



THE
VANDENBERG
COALITION

AROUND THE WORLD

ESSENTIAL FOREIGN POLICY
ISSUES FOR LEADERS

October 2022

"I am hunting for the middle ground between these extremists at one end of the line who would cheerfully give America away and those extremists at the other end of the line who would attempt a total isolation which has come to be an impossibility."

- Senator Arthur M. Vandenberg (R-MI)

The world is safer when America leads. At the Vandenberg Coalition, we believe in a strong, principled U.S. foreign policy to protect the security and prosperity of the American people. In an age of rising threats from great power competition & metastasizing terrorist cells to cyberattacks & economic warfare, it is better to meet threats head on than to wait for them to reach our shores.

The Vandenberg Coalition arms elected leaders, political candidates, the media, and the American people with expert insights to advance American interests. Our 100+ member advisory board has experience at all levels of government—working on issues critical to America's national security, economic prosperity, and foreign relations from the White House to Capitol Hill to the Pentagon and beyond.

We are a 501(c)(3) non-profit organization based in Washington, D.C. available to brief leaders on the full range of critical national security and foreign policy issues affecting our country today.

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DIMENSIONS OF THE CHINA THREAT

Bottom Line Up Front:

The Chinese Communist Party today threatens U.S. national and economic security more acutely than perhaps any rival in our history.

- **Our Primary Challenger:** China is by far the greatest international threat to U.S. national security, global leadership, economic prosperity, and freedom at home.
- **We Got China Wrong:** U.S. leaders since the end of the Cold War vastly underestimated China as a potential military, economic, and technological rival. The Soviet and Nazi economies were never more than 60 percent of the size of the U.S. economy. China's GDP is already far larger than those of our past rivals and could soon surpass our own in total size.
- **Both a Marathon and a Sprint:** Competition with China is part marathon and part sprint. If we lose the sprint—e.g., a war over Taiwan—we could also lose the marathon: the preservation of our ability to live free of Communist Party coercion.

Key Issues:

Legislative & policy reform is needed across three broad areas: (i) Military, (ii) Econ-Tech, and (iii) Countering Malign Influence:

- **Military:**
 1. **Taiwan Risk:** China's leader, Xi Jinping, appears determined to take Taiwan by force or other means during his tenure. China could then hold the United States economically hostage and use China's rapidly growing navy to threaten U.S. territories & allies in the Pacific. We must prepare to deter—and if needed defeat—an attack on Taiwan.
 2. **Boost Defense Spending:** China has increased its defense budget by 7 percent per year for the past decade, eroding the U.S. military's long-held numerical and technological advantages. Our current defense spending—3.5 percent of GDP—is lower than at any point during the Cold War and is proving woefully insufficient to deter Chinese aggression. There has not been a major defense buildup since the Reagan era—our military relies on 20th century systems to meet 21st century threats.
- **Economic & Technological:**
 1. **No More Free Access to U.S. Tech, Capital & Data:** The United States has woken up to China's economic-technological threats in recent years, but our policy solutions remain way behind. Congress and the administration must act broadly and creatively to restrict China's open access to U.S. technology, investment capital, and data.
 2. **Selective Decoupling, Not a Total Trade Cutoff:** The goal is not to sever commercial ties with China, but to decouple in key areas such as advanced technology where trade creates unacceptable national security risks.
- **Countering Malign Influence:**
 1. **Political Interference at Home:** China's Communist Party excels at influence operations including inside U.S. universities, against our elected officials, and across our digital & traditional media. Closing Confucius Institutes and exposing unregistered foreign agents are just the start to comprehensive protection.
 2. **China's Opium War:** Beijing fuels America's opioid epidemic by continuing to export the precursor chemicals used to manufacture synthetic opioids *en masse*, resulting in the [deaths of over 80,000 Americans](#) from fentanyl last year alone.

U.S.-CHINA ECONOMIC & TRADE RELATIONS

Bottom Line Up Front:

- The U.S.-China economic relationship is an important component of the global economy, with two-way trade in goods totaling over \$750 billion in 2021. Over the past several years, trade & investment between the two countries have become fraught with uncertainty. The United States has imposed restrictions to counter China's unfair trade practices and eliminate inadvertent American support for China's military-civil fusion programs. China has retaliated against many of these measures while consolidating government control over its economy.
- China is pursuing plans to become the dominant player in the global economy with respect to manufacturing and key 21st century technologies. The PRC is pursuing a deliberate, sustained strategy to seize a dominant position in key industries that will be crucial to future economic development—from rare earth mineral mining & refining to artificial intelligence & advanced manufacturing. China's means of achieving these goals are not benign—it leverages the size of its economy to exert influence over other countries and export its authoritarian model of governance.
- Either the United States' preferences or China's will determine the future course of global economic development. We must make sure it is our own. The U.S. has a core national interest in maintaining economic leadership, remaining the world's largest economy, and serving as the global leader in advanced technology & manufacturing. It is also critical that the United States actively promote a market-based, democratic model of economic development to ensure that China's values do not become the international norm.
- The U.S. government should implement economic and trade policies that reduce international dependence on China for critical goods & services, support the U.S. industrial base, and prevent China from obtaining advanced Western technology. While these policies may not always be cost-free or economically efficient, U.S. economic and national security require bold action.

Background:

The U.S.-China economic relationship has become very unbalanced, especially since China's entry into the World Trade Organization and securing Permanent Normal Trade Relations with the United States. In no small part, this imbalance is due to poor choices and wishful thinking in Washington in the years since the end of the Cold War. This relationship has provided some benefit to U.S. importers and certain exporters, such as agribusiness, but it has also contributed to the offshoring of U.S. manufacturing capacity and know-how to China.

China benefits enormously from its relationship with the United States, which is the top market for China's vast export-driven economy. The United States is an important source for the intellectual property and know-how that supports China's industrial and technological base. Simply put, the U.S. economy has been an important engine for China's exponential growth.

Although China notionally is a large and attractive export market for U.S. companies, in reality Beijing's anti-competitive, non-market-oriented policies have prevented U.S. companies from having fair and reciprocal market access in China, especially for manufactured goods. China has also made it more difficult for the United States to compete around the world, in part due to the massive subsidies it provides to domestic industry.

As the United States reconsiders its trade relationship with China, it is important to understand that there will always be some amount of trade between the two countries. However, this

trade relationship will need to be managed through investment restrictions, export controls, sanctions, tariffs, import regulations, and other tools to ensure that China does not maintain an unfair advantage in the international marketplace or obtain sensitive technology that could threaten our national security.

Key Issues:

- **How to Approach Trade with China:** The United States and China are the two most important economies in the world. The United States will always have an economic relationship with China, but it should be carefully managed to avoid losing our industrial base or supporting Chinese military-civil fusion programs, particularly with respect to critical technology. The United States should hold China accountable for its unfair trading practices and human rights abuses, and Beijing should be required to provide fair market access to U.S. exporters and businesses.
- **Levelling the Playing Field:** Policies to support key industries can reduce the costs of manufacturing in the United States and help level the playing field with China. Cutting burdensome regulations and taxes—as well as in certain cases, targeted grants, loan guarantees, and other policies—can help renew the international competitiveness of American industries.
- **Working with Friends & Allies to Promote Our Approach to China:** We should be clear-eyed regarding other countries’ interests, some of which may desire to avoid competition with China. However, the U.S. should work with like-minded nations to link together supply chains through trade agreements; promote of market-based standards; and coordinate export controls, sanctions, tariffs, investment screening, industrial policies, and technological standards.

IMPORTANCE OF DEFENDING TAIWAN

Bottom Line Up Front:

- The autonomy of Taiwan is critical to American economic and national security.
- Taiwan is under increasing threat from Beijing, which views the island as a rogue province and sees its recapture as central to achieving hegemony in the Indo-Pacific.

Background:

U.S. military leaders believe that the People's Republic of China (PRC) [may have the strength to invade Taiwan within five years](#). The PRC is rapidly expanding its military capabilities with this aim in mind.

The PRC sees the reconquest of Taiwan as a critical step in its quest to expand its power in Asia and displace the United States as the leading military and economic state in the Pacific.

Taiwan has been *de facto* independent since its government retreated to the island following the 1949 Communist victory in the Chinese Civil War. The U.S. maintains unofficial diplomatic relations with Taiwan and is required by law (the *Taiwan Relations Act*) to maintain the military capability to help the island resist invasion.

China's Lessons for Invading Taiwan from Russia's Experience in Ukraine

- **Overwhelming Force:** Russia's failure to capture Kyiv in the first days of its invasion is likely causing the PRC to reconsider the level of force it would need to employ to seize Taiwan in a *fait accompli*.
- **Sanctions-proofing the Economy:** The PRC is stockpiling grain, oil, and other key imports to insulate itself from supply chain disruptions in the event of a conflict.
- **Measuring U.S. Willpower:** Beijing is watching the Western response to the invasion of Ukraine. If we let up pressure on Russia now, the PRC may conclude it can outlast any sanctions imposed if it invades Taiwan.

