



Opening Statement Reva Price, Chair
U.S.-China Economic and Security Review Commission
November 18, 2025

Good morning and welcome to the release of the U.S.-China Commission's 2025 Annual Report to Congress. I am pleased to share, once again, a unanimous report. Our unanimity reflects the Commissioners' commitment to providing Congress a bipartisan approach toward China policy.

I would like to thank the many witnesses, experts, and government officials with whom the Commission consulted throughout the year. I'd also like to thank the Commission staff for their outstanding and tireless work on this report.

And I would like to thank my colleagues on this Commission for their collective insight and commitment to our mission. The challenges to U.S. interests posed by China are complex, manifold, and rapidly evolving. Building consensus on proposals for legislative action requires dedication, discernment, and collegiality. It's an honor to work with all of you.

Finally, I'd like to extend our appreciation to the Senate HELP Committee for use of this hearing room today, as well as the Senate Recording Studio for their assistance in livestreaming this event.

Our report this year offers 28 recommendations across technology, economics and trade, and national security. We look forward to briefing Members and committees of Congress over the coming weeks and months.

Our 2025 report examines how China has used industrial policy at unprecedented scale to position itself to attain first mover advantage in the technologies of the future. At the conclusion of its Made in China 2025 industrial plan, China now possesses a hyper-charged, state-directed "industrial commons" for manufacturing without historic parallel. China has captured crucial intermediate manufacturing processes that help keep its companies at the center of global value chains. Without swift and focused action, the United States could face a future where we depend on China for access to the most cutting-edge innovations in fields from medicine to robotics.

At the same time, China's broader economy continues to experience malaise and structural weakness, due to years of broken promises to rebalance. China's leaders have made clear their primary economic goals are to move up the value chain and reduce dependence on foreign technology. President Xi has also been explicit that he wants to make the world more dependent on China.

So, we can expect that China will continue massive, distortionary policy support for strategic sectors, even if that means slower growth elsewhere in its economy. This results in a "two-speed" economic model—of industrial over-investment even as the broader economy stagnates.

China relies on the rest of the world to absorb the excess production caused by its over-investment and is on track to set a new record trade surplus of over \$1 trillion in 2025, breaking its own record set just last year. This massive outpouring of exports, which we call “China Shock 2.0” threatens both advanced and developing economies. A flood of subsidized Chinese Electric Vehicles is undermining export markets for automakers in Germany, Japan, and South Korea. At the same time, China is directing a deluge of low-cost manufactured goods to developing countries, causing factory closures and layoffs. We heard a lot about this problem during our two trips to Southeast Asia.

In 2025, China leveraged U.S. supply chain vulnerabilities to chilling effect. Beijing used its monopoly over critical mineral refining to impose export controls on rare earth elements and magnets essential to a range of manufacturing industries and defense technologies and used this leverage in trade negotiations with the United States. While they have recently relaxed some of these restrictions, Beijing is also tightening its enforcement capabilities for the future. We can be sure China will be ready to weaponize these chokepoints again when politically advantageous.

Critical minerals are only one example of China’s supply chain leverage. Our report highlights how Beijing could weaponize other chokepoints to devastating effect. Chinese producers wield significant control over active pharmaceutical ingredients and key equipment used in the U.S. electrical grid, and they are investing heavily to gain such leverage over foundational semiconductors. U.S. reliance on China creates a dangerous dependence that China can weaponize if it wants to. The United States needs to address these vulnerabilities urgently, and with a long-term commitment of resources.

I want to call special attention to one issue; we released our first Commission Spotlight on this issue a few months ago. I am talking about the scourge of scam centers operated by Chinese crime syndicates in Southeast Asia. Scam centers are both a pocketbook and national security issue. They are defrauding Americans out of billions of dollars annually. Beijing is also exploiting the crisis to embed its domestic security forces in Southeast Asian countries. While China has helped crack down on scammers targeting Chinese citizens, this has just incentivized the criminal networks to target the United States. Some of the criminal organizations behind scam centers even have ties to Chinese officials. The Commission has a detailed recommendation about ways in which Congress can help address the scam center crisis.

I will now turn to Vice-Chair Schriver.