

W&M Member Day Hearing Script – September 14, 2023

Thank you, Mr. Chairman, for allowing me to participate in this important hearing.

Trading has always been one of the strongest competitive advantages of our country because of the size of our economy and the dynamism of our market place...

We foster capitalism, embrace democracy, and export our moral values.

At this hour, we are not the only ticket in the Hemisphere.

We've watched as China has aggressively entered both established and emerging markets.

We are motivated to trade for profits---
the Chinese, because of their communist ideology, are motivated to acquire power.

We have all seen their tactics:
-offering low quality goods,
-utilizing slave labor,
-And destroying the environment at every opportunity.

Now in the last 20 years....they have secured a presence in Latin America – thru a trojan horse strategy and have become the number one trading power in our region.

Did you hear me? Let me repeat it...

Our hemisphere is being invaded by China and they are now the number one trading power in our region.

20 years ago--- they traded \$12 billion in Latin America

20 years later, in 2022, they hit \$450 Billion–
That is a 3,000% increase. – a 3,000% increase.

Right now, China has free trade agreements with Chile, Costa Rica, Ecuador and Peru, and another with Uruguay on the way.

In South America—specifically---They have surpassed the US as the top trading partner.

And 10 years from now...
Their trade with Latin America is projected to exceed \$700 Billion.

That is trade...
Let's talk about the loans...

In the last 20 years, China has lent almost \$150 billion to the region.
Buying political presence in our back yard.

And of course—they are helping our enemies...

like Cuba, Venezuela, and Nicaragua

21 Latin American countries have signed onto China's nefarious Belt and Road Initiative—
creating infrastructure to dominate world trade.

Today, they control—
-key ports in Peru,
-railroads in Argentina,
-airports in Honduras,
-dams in Ecuador,
-and critical rare earth materials in Bolivia—
Creating a major security risk for the US .

Needless to say, they are bad actors, with bad intentions.

But I have good news.
It's called the Americas Act...
What does it do?
It puts the United States of America...
back on top.

And sends the message to every Latin American country that,
-If you play by the rules
-If you fight political corruption
-And if you reduce your dependence on China

You will join—what is called the gold standard of international trade...
Called: USMCA
Mexico and Canada have it...

I am honored to have worked with the creator of this monumental
Legislation...Senator Bill Cassidy--

Our intention is to-
unleash unprecedented prosperity throughout the region.

The bill has five pillars:

1. Trade and Partnerships:

You will have the opportunity to join the United States, Mexico and Canada free trade agreement with all its benefits and have access to 60 billion dollars in investment capital from the USA.

2. Nearshoring and Reshoring:

The bill creates a program to help American industries relocate from China either back to the USA or any other country in the hemisphere.

There will be loans, grants, and tax incentives to help companies move back home.

3. Strategic Investment:

Those 60 billion that I just mentioned will create an unbreakable supply chain from Patagonia to Alaska-
-to make sure we are not dependent on CHINA any longer.

God forbid there comes another Covid...
... we will have antibiotics..

In addition – we will get cheap affordable energy coming from our hemisphere partners,
Whether it be Guyana or Ecuador or Texas

4. Transparency and Rule of Law:

We will make it easy to do business. In a clean, transparent, non-corrupt way—in other words...the American Way,

To give confidence to the American business sector... so their investment is secure... in other words - accountability is guaranteed

5. Promoting American Values:

We establish the American University of the Americas to promote US values and increase educational opportunities in Latin America.

And we prioritize human rights – ending forced labor of Cuban doctors and combatting human trafficking.

If we employ this framework, we will win the trade war.

We will create economic stability. Promote democracy. Increase jobs. Stop the flow of economic migration to our borders. And counter our biggest rival - China...

But if on the contrary.... we sit back, we will watch mandarin replace English as the second language of Latin America.

In the end... we are sending a very clear message to our neighbors in the hemisphere.

We want to work with you as much as you want to work with us.

Hispanics prefer the Americans over the Russians or Chinese.

Now it's up to the Latin Americans neighbors to behave accordingly so they can be part of the club of top economic players...

I look forward to working with you.

Thank you for your time.