Key Issues:

- **Deterrence is the Best Defense:** Congress and the Pentagon should work together *now* to arm Taiwan with defensive weapons that will make the PRC question whether an invasion would be successful. Ukraine provides a model of how relatively cheap anti-air, anti-armor, and anti-ship weapons can inflict devastating losses on a numerically superior invading force. We must also continue to expand U.S. defense spending by three to five percent annually above inflation to build our own military's capacity to deter PRC aggression.
- **Critical Trade Partner:** Taiwan is the U.S.'s 11th largest trading partner, transacting \$68 billion annually. Taiwan is a global leader in high-tech manufacturing and is home to [over 60 percent of global semiconductor production—the essential component in microchips that powers all modern computers](#). Disruption of trade with Taiwan would cripple U.S. production of everything from cars & consumer electronics to warships & guided missiles, making the island vital to both U.S. economic prosperity and national security.
- **Containing China's Military:** Taiwan is the keystone of what PRC strategists call the “first island chain”—the string of islands from Japan to Indonesia which restrict China's access to the high seas. Control of Taiwan would give the PRC's rapidly-expanding navy unfettered access to the Pacific Ocean, [including the ability to deploy nuclear-armed submarines that could strike the United States](#).
- **Defense of the Free World:** The fall of Taiwan to an invasion by the communist-ruled PRC would be the most significant conquest of a democratic state since WWII, undermining U.S. leadership of the free world and calling into question America's commitment to support other vital allies in the Indo-Pacific.

THE RUSSIA CHALLENGE

Bottom Line Up Front:

- Russia poses significant challenges to the United States abroad and at home. These extend far beyond the problems caused by Moscow’s ongoing war of aggression against Ukraine.
- Moscow is destabilizing energy markets, launching cyberattacks, and has sought to weaken U.S., allied, and other political systems from within. Moscow’s close relationship with Beijing and Russia’s large nuclear arsenal both complicate America’s response to these challenges.
- The United States must address the range of threats posed by Russia. Prevailing in an extended competition with Russia will require articulating a strong moral narrative, maintaining a robust & credible defense posture, using our alliances and partnerships more effectively in support of common positions, aligning ourselves with like-minded countries, ensuring a strong U.S. economy, shoring up our cyber capability & resilience, and investing in both a civic culture & technologies that can resist and counter Russian disinformation.

Background:

President Vladimir Putin’s 2022 invasion of Ukraine—which followed Russia’s 2014 occupation of Crimea and portions of Ukraine’s Donetsk and Luhansk regions—is the largest and most dangerous inter-state military conflict in Europe since World War II. According to Ukraine’s government, post-war reconstruction could cost \$750 billion or more; United Nations officials estimate that one-third of Ukrainians have become internally displaced or refugees in other countries. [The World Bank expects Ukraine’s economy to shrink by 45% this year.](#)

While the war has revealed flaws in Russia’s strategy, military operations, and arms, Russian forces have demonstrated some of Moscow’s newest weapons, including the Kinzhal (Dagger) air-launched missile, [used in an attack on an underground ammunition warehouse](#) in western Ukraine in March. Russia is moving toward [deploying its hypersonic ship-launched Zircon missile](#) later this year. In July 2022, [Putin signed a new naval doctrine that identifies the U.S. as Russia’s main rival and describes Russia’s global maritime ambitions](#) in crucial areas such as the Arctic Ocean and the Black Sea.

Russia’s war against Ukraine has been devastating in economic and human terms and the challenge it poses to the peace and stability of Europe must be met head on. However, Russia’s malign ambitions extend well beyond its immediate neighborhood.

Key Issues:

- **Ambitions in Middle East & Africa:** Russia’s ongoing military operations in Syria, launched in 2015, have restored Syrian dictator Bashar al-Assad’s control over most of the country while boosting Russia’s regional influence. In addition to longstanding military coordination in Syria, [Russia’s deepening cooperation with Iran includes a new \\$40 billion natural gas deal](#), [Tehran’s sale of “hundreds” of drones to Moscow](#), and a trade settlement system that [allows the pair to avoid using U.S. dollars and thereby to skirt financial sanctions](#). Moscow is also reportedly using its close ties to Sudan’s military government to evade sanctions by [smuggling billions in gold from Sudanese mines](#); Russia backed the military coup against Khartoum’s civilian transitional government in 2021.
- **Wielding the Energy Weapon:** Moscow’s efforts to use its energy exports as political leverage intensified during its war in Ukraine. Russia has repeatedly reduced or stopped

natural gas flows to America's NATO allies seeking to break Europe's political will. Earlier, on the eve of the COVID-19 pandemic, [Russia and Saudi Arabia drove down oil prices and damaged the U.S. oil industry](#). This has limited U.S. oil production and added to energy prices. The 2018 "OPEC Plus" agreement between the Organization of Petroleum Exporting Countries—led by Saudi Arabia—and Russia and other non-OPEC oil exporters [also constrains global oil supply](#).

- **Cyberattacks Against Americans:** [U.S. intelligence officials have stated that Russia's cyberattacks target critical infrastructure in the United States and allied countries](#) and have connected Russian state-linked and non-state actors with incidents including the 2020 SolarWinds software hack, targeting of U.S. firms developing COVID-19 vaccines & U.S. industrial control systems, ransomware attacks, and 2016 leaks of internal documents from the Democratic National Committee. Russian-backed attacks are a major driver of the tens of billions of dollars losses the U.S. economy suffers annually due to cybercrime. [Moscow has also targeted government web sites, infrastructure, and digital systems in neighboring countries](#). In addition, Russia continues to undermine key U.S. national security interests and weaken allied and friendly democratic political systems. In [Europe](#), [Latin America](#), and [Africa](#), Russia has used proxies, economic instruments, disinformation campaigns, election interference, corrupt relationships, energy resources, and soft power to subvert both fragile and well-established democratic governments and to foster instability and policy paralysis.
- **The China-Russia Axis:** Close relations between Moscow and Beijing magnify the challenges America faces from each. Today, China's support for Russia can help the Kremlin endure U.S. and Western sanctions. China could also become an important long-term source of technology for Russia, which has lost access to many Western technologies. Russian and Chinese leaders see U.S. foreign policy and America's support for democratic values as a threat. They share the goal of undermining American influence worldwide.
- **Nuclear Weapons:** [Russia's massive nuclear arsenal](#)—1,588 strategic nuclear warheads on deployed intercontinental ballistic missiles, on submarine-launched ballistic missiles, or available for long-range bombers—is the foundation of its international role. [Russian expert Dmitri Trenin has asserted that](#) "Russia's international status does not rest on the fact of holding periodic one-on-one meetings with an American president, but rather on the ability to reliably deter U.S. military power and on being resilient to mounting U.S. economic, financial and political pressure in the form of various restrictions." [Russia has about 4,477 nuclear warheads](#), including those deployed and in reserve, as well as around 1,500 retired warheads. By comparison, [the United States has an estimated 3,708 warheads deployed and in reserve](#), plus another 1,720 retired warheads.
- **United Nations Cover for Bad Actors:** Because Russia holds veto power on the UN Security Council, it is difficult if not impossible to curb Moscow's hostile actions through international organizations. Even though the UN was created in part to prevent wars of aggression, the UN has been entirely ineffective at halting Russia's invasion of Ukraine. This makes it all the more important for the United States and its friends & allies to act resolutely and in solidarity to deter Russian aggression.

RUSSIAN INVASION OF UKRAINE

Bottom Line Up Front:

- The invasion of Ukraine has been a disaster for Moscow. Instead of a lightning blow to decapitate Ukrainian's government, the attempt to capture Kyiv failed. Ukraine has inflicted irreplaceable losses of men & materiel on Russia's armed forces, halted their advance, and launched multiple effective counteroffensives to liberate occupied territory.
- Ukraine's September-October 2022 counteroffensives have liberated thousands of square kilometers of Russian-occupied territory, showing that Kyiv can succeed on the offensive as well as the defensive if provided with sufficient military, financial, and logistical support.
- Military aid from the U.S. and Europe has been critical to evening the odds, [especially advanced missile and artillery systems](#) that allow Ukraine to strike Russian units, command posts, communications systems, and logistics hubs deep behind the front line.
- As of August, the Pentagon estimated that Russia had suffered nearly 80,000 killed & wounded in Ukraine—more casualties than the Soviet Union endured during its *ten-year* war in Afghanistan. It has also lost countless tanks, aircraft, artillery, and vehicles in Ukraine.
- Moscow is desperate to replace its battlefield losses—including by recruiting convicts and calling up 300,000 ex-conscript “reservists”. There are credible reports of new units being sent into battle with only a few days of training and obsolete or missing equipment.
- Russia's President, Vladimir Putin, has repeatedly doubled down on his bad gamble in Ukraine. In September he signed papers annexing several Ukrainian provinces after staging gunpoint “referendums” in occupied areas. By claiming these areas as part of Russia, he can continue to falsely claim that his illegal operation is intended to defend Russian soil.

Background:

On February 24th, 2022, the Russian military launched an unprovoked and unjustifiable multi-front invasion of neighboring Ukraine with the stated intention of decapitating Ukraine's government and installing a pro-Russian regime. Contrary to the expectations of many Western analysts, the Ukrainian Armed Forces and a mobilized civilian population successfully defended the capital—Kyiv—and other key cities, forcing Russian troops to withdraw and thwarting Putin's plans for a quick, decisive war.

In the spring, Ukraine halted the Russian advance and stabilized the battle lines in the country's south and east. At greatest extent, Russian forces occupied between 20 and 25 percent of Ukraine's territory. Since late summer, Ukraine has been on the counteroffensive, successfully retaking multiple cities and tens of thousands of square kilometers of territory—seizing significant amounts of Russian materiel and prisoners of war in the process.

