



Michigan-China Economic and Security Review Group

10 June 2024

Ms. Liz Shuler, President
AFL-CIO
815 Black Lives Matter Plaza, NW
Washington, D.C. 20006

Mr. Sean M. O'Brien, General President
International Brotherhood of Teamsters
25 Louisiana Avenue
Washington, D.C. 20001

Mr. Shawn Fain, President
United Autoworkers
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Ms. Shuler, Messrs O'Brien and Fain:

Last week, federal lawmakers provided evidence the supply chains of China-based lithium ion battery manufacturers Contemporary Amperex Technology Limited (CATL) and Gotion High Tech Company Limited (Gotion) are tied to the Chinese Communist Party (CCP) and its use of slave labor and the ongoing Uyghur genocide. (See the attached letters.)

Moreover, the People's Republic of China's (PRC) crimes against humanity in this region include mass arbitrary imprisonment, torture, rape, forced sterilization, forced labor, and authoritarian restrictions on freedoms of religion, expression and movement. These are grotesque violations of workers' rights and, indeed, human dignity, itself.

To combat the PRC's expanding influence in our nation at the state-level, 18 months ago we established the Michigan China Economic and Security Review Group. Its mission is to engage with and raise the awareness of citizens, community and labor leaders, and elected officials to the threat posed by the Chinese Communist regime to our economic and national security.

In February of 2022, our national security and intelligence agencies convened a bi-partisan group of state and local elected officials and business leaders. These agencies warned the officials how China was systematically offering ostensibly benign business "deals" to gain a strategic foothold within states. Further, the agencies asked the officials, if they were tempted to engage the PRC and/or its aligned companies, to diligently scrutinize these "deals", ensure transparency, integrity, and accountability, to guard against espionage and intellectual property theft. Few, if any, such "deals", if fairly examined, would pass such a test.

Unfortunately, on a bipartisan basis, many states have not only refused to heed the agencies' warnings. This includes Michigan's spending \$4 billion in taxpayer money to cement a deal with PRC-tied CATL and Gotion. Hailed by its state proponents in the public and private sector, this deal is heedless of the persistent bipartisan warnings of our national security and intelligence communities. If these proponents had honestly and prudently looked at these Trojan horses, they would ultimately have seen the ties of CATL and Gotion to forced labor in XUAR and their complicity with the Uyghur genocide. And, doubtless, the "deals" would never be approved by anyone with a semblance of a conscience.

To that point: recently in a rare instance of bipartisan agreement, Congress prohibited future procurement of the battery systems from CATL and Gotion; and with the Pentagon's strong support, further required these PRC-tied companies' removal from U.S. military installations because they pose a national security threat.

Again, these are the very same PRC-based and CCP-tied companies the State of Michigan wants to hand \$4 billion of taxpayer money to operate in our backyard.

Over the years, free and independent labor unions have been a bulwark in defending our nation against the Soviet Unions' aims. In truth, too, it has been American labor that has been far more cognizant of and willing to fight the PRC's incursions and insidious aims against our nation than has the business community. For example, labor has championed our economic and national security by supporting the UFLPA, which calls on the auto industry to cut ties to state-sponsored and any forced labor in China; protecting American jobs by raising tariffs on autos imports from China; and deterring PRC-based automakers from trying to evade America's trade laws that encourage reciprocity among nations.

Indeed, such steadfast, patriotic support of our nation's economic and national security is a testament to the brave men and women of labor who have served with such distinction in America's armed forces.

In light of this and of last week's revelation of the ties CATL and Gotion have with the XPCC, we respectfully request you call on the State of Michigan to cancel their "deals" with CATL and Gotion. Now knowing of these companies' ties to the PRC and its forced labor practices and Uyghur genocide, and of the national security threat these PRC-based and CCP-tied companies present, it is beyond reckless to spend \$4 billion in hard working taxpayer money – much of it from organized labor's membership – to these companies, it is an insult, one made worse by the fact the PRC is systematically attempting to undermine the American automobile industry.

This is an important opportunity to stand with these subjugated workers in China, and it is in the spirit of the leadership of the late Lane Kirkland, a past President of the AFL-CIO, who fought for freedom, the national and economic security of the Free World, and the dignity of the worker by taking a strong, clear and courageous stance in support of Solidarność, the Polish Solidarity trade union movement.

For these oppressed and persecuted workers in China, we hope you embrace Kirkland's charge: "Their battle is ours. We shall not let them down."

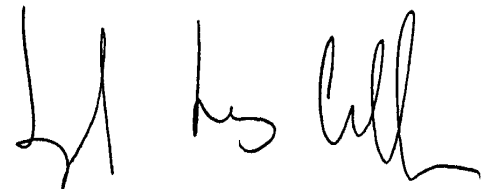
Thank you for your time and consideration.

God Bless.

Sincerely Yours,

A large, bold, black handwritten signature that reads "Pete Hoekstra". The letters are thick and stylized, with a prominent "P" and "H".

Pete Hoekstra
Principal Advisor

A smaller, black handwritten signature that reads "Joseph Cella". The letters are more fluid and cursive than the signature above.

Joseph Cella
Director