania over Vilnius’ approval of an unofficial Taiwanese Representative Office. In 2020, the PRC targeted U.S. ally Australia after Canberra called for an independent inquiry into the origins of the COVID-19 pandemic. Members have sought to support governments and firms subjected to such coercion.

- **Discourse.** The PRC has increasingly sought to shape global discourse about China and the United States. It has invested heavily in expanding the global reach of its state media organizations, undertaken disinformation campaigns, and pressured international organizations, governments, and corporations to include PRC-approved language in their official documents and speeches. Members of Congress have responded, in part, by establishing the State Department's Global Engagement Center and increasing funding for entities overseen by the U.S. Agency for Global Media.
- **Diplomacy.** The PRC has established new fora to facilitate its engagement across whole regions, such as its Forum on China-Africa Cooperation. The PRC has also sought to expand the influence of other groupings that do not include the United States, including the Shanghai Cooperation Organization, whose eight full members include Russia. Members have sought to step up U.S. regional engagement, including through appropriations earmarked for countering PRC influence.
- **Military Operations.** The PLA maintains a regular presence in China's immediate maritime periphery and, following House Speaker Nancy Pelosi's August 2022 visit to Taiwan, increased its military activity around Taiwan. The PLA also increasingly operates beyond the Western Pacific. The PLA Navy has conducted continuous anti-piracy patrols in the Gulf of Aden since 2008, undertaken military diplomacy around the world, and conducted joint military exercises and patrols with its partners—primarily Russia—in the Bering Sea, Mediterranean Sea, Central Asia, Baltic Sea, East China Sea, and elsewhere. Members of Congress have sought to strengthen the U.S. military's ability to compete and to bolster Taiwan's defenses.
- **Military Ties.** The PRC also maintains military ties with U.S. partners and allies, such as Thailand and the Philippines, is a top contributor of personnel to UN peacekeeping missions, and operates a military base in Djibouti. The U.S. Department of Defense reports that the PRC may be considering the establishment of multiple new military bases around the world.

U.S. and Ally/Partner Responses

In its October 2022 National Security Strategy (NSS), the Biden Administration assessed China's ambitions as being "to create an enhanced sphere of influence in the Indo-Pacific and to become the world's leading power." The NSS describes the PRC as, "the only competitor with both the intent to reshape the international order and, increasingly, the economic, diplomatic, military, and technological power to advance that objective."

The Administration has focused on coordinating with allies and partners to shape the strategic environment in which China operates. This approach seeks to amplify U.S. messages and make it harder for the PRC to play U.S. allies and partners against each other. The Administration has stated that it seeks to "invest in the underlying sources and tools of American power and influence" and maintain "an enduring competitive edge over the PRC." The Department of Defense treats China as its "pacing threat," with a Taiwan contingency the "pacing scenario" for which the U.S. military is preparing.

With U.S. encouragement, the North Atlantic Treaty Organization (NATO), the European Union, and individual U.S. allies and partners have joined the United States in expressing concerns about PRC ambitions and activities. Maintaining policy alignment has nonetheless proved challenging at times. Factors such as economic dependence on China, geographic proximity to China, discomfort with the Biden Administration's framing of competition in terms of democracy versus autocracy, and concerns about competition leading to conflict shape some governments' responses. The Administration's NSS notes that, "Some parts of the world are uneasy with the competition between the United States and the world's largest autocracies," adding, "We do not seek conflict or a new Cold War."

Congress' Role in China Policy

Congress has sought to influence U.S. policy toward China in both its oversight and legislative roles. Hearings during the 117th Congress, for example, covered such topics as Taiwan policy, U.S.-China relations, U.S.-European cooperation on China, China's role in Latin America and the Caribbean, countering the PRC's "Economic and Technological Plan for Dominance," and the impact of PRC lending on international debt architecture.

Legislative approaches take many forms, from sense of Congress statements to legislative directives to legislative restrictions and funding denials. In the 117th Congress, both chambers undertook committee action on comprehensive China-related bills, including S. 1260 and H.R. 3524. Among those bills enacted into law were P.L. 117-78, which bars the import of goods made with forced labor in China's Xinjiang Uyghur Autonomous Region, and the CHIPS Act (P.L. 117-167), which seeks to strengthen U.S. technological competitiveness through investments in U.S. semiconductor manufacturing. In addition, H.R. 7776 would include multiple provisions related to China and Taiwan, including the Taiwan Enhanced Resilience Act.

Questions for the 118th Congress

Some Members have announced plans to establish a House select committee on China in the 118th Congress. Questions the 118th Congress may face include how best to deter the PRC from use of force against Taiwan, how to effectively support human rights in China, and how to build on areas of common concern and address areas of misalignment with allies and partners on China policy. In considering coordination with like-minded countries, Congress may face questions concerning how best to address China's statist economic and technology practices and reinforce the principles underlying the current global system. More broadly, Congress may face questions of whether the United States should seek to maintain primacy in the Indo-Pacific and globally, and if so, what costs, risks, and benefits would be required to resource long-term military, economic, and diplomatic competition with China.

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