Russia has been credibly accused of committing numerous war crimes in Ukraine, including the [mass execution of civilians](#) in occupied areas and deliberate missile and air strikes on [hospitals](#), residential neighborhoods, and fleeing refugees. The U.N. estimates [over 11,000 Ukrainian civilians have been killed or injured](#) in the fighting and [12 million have been forced to flee their homes](#).

The current invasion is the continuation of Russia's 2014 invasion and Moscow's subsequent illegal annexation of the Crimean Peninsula and creation of separatist puppet regimes in two eastern Ukrainian provinces.

Key Issues:

- **Western Weapons Make a Difference:** Weapons supplied by the U.S., EU, and our NATO allies have been used to great effect by the Ukrainian Armed Forces to turn back the Russian advance. Early in the fighting, shoulder-mounted *Javelin* and *Stinger* missiles destroyed hundreds of Russian tanks and aircraft. More recently, [powerful long-range rocket systems](#) are helping Ukraine stabilize the front line. By contrast, [Moscow's inventory of guided missiles is fast depleting](#), limiting Russian forces' combat effectiveness.
- **Russia Uses Food & Energy as Weapons:** Since the beginning of the war, Moscow has held food & energy exports hostage, hoping that skyrocketing prices will force the West to stop supplying aid to Ukraine and to pressure Kyiv into a favorable settlement. [Russia has restricted natural gas exports to Europe](#) in response to EU and NATO assistance to Ukraine, causing energy prices to skyrocket across the continent—a phenomenon that will only get worse as winter approaches. Moscow is also a prime suspect for the recent unexplained explosions in the Baltic Sea which disabled the Nord Stream natural gas pipelines. In Ukraine, Russian forces have deliberately attacked and blockaded ports, grain fields, and storage facilities to prevent Kyiv from exporting the country's annual grain harvest—which [feeds over 400 million people around the world annually](#)—threatening to park famine in parts of the Middle East and Africa.
- **Americans Want to Help Ukraine:** An overwhelming [bipartisan majority of Americans](#) support additional aid to Ukraine. Seven months into the war, [two thirds of Americans](#) favored supporting Ukraine to reclaim conquered territory, even if it meant prolonging the war. Eighty percent supported continued economic and diplomatic sanctions on Russia and over 70 percent believed Washington should continue providing weapons and military supplies.
- **Russia Has Shown No Willingness to Compromise its Goal of Total Control:** Russian President Vladimir Putin and his senior officials regularly reiterate their demands for full Ukrainian surrender. Moscow's recent move to annex parts of occupied Ukraine sets the stage for Russia to continue the war indefinitely and escalate the fighting—even to the nuclear level. Putin seeks total victory, not an off-ramp. The West must help Ukraine defeat him and liberate its people.
- **Beijing is Watching:** U.S. defense experts believe that the People's Republic of China [could invade Taiwan within five years](#). Beijing is watching how the West responds to Russia's war of aggression—relaxing pressure on Putin now or insisting Kyiv cut a deal with Moscow would only encourage China to believe it can evade the international consequences of invading Taiwan.
- **Don't Give in to Nuclear Blackmail:** Putin's recent threats to use nuclear weapons against Ukraine are concerning and must be taken seriously; however, they are not cause to stop helping Kyiv defend itself. We cannot normalize rogue states using nuclear threats to seize territory from their neighbors.

IMMIGRATION & BORDER SECURITY

Bottom Line Up Front:

- The crisis at our southern border has exploded with an expected two million individuals crossing this year alone—*an all-time record*. Foreign nationals from dozens of countries are flooding the already overwhelmed Border Patrol and threatening our national security.
- There are clear-cut legal reforms Congress could implement to close loopholes and strengthen asylum laws that would mitigate the problem, but there has been no appetite from the Biden administration to support wide-scale legal reforms—despite the urging of his fellow Democrats.
- This crisis is exacerbated by the fact that increasingly, migrants originate outside Central America. In the past, most migrants were adult men from Mexico or elsewhere in Central America coming to work. Due to existing agreements with Mexico, the U.S. can more easily deport adult males back to Mexico than it can families and individuals from other countries.
- Migrants use lax asylum laws to enter the U.S. by claiming at the border that they have a “credible fear” of returning to their home country. Most are then released into the U.S. with a date to appear before an immigration judge months or years in the future to evaluate their asylum claim; however, many never appear before a judge, using our lax enforcement as a backdoor to gain *de facto* entry into the U.S. Less than 15 percent of entrants actually qualify for permanent asylum under U.S. law.
- It is in no way humane, just, or wise to encourage & abet a transnational system of human trafficking through lax enforcement of our immigration laws. The situation at the southern border empowers the same cartels that fuel our ongoing opioid crisis, often with deadly consequences for migrants themselves—[such as the dozens left to die by traffickers locked in a tractor trailer in the summer of 2022](#).

Background:

Since taking office in January 2021, the Biden administration has presided over a massive surge in illegal entries into the United States through the southern border. According to Customs and Border Protection numbers, [encounters along the border have doubled since Fiscal Year 2019](#), when the border patrol encountered 975,000 individuals attempting to enter the country. In 2021, the number of encounters was over 1.7 million and we are on track to see [over 2 million illegal entries in 2022](#).

These numbers are the direct result of the Biden administration’s lax enforcement of U.S. immigration laws and deliberate rollback of Trump-era programs such as the [‘Remain in Mexico’ policy](#) for individuals seeking to enter the United States from third countries. The Biden administration has also ended agreements with Latin American governments to return asylum seekers to safe third countries.

In contrast to previous years, when illegal border crossings were largely driven by migration from countries such as Mexico, Guatemala, El Salvador, and Honduras, the past two years have seen record numbers of individuals entering the United States at the southern border [whose countries of origin are outside of Central America](#). These include thousands of individuals from as far away as Russia and Africa, who travel to Mexico for the express purpose of entering the United States.

Key Issues:

- **More Immigration Judges:** The current backlog in asylum processing results in migrants released into the US with instructions to appear for a hearing months or even years in the future. We need to increase the capacity of the system to adjudicate migrants' claims *quickly* and return those who have no right to remain in the US to their countries of origin.
- **Asylum Laws & Partnerships:** The majority of the current wave of migrants claiming asylum at the southern border have crossed multiple other safe countries to reach the U.S. We need to pressure neighboring governments to stop facilitating inbound migrant caravans and increase the standard under which someone can claim “credible fear” of returning so that it better aligns with those who end up qualifying for permanent asylum status.
- **Border Security is National Security:** By abandoning any attempt to control our southern border, the Biden administration has created a dangerous vulnerability allowing terrorists, illicit drugs, and other threats to enter the United States. In one recent example, an ISIS-affiliated man arrested by the FBI for plotting the assassination of former president George W. Bush [claimed to have smuggled two co-conspirators into the country illegally](#).
- **An Open Border Fuels the Opioid Epidemic:** Opioid overdoses have skyrocketed since the COVID-19 pandemic and nation-wide lockdowns began. The synthetic opioid fentanyl—much of which is trafficked across the Mexican border—is now the leading cause of death for Americans between the ages of 18 and 45. The Biden administration's *de facto* open border policy makes it trivially easy for cartels to [move drugs into the United States](#) and kill Americans.

ENERGY SECURITY CHALLENGES & OPPORTUNITIES

Bottom Line Up Front:

- Cheap, abundant energy is essential to modern life and a thriving national economy. Ensuring reliable, affordable access to energy resources is a [vital responsibility of the United States government](#) and is critical to American economic & national security.
- Soaring crude oil and natural gas prices due to mismatched supply & demand and increasing geopolitical instability threaten to enrich & embolden our adversaries while hammering global economic growth and undermining geopolitical stability.
- The experience of Europe since the beginning of Russia’s war in Ukraine shows the danger of becoming dependent on hostile foreign powers for energy resources. Germany and other countries dependent on Russian oil & gas face skyrocketing energy prices and the prospect of rationing, blackouts, and crippled domestic industry as winter approaches.
- The United States has an abundance of natural resources and should support the development of *all* its resources and technologies as cleanly and efficiently as possible, which strengthen our economic and national security while protecting the environment and reducing emissions. The Biden administration’s opposition to domestic oil & gas production and investment weakens our economic & national security by making us dependent on nations which use energy as a weapon—from traditional hydrocarbons to renewable energy supply chains.
- While we must build up our domestic oil & gas in the medium term, we cannot allow China to seize control of the renewable energy supply chain. The U.S. must win the clean energy arms race by making long-term investments in the American energy industry to benefit from global market shifts towards nuclear, wind, solar, and hydro.
- Brazen cyber-attacks on critical energy infrastructure—such as the 2021 Colonial Pipeline attack—pose an overlooked threat to core national security interests and urgently require stronger deterrence and preparation.

Background:

Soaring oil and natural gas prices, partly resulting from Russia’s invasion of Ukraine, but also a mismanaged economic response to the post-pandemic recovery require a hard re-examination of current national security and energy policies. The U.S. must develop its abundant natural resources and leverage its technological prowess to protect our economic prosperity while supporting our allies.

A bold and balanced [“arsenal of energy”](#) agenda would encourage cross-border energy and critical mineral production and infrastructure and reject excessive taxes, export bans, or unreasonable regulations. To combat high energy prices and reduce global dependency on petrostates and cartels, U.S. policy must support increased domestic production and end Biden’s war on American energy in order to increase global supply and stabilize prices. The U.S. should halt the depletion of its strategic oil reserves and press the International Energy Agency to reverse its recent hostile stance toward oil & gas investment.

