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COMMITTEE ON STRATEGIC COMPETITION BETWEEN THE UNITED STATES AND THE CHINESE COMMUNIST PARTY

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September 8, 2023

Honorable Joseph Biden The President of the United States 1600 Pennsylvania Avenue, NW Washington, D.C. 20500

Dear Mr. President:

I write to express serious concern with the recent vote by the Central American Parliament (PARLACEN) to expel Taiwan as a permanent observer. This is just the latest of a series of concerning developments related to the Chinese Communist Party's (CCP) growing influence in the Western Hemisphere. The United States cannot sit idly by while a strategic adversary like the People's Republic of China (PRC) deepens its political and economic ties and bullies countries in our backyard at the expense of U.S. strategic goals.

The United States needs a strong comprehensive strategy for political and economic engagement in the Western Hemisphere. We must establish a bold agenda that leads to more U.S. trade and investment in the region, raises standards, and supports democracy and the rule of law. This will increase U.S. influence in the region and strengthen U.S. efforts to push back against the CCP's malign political and diplomatic efforts in the region, including those that seek to undermine Taiwan.

The PRC has made significant investments in the Western Hemisphere through the Belt and Road Initiative (BRI) and has recently become South America's biggest trading partner, growing its influence, especially in countries with economic difficulties. The CCP funnels investment into key commodity sectors like minerals and energy and uses its influence in these sectors to its strategic advantage. We are also seeing record investments by the CCP in ports in the Western Hemisphere.

In the Summer of 2022, at the Summit of the Americas in Los Angeles, your Administration launched the Americas Partnership for Economic Prosperity (APEP). However, it is far from clear that this initiative will be meaningful, and your Administration has not yet put forward a comprehensive strategy for economic engagement in the region. There is substantial Congressional interest in increased U.S. engagement in the Western Hemisphere, and there is a bipartisan coalition of Members who are ready to work toward effective, shared commitments to regional peace and stability. If we are not engaged, we risk losing even more ground to the CCP.

As you know well, the Constitution vests Congress with sole authority over international trade, so any efforts in this area must involve close consultations between our branches of Government, especially any efforts that relate to new or existing trade agreements. We must work together in a

bipartisan way to strengthen our trade relationships and secure supply chains to counter the CCP's growing influence in the region.

The decision by PARLACEN to expel Taiwan as a permanent observer must serve as a wake-up call to the United States' declining influence in our Hemisphere. We must continue to stand strong with Taiwan and support its participation in international organizations. At the same time, we should be concerned by long-lasting ramifications of the CCP's growing influence in our backyard. It's going to take bipartisan leadership to stop the decline of U.S. influence in Central and South America. We must address these growing regional threats that have global implications.

Sincerely,

Michelle Steel

Member of Congress