

**WRITTEN TESTIMONY FOR DEPUTY SECRETARY CAMPBELL
“STRATEGIC COMPETITION WITH THE PRC: ASSESSING U.S.
COMPETITIVENESS BEYOND THE INDO-PACIFIC”
SENATE FOREIGN RELATIONS COMMITTEE
July 30, 2024**

Chairman Cardin, Ranking Member Risch, distinguished members, thank you very much. I always appreciate the opportunity to testify before this committee.

And I especially want to note 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.

Since I appeared before this committee as a nominee in December, and officially started as Deputy Secretary of State in February, we have—with your support—continued to drive forward the core pillar of our approach to the PRC: to “invest, align, and compete.”

As two Pacific Powers, our competitiveness with the PRC is often thought of in the locus of the Indo-Pacific. And while much of the history of the 21st century will be written in the Indo-Pacific, the PRC’s pursuit of military, economic, and geopolitical preeminence is truly undertaken in every region.

The PRC is the only country with both the intent to reshape the international order and, increasingly, the economic, diplomatic, military, and technological power to do so. We see this play out across the globe, in every arena, on every continent—in cyber, biotechnology, critical minerals, winning hearts and minds, in issues across the board—as President Xi and the PRC seek to establish dominance in these strategic areas.

The PRC’s military buildup, the biggest ever undertaken in peacetime, is upsetting the regional balance. It seeks to dominate sectors in technology, and corner the market on certain minerals. And it is increasing economic coercion as a feature of the PRC’s strategy in every region we work in, weaponizing trade to pressure countries.

It is a generational challenge that requires us to meet it with equal determination. And in each of these arenas, we are coordinating with our allies and partners—what I view as the essential feature to any competitive strategy with the PRC.

That said, competition is not the sole feature of our engagement with other countries. Indeed, we are seeking to meet the needs of countries through an affirmative strategy that builds enduring alliances and partnerships.

In fact, Secretary Blinken is in the region today moving that agenda forward as part of his 18th trip to the Indo-Pacific, visiting Vietnam, Laos, Japan, the Philippines, Singapore, and Mongolia.

Our far-reaching national investments—with your help—in infrastructure, chips, research and development, and other key sectors have strengthened our ability to lead in areas of strategic importance and purpose.

We are strengthening ties in the Indo-Pacific in ways that previously would have seemed blue-sky, or impossible. We elevated the Quad with Australia, India, and Japan. We upgraded our relationships with Vietnam, the Philippines, India, Indonesia, and others. The President launched a historic trilateral at Camp David with our two closest friends in Northeast Asia—Japan and the Republic of Korea.

This is all on top of multiple summits with the leaders of the Pacific Islands and ASEAN, among many innovative engagements.

We've also worked to weave our Indo-Pacific and European allies and partners together, as evidenced two weeks ago when our Indo-Pacific Partners— Australia, Japan, the Republic of Korea and New Zealand—attended the NATO Summit here in Washington.

We launched AUKUS with Australia and the UK—what I view as a signal achievement—the first time in seventy years that the United States has taken steps to provide an ally a nuclear-powered submarine capability.

To take a step back, it was only in 2016 that the European Union recognized the Indo-Pacific as a strategic priority. Now, we've held dozens of Indo-Pacific dialogues with our European allies, in every part of the continent—and they've developed their own strategies strengthening their focus and alignment in the region.

Together with our G7, European, and Indo-Pacific partners, we are aligning approaches on the protection of critical technology and on derisking and diversifying supply chains.

And we're intensifying our diplomacy on shared values and opportunities with emerging partners in the Americas, the Middle East, and in Africa, where I just visited earlier this month.

The proof of effectiveness is that the PRC views our cross-continental partnerships with growing concern. And it's why they see the alliance and partner systems as a singular American asymmetric advantage, which we intend to continue and expand.

This challenge is ever present in everything we are doing.

In some ways, our competition with the PRC is more intense, more multifaceted than it has been with any other country in any era. It requires deep reservoirs of thoughtful and intensive diplomacy on the part of the United States to step up our game everywhere.

To meet this test, we are developing an elevated level of expertise at the State Department, including through—and this is thanks to bipartisan support in Congress—the Department's China House. Every diplomat, no matter where posted, is able to effectively engage on key issues related to the PRC.

When my predecessor Wendy Sherman met with this committee last year, she rightly noted that for our country, the PRC is a generational challenge, and there is no higher priority at the State Department than answering it. That is even more true today.

This is a region and a challenge where we've seen unprecedented bilateral cooperation, and I am grateful to you for that model—and for recognizing it is essential to U.S. success.

Thank you for the opportunity to meet today, and for your steadfast support in advancing America's interests in meeting this moment to ensure a free, open, secure, and prosperous world order.

I look forward to our discussion.