Key Issues:

- **Climate, Energy Security, and National Security All Point in the Same Direction:** Developing American oil & gas resources is an economic boon for the U.S.; makes us less dependent on hostile powers like Russia, Venezuela, and Iran; and because of our robust environmental laws, tends to be cleaner than exploiting other nations’ fossil fuels. These

resources serve as a vital bridge between the fossil fuel-based economy of today and the renewables-based economy of a few decades from now.

- **Dominating the Future of Energy:** As the world transitions away from fossil fuels and towards low-carbon energy sources like solar, wind, and advanced nuclear, we cannot afford to become dependent on Beijing for our energy needs. Currently, China dominates key industries—from the manufacture of solar panels to the mining & refining of rare earth minerals for modern batteries—that will form the cornerstone of the world’s energy future. The U.S. must step up its investments in domestic clean energy industries to ensure that we own the entire life cycle of clean energy technologies or share it with trusted allies.
- **Cyber Threat to Energy Infrastructure:** The May 7, 2021, Colonial Pipeline cyberattack and escalating tensions with adversarial nations highlight the importance of practicing strategic deterrence against future, potentially catastrophic attacks on our critical energy infrastructure. Congress must work with the executive branch to enhance the resiliency of U.S. critical energy infrastructure by deterring and punishing any cyberattacks on U.S. energy infrastructure and preparing the country to better handle future attacks. [Key steps include:](#) (1) toughening penalties and sanctions for foreign cyber attackers who target critical energy and other vital U.S. infrastructure; (2) investing in human capital and training for public-private cybersecurity programs; and (3) requiring the owner-operator of a critical energy infrastructure asset to consult and obtain the permission of the appropriate federal authority before taking any discretionary action, including the prolonged shutdown of energy flows, that could threaten the economy or national security.

CYBERSECURITY: THREATS, DEFENSES & DETERRENCE

Bottom Line Up Front:

- Cybersecurity is a growing challenge for the United States and our allies. The shift to remote work and always-connected devices has resulted in a massive increase in the quantity, speed, and criticality of global communications for individuals, companies, and governments.
- Cyber capabilities are increasingly being used as elements of national power. Key actors conduct deliberate & destructive attacks and seek to establish long-term footholds for later use. Nation-state proxies, criminal hackers, and lone wolf actors also play a significant role.
- It is critical that industry, state, and federal government collaborate to defend the nation in the cyber domain, particularly against attacks on critical infrastructure. The government must incentivize collaboration as well as impose significant costs on cyber threat actors and their sponsors in order to create effective deterrence.

Background:

Cyberattacks pose a significant threat to the U.S. private and public sectors. It is estimated that cybercrime could cause [up to \\$10.5 trillion in losses to the global economy by 2025](#), up from [\\$3 trillion in 2015](#). Economic espionage and the theft of intellectual property alone [cost the U.S. billions of dollars a year](#) and [represent the greatest transfer of wealth in modern human history](#).

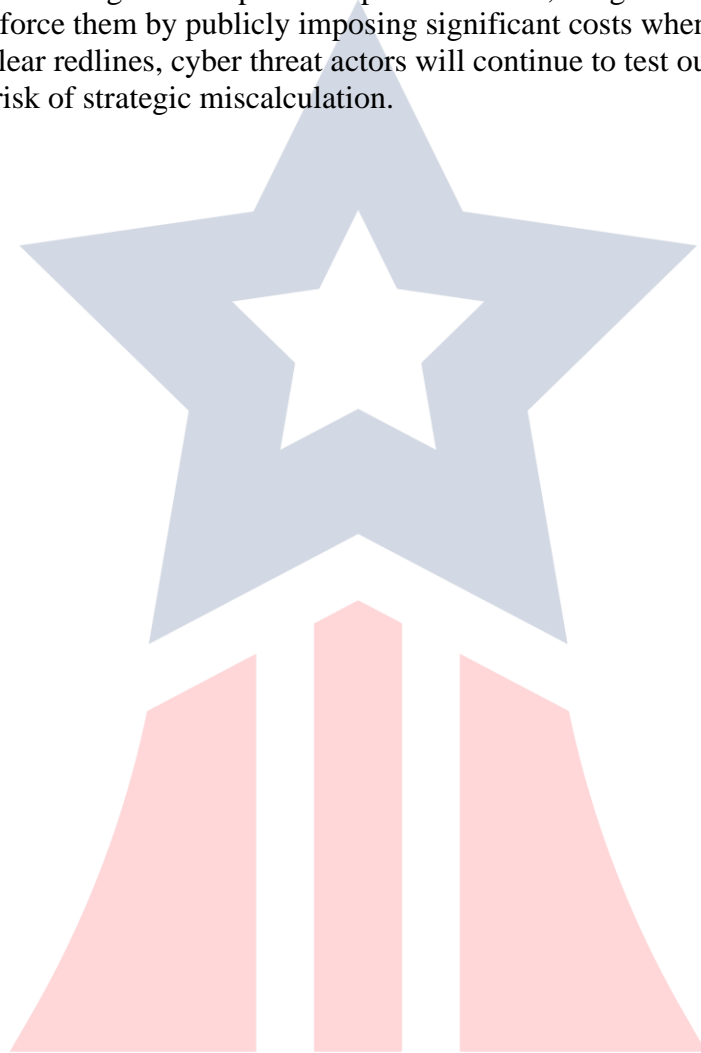
Vulnerability to cyberattacks is growing in lockstep with global IP traffic, which has quintupled since 2017. There are expected to be [5.3 billion Internet users globally in 2023](#) using [29.3 billion wireless devices](#), offering nearly unlimited targets for cyber attackers to choose from. Attacks happen fast, with attackers [typically taking minutes or less to compromise a system](#) and [move on to multiple systems in a matter of hours](#). Defenders are significantly slower, often [taking weeks or longer](#) to identify a breach.

Key Issues:

- **Growing Global Threats:** With the ongoing war in Ukraine, global economic dislocation, and increasingly aggressive adversaries, the U.S. continues to see significant targeting of public and private cyber infrastructure for classic espionage, data breaches, ransomware attacks, overt & covert disinformation, targeting of supply chains, and destructive offensive attacks. In particular, supply chain attacks like the 2021 [Colonial Pipeline](#) cyberattack can harm a broad range of targets and inflict billions of dollars in damage to the U.S. economy.
- **Continuing Epidemic of Ransomware:** Criminal hacker gangs, often backed by foreign governments, have [targeted a wide range of entities for ransomware attacks](#), including an increasing focus on critical infrastructure and supply chain targets.
- **Collateral Damage Is Costly:** The [2017 NotPetya attack by Russia against Ukraine](#) demonstrates that even sophisticated attacks can cause significant collateral damage. In that case, Russian actors successfully targeted Ukrainian entities, but also caused over \$10B in collateral damage worldwide—including [\\$200M-\\$300M to individual Western companies](#), like Mondolez, Maersk, and Merck—that were not the intended targets.
- **Cyber Defenders Must Adopt Collective & Collaborative Defense:** We typically expect the government to defend the nation against other countries. However, in the cyber domain we expect private companies to defend themselves against all attackers, whether nation-states, criminal hacker gangs, or individual threat actors. Private companies do not have the resources to defend against nation-states with functionally unlimited resources. [The public](#)

[and private sectors must collaborate closely to defend the nation in the cyber domain.](#) The government can incentivize collaboration by removing legal, regulatory, and liability barriers; providing economic incentives; and sharing intelligence. [Industry must also fundamentally shift its paradigm to one of collective defense,](#) sharing threat intelligence & adopting interoperable systems.

- **Governments Must Establish Deterrence:** While many argue that deterrence is impossible in cyberspace, the reality is that [nation-states—including the United States—have not effectively imposed costs on cyber threat actors and those who sponsor them.](#) To deter cyberattacks, whether against the public or private sectors, the government must set clear redlines and enforce them by publicly imposing significant costs when they are crossed. If we do not set clear redlines, cyber threat actors will continue to test our boundaries, increasing the risk of strategic miscalculation.



IRAN NUCLEAR PROGRAM NEGOTIATIONS

Bottom Line Up Front:

- The Biden administration's ongoing negotiations to return the U.S. to a version of the 2015 Joint Comprehensive Plan of Action (JCPOA, A.K.A. the "Iran Nuclear Deal") are unlikely to produce an agreement that will substantively limit Iran's nuclear capabilities.
- Returning to the JCPOA was always a bad idea. The 2015 agreement's key restrictions have already begun to expire. [Returning to this deal would mean giving Iran more concessions in exchange for fewer restrictions than we had before.](#)
- By lifting "maximum pressure" sanctions *before* Iran agreed to a new, stronger deal, President Biden abandoned enormous leverage over the regime. Tehran has only accelerated its nuclear activities in the 18 months since Biden eased pressure.
- We will soon reach a point of no return where Iran has sufficient stockpiles of enriched nuclear material to "breakout" and build a weapon in a matter of weeks. Without a stronger deal, [Biden may find that military strikes are the only tool capable of halting Iranian bomb development.](#)

Background:

In 2015, the Obama administration reached a nuclear deal with Iran known as the Joint Comprehensive Plan of Action (JCPOA). At a time of maximum leverage over the regime, the deal provided hundreds of billions of dollars in sanctions relief to Iran in exchange for weak and temporary limitations on its nuclear activity and no limitations at all on Iran's other malign activities, including its support for terrorism. The deal allowed Iran to continue enriching uranium. The strongest restrictions on nuclear activity were set to expire beginning in the mid-2020s, meaning that by the early 2030s Iran would once again be able to build a nuclear bomb in a matter of months.

