

September 11, 2024

AN OPEN LETTER TO MEMBERS OF CONGRESS: The Importance of Winning the Global Tech Race

Dear Members of Congress:

American Edge Project is a coalition of nearly two dozen organizations who believe that America's tech innovators are essential to U.S. security, economic prosperity, and freedoms. We believe that America and its leaders must do everything in our power to stay ahead in the race for global tech leadership, especially in the face of foreign adversaries, such as China, working swiftly and strategically to overtake us. As you convene in the weeks ahead to deliberate and move China-related legislation – we want to underscore the urgency of considering all policies through the prism of whether they risk handing China an edge in the global tech race.

Seven decades ago, the United States and an authoritarian superpower engaged in a struggle for geopolitical influence and leadership. Technology was a critical battlefield, symbolized by the space race. To win, America embraced a shared national mission to accelerate innovation that focused the country's time, talent, and treasure. And our success in this mission changed the course of history.

Today, America and our allies face similar threats, this time from an "axis of autocracies" – China, Russia, Iran, and North Korea. China is a much stronger competitor than the Soviet Union was, possessing the power, people, purpose, and plans to win this tech race. China's ambition is to be the global <u>tech leader by 2030</u>, and it has a three-part plan that it is aggressively executing. This plan consists of massive state-backed investments in building its tech capabilities; global hacking efforts that exceed all other countries combined; and <u>annual theft</u> of \$500 billion in tech and trade secrets. A <u>recent Australian study</u> found that China is leading the United States in 37 of 44 critical and emerging technologies. Through these actions, China increases the world's dependence on its tech to gain economic and geopolitical leverage.

With the stakes incredibly high, we are relying on our leaders in Washington to prioritize public policy that not only accelerates innovation, but that upholds American values and that avoids inadvertently advancing those of the Chinese Communist Party (CCP). At its core, the race for global tech leadership isn't just about national security and economics – it's a competition of values. The West uses technology for growth, opportunity, expression, and fostering democracy. In contrast, China uses technology for censorship, control, suppression, and oppression.

At the center of these considerations must be critical and emerging technologies, such as artificial intelligence (AI) for example. AI can be America's modern-day moonshot, giving us a decades-long advantage in national security, economic prosperity, and global influence. It can ensure technologies of tomorrow are imbued with Western values: openness, free flow of information, and innovation benefiting humanity.

Over the past 15 years, we've been losing our global technology edge. Exactly because AI is such a powerful and transformational technology is why American leadership is so crucial. Smart policymaking will ensure America leads in a diversity of AI models, including open source, allowing us to stay ahead of China and better leverage the vast potential AI can bring to our economy, small business sector, and research and development capabilities in spaces like healthcare, life sciences, energy, agriculture and so much more. AI is projected to add \$14 trillion to the global economy by 2030, create millions of jobs, and drive massive innovation in every sector of the economy. Already one in four small businesses have <u>adopted</u> AI.



To unlock AI's vast potential, America's leaders must again act boldly and make it a "whole of society" priority, involving governments, the private sector, academia, and citizens. China is already taking this approach – and they are dead set on winning. In addition to AI leadership, Congress must also ensure policymaking promotes U.S. leadership and standard setting in critical and emerging technologies, such as quantum computing, advanced manufacturing, semiconductors, cybersecurity and more.

To win the tech race, we must align around policies that both counter China's ambitions and accelerate innovation here at home. Misguided laws and excessive regulations risk undermining our ability to compete with China. If policymakers fail to embrace private sector companies as essential strategic partners in our tech competition with China, we will lose this race, and hand the CCP a decades-long advantage in national security, economic prosperity, and the advance of their values, not ours. The stakes in this race for America's leadership on the global stage are too high to fail. We hope that you will consider these stakes, and we stand ready to be a partner in these conversations.

Sincerely,

Doug Kelly Chief Executive Officer, American Edge Project