

Chairman Gallagher Calls for Export Controls

10.7.23

as prepared for delivery

On October 7th, 2022, a year ago today, the Biden Administration promulgated a landmark rule to prevent advanced U.S. semiconductor technology from flowing to the Chinese Communist Party and its military forces.

It was an important step and one of President Biden's signature policy achievements.

Unfortunately, parts of his own administration have spent the last year working diligently to undermine that achievement.

The Commerce Department's own Bureau of Industry and Security has repeatedly refused to enforce this rule and honor its spirit, choosing instead to stand by while the CCP circumvents the rules in support of its defense industrial base.

Some examples:

First, Commerce facilitated the export of U.S. technology to a CCP military supercomputing firm Inspur, as well as CCP biotechnology firm BGI that has illicitly acquired private health information from millions of pregnant women.

Second, on the eve of Secretary Raimondo's visit to Beijing, the department mysteriously removed several CCP-military supply firms from a U.S. blacklist.

Third, the Department did nothing to stop CCP-aligned Huawei and SMIC from collaborating on a new semiconductor chip using U.S. technology in violation of our own export rules.

Even more alarming, the Department of Commerce has given Huawei and SMIC a sweet-heart deal, granting them access to billions worth of U.S. technology, all approved by Uncle Sam.

Across the Chinese internet, Secretary Raimondo was mocked as an unofficial Huawei brand ambassador.

As these repeated failures mount, and American technology continues to fuel Xi Jinping's army, the White House needs to get Commerce to enforce what is perhaps President Biden's signature foreign policy achievement before it turns into a joke.