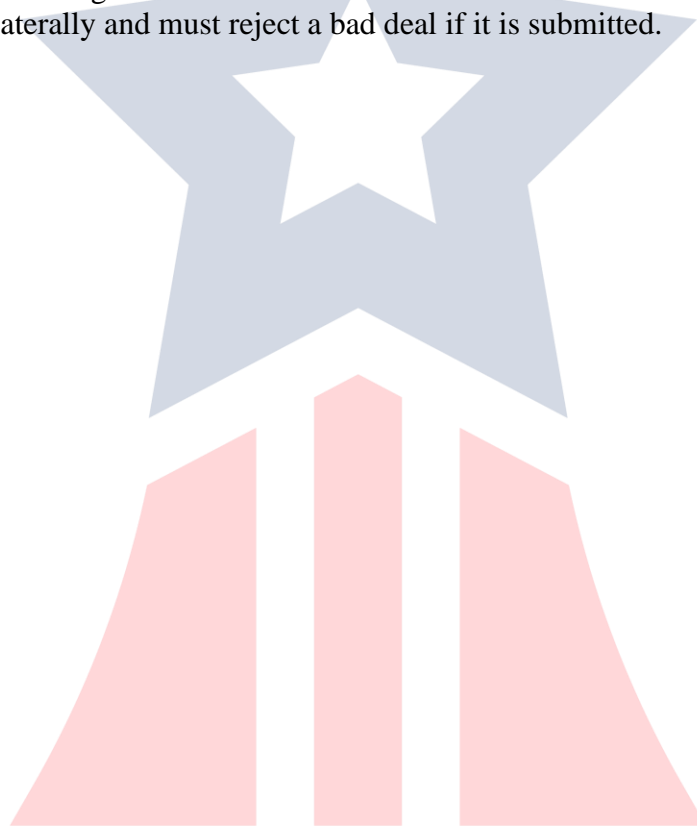
In 2018, President Trump withdrew from the 2015 deal and reimposed "snapback" sanctions on the Iranian economy, pledging to work with U.S. allies to negotiate a stronger deal. The administration cited the deal's lack of provisions restricting Iran's offensive missile program, Tehran's failure to disclose information about its nuclear activities, and the regime's use of money gained through sanctions relief to support terrorist proxies as reasons for the decision. Because the JCPOA was never ratified by the U.S. Senate, it lacked the legal force of a treaty and relied on continued presidential support to remain in force. The Trump administration also implemented a "maximum pressure" sanctions campaign to force Iran back to the table to negotiate a more restrictive deal.

The Biden administration reversed course on Iran, ending the maximum pressure campaign and lifting numerous sanctions in the hopes of enticing Iran to return to the 2015 deal. Since 2021, negotiators from the U.S., Iran, and the other original JCPOA countries have been negotiating in Vienna to reimplement the JCPOA. A deal appears imminent; however, by lifting sanctions preemptively, the Biden administration forfeited significant negotiating leverage, empowering Iranian negotiators and all but guaranteeing an unfavorable deal for the U.S. and our allies.

Key Issues:

- **Making War More Likely:** Giving Tehran hundreds of billions of dollars will only increase the regime's ability to finance its ongoing proxy wars throughout the Middle East. Putting Iran on the threshold of a nuclear weapon will only embolden Tehran.

- **Gifting Iran a Pathway to Nuclear Weapons:** The JCPOA’s key restrictions on Iranian nuclear activity are already beginning to expire. Any return to the 2015 deal would only delay—not prevent—an Iranian bomb. As it stands, Iran’s “breakout time” to build a functional nuclear device with the nuclear material it has on hand is now barely one month—down from over a year in 2015.
- **Sanctions Relief for Iran Funds Attacks Against Americans:** Reentering the Iran nuclear deal is likely to produce a cash windfall for an Iranian regime with a long track record of financing terrorism against the U.S. and its allies. Tehran could receive an estimated \$275 billion in the first year of a new deal and \$1 trillion by 2030. Meanwhile, Iran is pursuing active plots to assassinate former U.S. officials on American soil, including former Secretary of State Mike Pompeo and former National Security Advisor John Bolton, both of whom must receive 24/7 security protection from the U.S. government.
- **Congress Must Exercise its Right to Oversight:** Under the Iran Nuclear Agreement Review Act, Congress has the power to review a new deal negotiated by the President before it goes into force. Congressional leaders must not allow the Biden administration to enter into a new deal unilaterally and must reject a bad deal if it is submitted.



U.S.-ISRAEL RELATIONS

Bottom Line Up Front:

- The U.S. and Israel are long standing allies who share priorities on a wide variety of issues, including Iranian nuclear proliferation and combatting terrorism. The coalition government in power since June 2021 has largely maintained the same priorities as its predecessors.
- Israel is the only democratic country in the Middle East. Israeli citizens of all backgrounds, including Arab citizens, enjoy more liberties than those in any other Middle Eastern country.
- Israel has expressed concern over the Biden administration's plans to return to the 2015 Iran nuclear deal and to open a Palestinian consulate alongside the U.S. embassy in Jerusalem.

Background:

The United States has maintained a close relationship with Israel since the founding of the modern state in 1948. Israel was designated a major non-NATO ally in 1987. Israel is a significant recipient of U.S. defense aid, much of which is spent on materiel and services from American companies. In recent years, the U.S. and Israel have collaborated on numerous high-tech defense projects, including the F-35 stealth fighter and the Iron Dome air defense system, which was developed to intercept and destroy rockets fired at Israeli civilian population centers by Hamas and other terrorist organizations and is currently being tested by the U.S. military for deployment to meet its own missile defense needs.

The current government of Israel has been in power since June 2021; however, the ideologically diverse coalition was mostly held together by opposition to the previous prime minister, Benjamin Netanyahu. The government lost its slim majority in June 2022, triggering new elections scheduled for November. While Israel's politics can be fractious, it remains a reliable partner and capable ally of the United States throughout transitions of government.

Key Issues:

- **Israel Shares American Priorities:** Israel's new government will likely continue emphasizing priorities shared with the United States, such as halting Iran's nuclear program and counterterrorism. Concerns about Iran and its proxies—including Hamas and Hezbollah—are not partisan matters in Israeli politics. Halting Iranian nuclear weapons development is also a top priority. Israel harbors major concerns about the Biden Administration's efforts to return to the 2015 Iran nuclear deal and would likely use force to stop Iranian bomb construction.
- **Iron Dome & Israeli Self-Defense:** Israeli self-defense is a key aspect of the U.S.-Israel relationship. Last year, progressives in the U.S. House of Representatives stripped \$1 billion in security assistance funding for Iron Dome from budget legislation, which was needed to replenish the system's supply of interceptor missiles following rocket attacks against Israeli civilians. Fortunately, other members of Congress joined forces to pass independent legislation to restore the funding for Iron Dome, which is jointly manufactured in Israel and the United States.
- **Biden Plan for a Palestinian Consulate:** In 2018, the Trump administration moved the U.S. embassy to the Israeli capital in Jerusalem in accordance with U.S. law. The Biden administration has since announced its intention to open a Palestinian consulate in Jerusalem. This move is strongly opposed by the Israeli government because it indicates potential U.S. support for a future partition of the city. In early 2022, [Republican Senators introduced a resolution](#) opposing the opening of a separate consulate for Palestinians.

NORTH KOREA

Bottom Line Up Front:

- The Democratic People’s Republic of Korea (DPRK, or North Korea) remains bellicose and isolated from the international community as it continues to build its arsenal of nuclear weapons and long-range missiles with an eye to being able to strike the United States and its allies in the western Pacific. More missile tests, and a possible 7th nuclear test are likely in the near future.
- Inter-Korean relations are likely to remain tense as Pyongyang tests the boundaries of South Korean President Yoon Suk-yeol’s (inaugurated May 2022) tougher North Korea Policy.
- Pyongyang’s “zero COVID policy” has further isolated North Korea; the full effects of COVID remain unknown after the reported May 2022 outbreak, despite Pyongyang’s claim that the regime had “defeated” COVID.
- North Korea has tightened ties with Russia and China since 2020, especially during the COVID-19 pandemic and in the wake of Russia’s invasion of Ukraine.
- Pyongyang’s top lesson from the Russia-Ukraine war is that now more than ever the regime cannot commit to complete, verifiable, irreversible denuclearization.

Background:

North Korea has conducted 17 rounds of missile tests in 2022 and appears poised to conduct its 7th nuclear test, based on analysis of commercial satellite imagery. South Korea has stated that it is prepared to carry out “intensive responses” to any nuclear tests, though it also ruled out direct military action against the North. North Korean official media has stepped up its rhetoric since President Yoon took office, including direct threats from Kim Jong Un to mobilize the North’s “nuclear war deterrent” in response to South Korean or U.S. action. While Kim’s threats seem extreme, they are most likely intended as a warning for Yoon’s government, which is more conservative and hardline than its predecessor.

