

Chairman Gallagher Speech
Remarks at the Iowa Agricultural Technology Threat Roundtable
8.3.23
as prepared for delivery

It's great to be here in Dysart. And unlike those that come to your city and state to ask for your vote – I'm here to talk about seeds, and what we can do to protect the fruits of your labor from the Chinese Communist Party.

I'd like to thank my friend and colleague, your representative, Ashley Hinson, for inviting me here today, YoungBlut Ag for welcoming us, and all the farmers and stakeholders who are here to share their expertise and experience with us.

Last but not least, I'd like to thank Ranking Member Raja Krishnamoorthi – my Democratic counterpart on the Select Committee on the Chinese Communist Party – for joining us and demonstrating that this isn't a Democrat or Republican issue. This is an American issue.

Back in 2011, a field manager at a farm here in Iowa spotted an unfamiliar man digging in one of his fields.

When he confronted the stranger, the man claimed to be from a university and hurriedly excused himself. The field happened to be planted with special seeds from DuPont Pioneer, which informed the FBI.

The investigation uncovered a Chinese seed smuggling ring and the man digging in the field, Mo Hailong, was charged by the Department of Justice and convicted in Federal Court in 2016 for assorted crimes.

But that was just the beginning. Since then the FBI has investigated many such cases, and the DOJ has secured additional convictions.

Why is the Chinese Communist Party after our seeds and agricultural technology? It's part of a much larger, country-wide, slow motion heist of American intellectual property.

The FBI has estimated that China steals between \$225-600B of American IP and trade secrets every year.

That is around \$4,000 stolen per American family of four.

The former NSA director Keith Alexander called China's technology theft possibly "the greatest transfer of wealth in human history."

Our farms are more than just places to grow food. They are research laboratories, homes, schools, and strategic national resources.

We have to protect all our technology, whether it's in a Silicon Valley research lab or a cornfield here in Iowa.

The US technological ecosystem is a bucket with massive holes in the bottom and we continue to pour billions and billions of R&D dollars into it every year.

We could plug the holes with export controls, research security, and outbound capital restrictions. But we choose not to.

It's as though a burglar has robbed your home dozens of times before, told you that he's coming back tonight, and you still leave your front door unlocked and your valuables lying around in plain sight.

Who is harmed when the CCP steals American technology? It's not the CEOs, it's not the lobbyists. It's our service members, put in danger when the CCP weaponizes stolen technology.

It's our farmers.

It's ordinary Americans.

Our country is filled with invisible factories and invisible farms — those that would have been built or planted here if we'd protected American technology.

There are invisible paychecks — those that our workers and farmers would have gotten if we weren't sending \$600 billion to our foremost global adversary every year in stolen IP and trade secrets.

Both the Trump and Biden administrations have oriented US strategy around 'competing' with the Chinese Communist Party. But we're not "competing" if we're letting the CCP steal hundreds of billions of dollars from Americans—we're throwing the game.

Just like the farmer in the Iowa field, you are being robbed every day, in plain sight, by the Chinese Communist Party.