This year’s series of launches represent the most aggressive weapons testing North Korea has conducted since 2017, when it conducted two ICBM tests in addition to 18 other short and medium-range ballistic missile tests and one nuclear test. The North has conducted almost the same number of weapons tests in the first half of 2022 as it did in all of 2017. However, unlike in 2017, when the United Nations Security Council (UNSC) responded to those tests with three of the strongest multilateral sanctions resolutions against North Korea, the UNSC is currently unable to bring forth a strong response because of China’s and Russia’s veto.

Considering this, policy options to punish North Korea are limited, beyond continuing to call for implementation of existing sanctions regimes. U.S. efforts to restart bilateral engagement with Pyongyang are also stalled, as the North has refused Washington’s offer of engagement without preconditions and to provide sanctions relief for particular denuclearization steps with the goal of achieving complete denuclearization.

Key Issues:

- **North Korean Nuclear & Missile Programs:** North Korea prioritizes its missile & nuclear programs over all other issues. It continues to develop and advance its ballistic missile programs and produce fissile material. The North may have as many as 100 nuclear devices and has successfully tested missiles that could strike the U.S. with a nuclear warhead.

- **U.S.-South Korea Alliance:** The South Korean government has prioritized strengthening the U.S.-South Korean military alliance and seeks to bolster its capacity to neutralize North Korean nuclear threats including through a preemptive strike capability. Seoul has requested the U.S. strengthen extended deterrence and has reactivated the “Extended Deterrence Strategy and Consultation Group.” Seoul also has requested the U.S. permanently deploy strategic assets, such as submarines, aircraft carriers, and bombers to the Korean Peninsula. To date, the Biden administration has demurred on such requests.
- **North Korea’s Alliances with China & Russia:** Pyongyang’s alignment with Moscow and Beijing continues to shape North Korea’s foreign policy—most recently, this has been evident in Pyongyang’s backing of separatist regions in Ukraine (Donetsk and Luhansk). However, Russian media claims that Pyongyang has committed up to 100,000 North Korean troops to fight for Moscow are overstated. The alignment between Pyongyang, Moscow and Beijing is not new, but current tensions resulting from the war are likely to make any potential new UNSC action against North Korea impossible should Pyongyang move forward with largescale provocations in response to U.S.-South Korean exercises.
- **Human Rights:** Human rights conditions in North Korea remain deplorable. The regime continues to conduct unlawful or arbitrary killings; forced disappearances; torture; and cruel, inhuman, and degrading treatment & punishment. In addition, there are credible reports of harsh and life-threatening prison conditions including in political prison camps. The government carries out arbitrary arrests and detentions and punishment of family members for offenses allegedly committed by an individual among others. The COVID-19 pandemic has only exacerbated human rights conditions in the country, according to the UN Special Rapporteur for human rights in North Korea.

U.S. DEFENSE POLICY & BUDGET

Bottom Line Up Front:

- The 2018 National Defense Strategy (NDS) established that great power competition with peer adversaries like China and Russia is now the United States' principal national security threat.
- Former Secretaries of Defense Jim Mattis and Mark Esper argued in office that we must raise defense spending annually by three to five percent above inflation to advance the 2018 National Defense Strategy's objectives and serves as a credible deterrent to China. However, the Biden Administration's \$773 billion budget request [failed to fully account for inflation](#).
- A strong national defense is essential to protecting the American people. When the U.S. and its allies are strong, large-scale conflicts like the World Wars are less likely, not more.

Background:

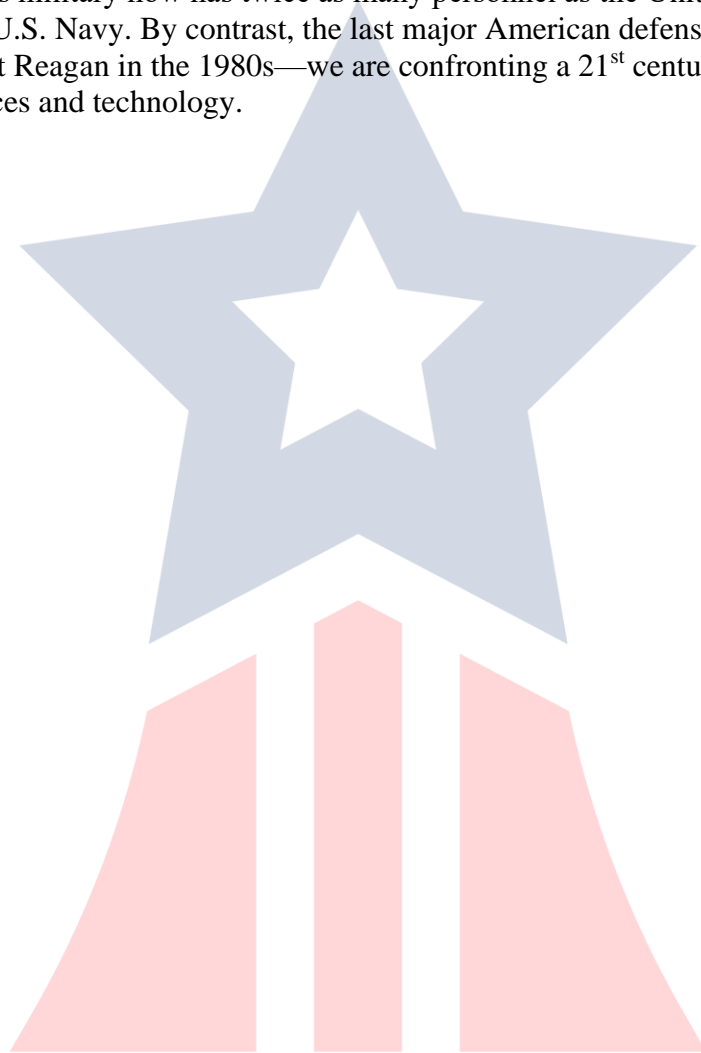
Since World War Two, the U.S. has practiced a policy of forward defense designed to deter—and if necessary, combat—enemy aggression overseas in concert with our allies. The United States is now facing the most capable military adversaries since the collapse of the Soviet Union in 1990. The People's Republic of China is [rapidly building a world class military with the stated aim of supplanting the United States](#) within the decade. Russia also has clear revisionist aims with [Russia's continuing assault against Ukraine now threatening the security of our allies in Eastern Europe](#).

Despite a topline defense budget that has generally risen over the past two decades, [the reality is](#) that much of the additional money went to fixed and fenced costs, not to advancing new strategies or procuring new weapons systems. There has not been a major defense buildup since the Reagan-era, meaning that much of the military's equipment is older than that of our adversaries.

Key Issues:

- **The High Cost of Inflation:** Inflation affects military purchases—like fuel and specialized equipment—[even more than regular household expenses](#). Record-breaking inflation over the past two years means that even a growing defense budget will leave the military with fewer resources than the year before. We need sustained budget growth of three to five percent [above the rate of inflation](#) to rebuild our military and meet the challenges of the twenty-first century. Cutting aging legacy programs, while critical, does not eliminate the need for overall increased investment to improve military capabilities and prepare to meet future challenges.
- **The Damage of 'Continuing Resolutions':** In recent years, Congress has failed to pass a budget before the beginning of the fiscal year on multiple occasions, instead relying on 'continuing resolutions' to freeze government funding at current levels until a budget deal is worked out. This arrangement costs taxpayers billions of dollars as Department of Defense funds are shunted from next year's investments and new priorities to continue funding last year's programs while politicians argue.
- **Lagging Procurement Hampers Military Effectiveness:** The current FY2022 defense budget contains the seventh consecutive record-high allocation of Research, Development, Testing, and Evaluation (RTD&E) funding. However, it is not being matched by adequate procurement funding to take prototypes from the lab and put them into the hands of warfighters *en masse*.

- **We Can Afford National Defense:** Defense spending has declined from [greater than five percent of national GDP](#) throughout the Cold War (including peaks over nine percent in wartime) to 3.7 percent today. Defense spending has also shrunk as a share of the federal budget. We can afford the investments necessary to deter aggression from China & Russia.
- **China is the ‘Pacing Threat’:** Since 2018, the Department of Defense has recognized China as the United States’ main military adversary against which we should measure our military capabilities. China has consistently raised its defense budget [every year this century](#), investing in a modern military designed to displace the U.S. as the premier power in the Pacific. China’s military now has twice as many personnel as the United States and more ships than the U.S. Navy. By contrast, the last major American defense buildup happened under President Reagan in the 1980s—we are confronting a 21st century threat with 20th century resources and technology.





NATIONAL DEFENSE AUTHORIZATION ACT (NDAA)

Bottom Line Up Front:

- The *National Defense Authorization Act* (NDAA) is the annual authorization bill for government activities and programs for national defense of the United States. It sets both policy for Department of Defense and authorizes—but does not appropriate—defense funding. Although Congress must approve authorized funds in a separate, later vote, the NDAA is a reliable indicator of congressional sentiment & usually aligns with subsequent appropriations.
- The NDAA is considered one of the few “must pass” pieces of annual legislation. Typically, it is a bipartisan, widely supported bill that is over 1,000 pages and authorizes several hundred billion dollars of military spending.

Background:

Authorization legislation like the NDAA sets policy, effectively giving the government “permission to spend,” while appropriations legislation funds authorized policy. The NDAA establishes or modifies policy and programs at the Department of Defense (DOD), nuclear weapons programs at the Department of Energy (DOE), DOD elements of the Intelligence Community, and other federal government activities related to defense for the coming fiscal year. The NDAA is considered a “must-pass” pieces of legislation and has passed annually for six decades, so it often becomes a vehicle for other legislation on a range of policy issues.

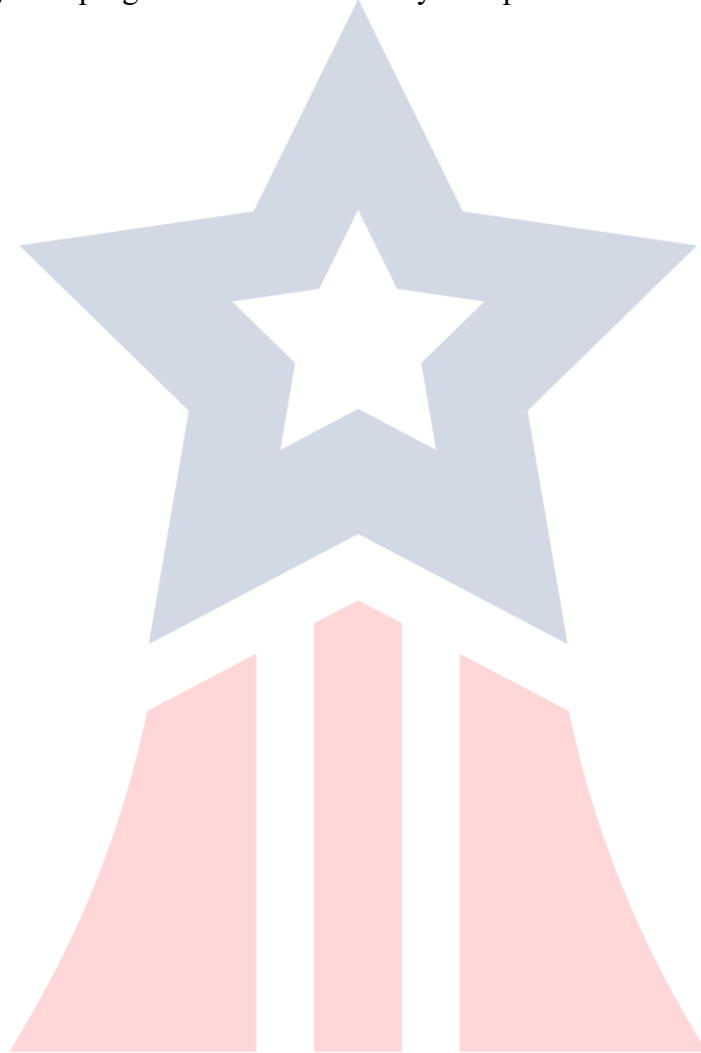
Process:

The NDAA timeline varies each year due to changes in the legislative calendar, but largely flows through the House and Senate Armed Services Committees (HASC & SASC).

1. The **first Monday in February**, the president releases the Presidential Budget Request which is prepared by federal agencies, the Office of Management and Budget (OMB), and the White House. This request is a starting point for Congressional negotiations and typically represents the views of the party in control of the White House.
2. Senior military and defense officials testify in committee hearing and committees draft their bills. Committee members regularly increase components of the president’s budget.
3. Between **April and June**, HASC and SASC subcommittees conduct their bill markups. Once the subcommittee marks advance to the full committee, amendments are debated and voted on. The full committee bill, known as the “Chairman’s mark,” also includes legislation and funding for matters not assigned to a specific subcommittee, such as general defense policy, industrial base policy, and other cross-cutting issues. If an issue is covered by another committee, HASC & SASC may request a waiver to process the amendment themselves.
4. After the marks are passed out of the full committee, they advance to the full House and Senate floor. Here, all members are able to propose amendments to the legislation, which is significant because most major legislation does not go through such an open process. This gives an opportunity for the minority to have a stronger say in the NDAA. In the House, amendments go through the House Rules Committee, while in the Senate, amendments are proposed to the Majority Leader.
5. Around **September**, the House and Senate form a conference committee, often made up of HASC and SASC members, to debate and negotiate their respective NDAAs into a single

bill. This process allows the more partisan provisions, mainly passed in the House version because of the Senate's 60-vote threshold, to be removed ahead of the final bill.

6. The aim is to finish conference before the end of the fiscal year on **September 30**, though we have seen NDAA's as late as early the following year. The bill agreed to in conference is debated and voted on again in both chambers and, if passed, is sent to the President's desk.
7. If the NDAA is not passed and funds are therefore not appropriated before the end of the fiscal year, defense spending is typically frozen at the previous year's rate under a *continuing resolution*. This arrangement is inefficient and costs taxpayers billions of dollars by spending money on last year's programs rather than next year's priorities.



NORTH ATLANTIC TREATY ORGANIZATION (NATO)

Bottom Line Up Front:

- Russia's invasion of Ukraine shows that NATO is as important now as ever. The alliance has deterred aggression against its members for over 70 years.
- NATO allies have provided critical military, financial, and humanitarian aid for Ukraine to defend itself from Russian aggression. Poland, the Baltic States, and other NATO members on the alliance's eastern front have been instrumental in the response to Putin's war.
- In response to Russia's invasion, Finland and Sweden—who have long been U.S.-friendly neutral countries—applied for NATO membership. In early August, the U.S. Senate voted 95-1 to ratify Finland and Sweden's entry into the alliance. U.S. and allied interests would be well-served by their competent militaries and strategic geographic position. The war has also [prompted NATO members such as Germany to bolster their defense spending](#).

Background:

The North Atlantic Treaty Organization (NATO) is the world's largest collective defense organization and has served as the backbone of European and transatlantic security since it was established in 1949. The alliance was originally formed with 12 members to protect western Europe from Soviet invasion. The presence of U.S. and NATO-allied forces deterred military aggression in Europe throughout the Cold War. Since the USSR's breakup in 1991, the alliance has expanded to 30 members including former USSR member-states Estonia, Latvia, and Lithuania.

Under Article V of the NATO Treaty, the allies agree to regard an armed attack on one member to be an attack on all and to respond together in collective self-defense. Article V has only been invoked once: following the 9/11 terrorist attacks against the United States in 2001. NATO allies were critical to achieving American security objectives in Afghanistan and over the past 20 years and have participated in many other counterterrorism missions around the world to the benefit of U.S. and global security.

Key Issues:

- **Russian Invasion of Ukraine:** On the night of 23-24 February, Russia invaded its neighbor, Ukraine. The Ukrainian people have fought heroically to defend their homeland. The U.S. and its NATO allies must continue to supply weapons, ammunition, medical supplies, and all other necessary aid to enable the Ukrainian people to defeat Putin's war machine.
- **Defense Spending:** For decades, the U.S. has tried to get NATO allies in Europe to spend a minimum two percent of GDP on defense. [Many poorer eastern European countries meet their commitments while wealthier western allies fall short in spending and readiness](#). The invasion of Ukraine has prompted laggards like Germany to promise to finally meet the two percent standard. We must encourage them to follow through on their commitment even after the war in Ukraine is over.
- **NATO Expansion:** Both Finland and Sweden—neutral throughout the Cold War—have applied for NATO membership as a result of Russia's invasion of the neutral country of Ukraine. The U.S. Senate voted overwhelmingly in support of Finland and Sweden joining the alliance, and President Biden has signed the ratification documents. Several other allies still need to ratify their membership, but they are expected to do so in the weeks ahead.

QUADRILATERAL SECURITY DIALOGUE—THE “QUAD”

Bottom Line Up Front:

- The Quadrilateral Security Dialogue is a key tool for the United States, its friends, and allies to counter the People’s Republic of China’s (PRC) growing belligerence in Asia.
- Australia, India, Japan, and the U.S. [“share a fundamental interest in maintaining prosperity, security, and a rules-based order in the world’s most dynamic region: the Indo-Pacific”](#).
- The Indo-Pacific is the largest region of the world—stretching across two thirds of the globe—and is home to a majority of the world’s population and economic activity. American prosperity depends in large part on continued trade, stability, and open access in this region.

Background:

The Quadrilateral Security Dialogue—or “Quad”—is a regular meeting of senior officials from the United States, Japan, India, and Australia to discuss security problems as well as technological, economic, and diplomatic issues of mutual concern in the Indo-Pacific. Many issues dealt with by the Quad center on China, but the group is not structured as an anti-China alliance.

The Quad was first convened in 2007 by late Japanese Prime Minister Shinzo Abe during his first term in office as the country’s leader. The group went dormant following Australia’s withdrawal in 2008, but was revived in 2017 by Abe, U.S. President Donald Trump, Indian Prime Minister Narendra Modi, and Australian Prime Minister Malcom Turnbull. Since entering office in 2021, President Biden has continued to attend regular meetings with these leaders and their successors, highlighting the Quad’s international durability & bipartisan support in Washington.

Since 2020, “Quad Plus” meetings have included other friendly countries—such as South Korea, New Zealand, and Vietnam—to participate in discussions on issues affecting the Indo-Pacific. During the COVID-19 pandemic, for instance, the Quad provided a venue to coordinate vaccine distribution among other Asian countries to help counter Chinese influence in the region.

Key Issues:

- **Critical Bulwark Against China:** The Quad brings together like-minded countries with similar interests and complementary strengths to address security challenges posed by a rising China. As the PRC’s military and economic strength grows, the Quad serves as a key forum for the United States to coordinate with other democratic countries which share an interest in preventing Beijing from dominating its neighbors to establish military & economic hegemony in the Indo-Pacific.
- **Alignment, Not Alliance:** Unlike NATO in Europe, the Quad is not a formal alliance. The United States does not incur a security commitment by participating in the Quad outside of pre-existing bilateral alliances. However, the Quad countries share an interest in countering Chinese belligerence in the world’s fastest growing, most economically dynamic region. The Quad can help maintain a favorable economic, military, and diplomatic balance of power for the U.S. in the Indo-Pacific.
- **Counter to China’s Belt and Road:** At the March 2021 meeting of Quad leaders, the member states reaffirmed their commitment to cooperation among themselves and their [“shared vision for the free and open Indo-Pacific”](#) supported by freedom of navigation and trade, peaceful resolution of disputes between countries, democratic values, and territorial integrity. This framework provides an alternative for Indo-Pacific countries to the PRC’s Belt and Road Initiative, which seeks to lock China’s neighbors into an economic and political order centered on Beijing.

CUBA & VENEZUELA

Bottom Line Up Front:

- The Cuban & Venezuelan dictatorships are mutually supporting. Havana helps the Maduro regime control the Venezuelan people in exchange for economic aid and energy imports.
- Geopolitical adversaries of the United States, including China, Russia, and Iran exert influence in Cuba & Venezuela to undermine U.S. interests and advance their own priorities in the Western Hemisphere.
- A record number of Cubans & Venezuelans are attempting to flee to the United States due to the authoritarian, avowedly socialist regimes in Cuba & Venezuela that have impoverished their nations, subverted democracy, and brutalized their populations to stay in power.

Background:

Cuba has been ruled by a communist dictatorship since Fidel Castro seized power in 1959. Backed by the Soviet Union and later Venezuela, Castro ruled for decades until he was succeeded by his brother, Raúl—first as President in 2008 and then as leader of the country’s Communist Party in 2011. The rise to power in 2021 of current President and First Secretary of the Communist Party, Miguel Díaz-Canel, marks the first time in over six decades that a member of the Castro family has not been at the helm of Cuba, potentially offering an opportunity for the reform or rollback of the communist regime.

Cubans have been deeply impoverished by decades of communist rule. In 2018, the situation had become so dire that artists and musicians in Havana started a new [national protest movement](#) that has since grown into the largest in Cuban history. Many high-profile protesters remain in prison to this day.

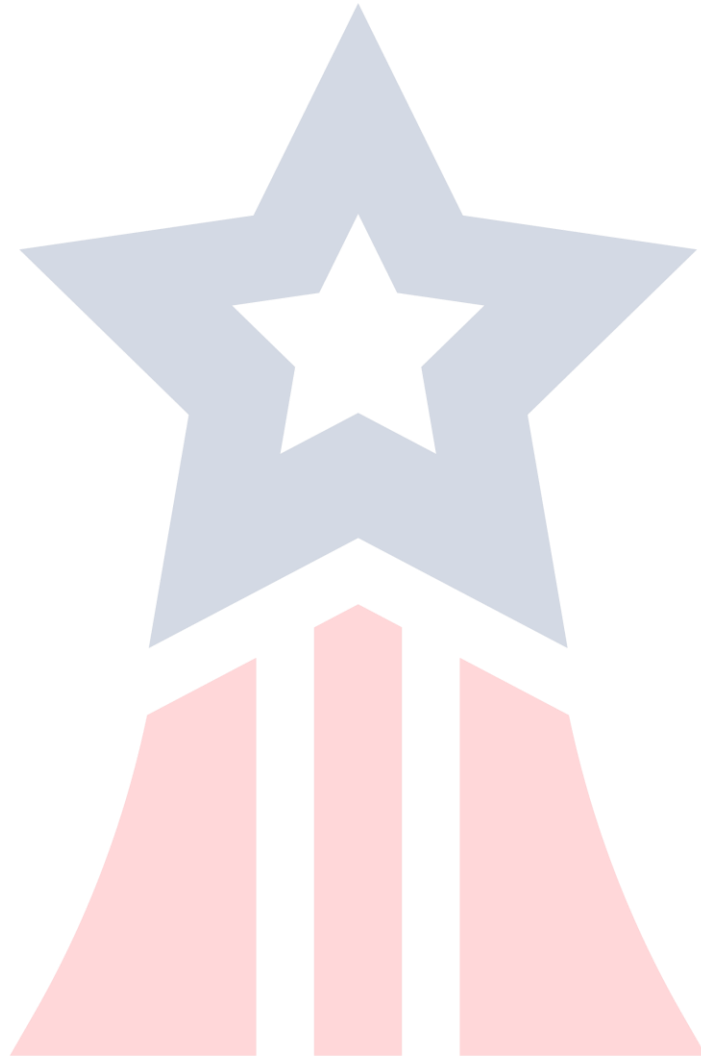
Throughout the 20th century, Venezuela was among the wealthiest and most stable countries in Latin America. Oil wealth and a thriving middle class made Venezuela the “[poster child for the successful South American republic](#)”. Venezuela’s decline began under socialist president Hugo Chavez and accelerated under his hand-picked successor, Nicholas Maduro. Since 2013, Maduro coopted all democratic institutions, illegally claimed victory in a fraudulent election, and has overseen an economic implosion that left millions in poverty and forced one in five citizens to flee the country. The U.S. and approximately sixty other nations recognize National Assembly Leader Juan Guaidó as the country’s legitimate acting president under the rules of the Venezuelan constitution.

Key Issues:

- **Two Regimes, One Problem:** The regimes ruling Venezuela & Cuba should be viewed as two halves of a larger problem. After the collapse of the Soviet Union, Venezuela became Havana’s patron, providing a steady supply of energy & economic aid to the Castro regime. Likewise, Cuban paramilitaries provide the expertise behind the Maduro regime’s political repression.
- **Foothold for China & Russia:** Since the 1959 communist revolution, Cuba has been a tool for America’s geopolitical rivals to threaten the United States, most notably during the 1962 Cuban Missile Crisis. More recently, China has been building its influence in Latin America. [Beijing has invested billions to expand Venezuela’s energy industry](#) in exchange for secure supplies of oil.
- **Shrinking Opportunities to Rollback Authoritarianism:** The United States’ aim should be the restoration of democracy for the Venezuelan and Cuban people, bringing both countries

back into the mainstream of governments in the Western Hemisphere. However, with every passing day, Maduro and Díaz-Canel solidify their power. In Venezuela's case especially, the path narrows as opposition mobilization and international support for sanctions diminish.

- **Importance of U.S. Sanctions:** Both Trump and Biden have emphasized the need for a diplomatic solution to the crisis in Venezuela. The Maduro regime has sought concessions on U.S. sanctions for the mere commitment to come to the table. Rescinding our largest source of leverage prior to permanent changes by the regime will only undermine U.S. objectives.



CHINESE INFLUENCE IN LATIN AMERICA

Bottom Line Up Front:

- The People’s Republic of China (PRC) is pursuing a long-term strategy to cultivate influence in Latin America and supplant the United States as the region’s diplomatic and economic leader.
- The PRC has replaced the United States as South America’s top trading partner. The PRC is now Latin America’s second largest trading partner when Central America is included.
- China uses investments through the Belt and Road Initiative (BRI) as well as People’s Liberation Army (PLA) military-to-military partnerships to cultivate relationships with Central American governments.

Background:

The PRC has taken advantage of the COVID-19 pandemic as an opportunity to expand its influence in Central America. Throughout the pandemic, democratic political institutions in Central & South America have eroded and left-wing candidates have gained popularity and won elections, such as Colombia’s newly elected president, Gustavo Petro.

For several decades, China has worked diligently to expand its economic, diplomatic, and military ties to countries in the Western Hemisphere. The U.S. has done relatively little to strengthen its own relationships in response to China’s inroads. In recent years, Latin American leaders have taken multiple trips to China to sign diplomatic and economic development deals.

Key Issues:

- **Spreading Authoritarianism:** Beijing has assisted authoritarian leaders to consolidate and maintain power, especially in Cuba, Venezuela, and Honduras. The PRC uses economic investment to support authoritarian communist regimes across Latin America.
- **Testing Totalitarian Tech:** The PRC is working to develop the technological means to control its own population—and is exporting these capabilities to friendly authoritarian regimes overseas. Beijing uses Central America as a proving ground for its dystopian surveillance technology. For instance, with the help of the Chinese firm ZTE, Venezuela created the [“fatherland card”](#)—a surveillance system similar to China’s social credit system.
- **Seizing Control of International Trade:** The PRC is patiently working to displace the U.S. in Central America, where it is already many countries’ largest trading partner. In 2017, China became Cuba’s largest trading partner. In 2021, El Salvador [signed](#) a \$1.2 million contract with China for economic development programs. Russia has sold \$11.4 billion of arms to Venezuela, while China focuses on educating and [training the Venezuelan military](#). Today, China is the second largest trading partner in all of Latin America, [increasing](#) from \$18 billion in annual trade in 2002 to \$441 billion in 2021.
- **Isolating Taiwan:** Many Central American leaders have turned to China’s Belt and Road Initiative (BRI) to provide funding for key infrastructure projects. However, infrastructure investment from China comes with political strings attached—each country that has signed onto BRI has also ended its diplomatic recognition of Taiwan. [Guatemala and Honduras](#) are two of the only holdouts left in the world that still recognize Taiwan as a sovereign country. Neither participate in BRI.

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