

August 18, 2021

The Honorable Joseph R. Biden Jr.  
President  
The White House  
1600 Pennsylvania Ave NW  
Washington, D.C. 20500

**Re: Preventing China and Russia from Exploiting Taliban-Controlled Afghanistan to Undermine Vital U.S. Economic and National Security Interests**

Dear Mr. President,

We write to you today to request that you take preemptive action to ensure that China and Russia are not large-scale economic and strategic beneficiaries of America's withdrawal from Afghanistan, especially with regard to mineral resources.

Authoritarian leaders like China's Xi Jinping and Russia's Vladimir Putin have a long record of cozying up to, and actively supporting, the world's most odious and heinous regimes to advance their respective economic, strategic, and military goals.

Now that Afghanistan is controlled by a militant, radical Islamic faction, we ask that your Administration take preemptive action to deter, or at minimum, penalize the Chinese Communist Party (CCP) and Putin's Kremlin should they seek to partner with the Taliban to secure the vast mineral and other resource wealth of Afghanistan. Such a financial windfall and strategic gain for these leading American adversaries, which rejoiced in the ongoing havoc in Afghanistan, simply cannot be tolerated.

As you know, the CCP in particular is in a race to dominate globally the industries and natural resources—notably rare earth minerals and access to lithium deposits—that are critical to 21st century economic competitiveness and military superiority. Afghanistan is replete with such vital resources.

The U.S. presently imports more than 80 percent of its rare earths from China, which are essential to our defense and high technology industries. These metals are used for making everything from iPhones to the F-35 Lightning II, and are crucial for future electrification of our transportation system. Continued U.S. dependence on China for mining and processing rare earths and the manufacture of those metals into products is politically and economically untenable.

An analysis in 2020 stated that "Afghanistan may hold 60 million metric tons of copper, 2.2 billion tons of iron ore, 1.4 million tons of rare earth elements (REEs) such as lanthanum, cerium, neodymium, and veins of aluminum, gold, silver, zinc, and mercury."<sup>1</sup> The total value of rare earth metals alone is estimated to be between \$1 and \$3 trillion.<sup>2</sup>

Already, there are reports that China will attempt to align with the Taliban to exploit the country's rare earth minerals. Indeed, just hours after the Taliban seized control, a Chinese Foreign Ministry spokeswoman asserted that Beijing was ready for "friendly cooperation with Afghanistan."

The Wakhan Corridor, the border between China and Afghanistan, is just 210 kilometers long, but its location is geopolitically significant. The Wakhan Corridor links China's Xinjiang Uyghur Autonomous Region with Afghanistan's Badakshan province. For decades, China has used Uyghur forced labor to manufacture and process rare earths in Xinjiang and has had historically fraught relations with the religiously militant Taliban—though the CCP hopes that will change.

Accordingly, we urge your Administration to immediately make clear that any Chinese or Russian company—including its parent and key subsidiaries—that sign contracts, or otherwise agree to do business, with the Taliban in these and other strategic resource sectors will be instantly subject to U.S. capital markets sanctions (under E.O. 14032, placed on the OFAC List) and be banned from accessing U.S. investor dollars worldwide within one year's time, including index funds (for those publicly traded).

Moreover, any such company should also be placed on the Commerce Department's Entity List, denying them access to U.S. equipment, technology, components, and services. These costs may well serve as a deterrent and, at the very least, force these state-controlled Chinese and Russian companies to make a stark choice between doing business with the Taliban or with the U.S.

Mr. President, it is strategically important that the post-withdrawal future does not permit Beijing and Moscow to mock and taunt us in their policy pronouncements while they plan to exploit the fall of the Afghan government. They are simultaneously seeking to actively undermine our alliances worldwide (like their saber-rattling toward Taiwan), while they plan to deploy their companies to pocket potentially trillion-dollar gains on the ground in Afghanistan at America's future expense. The preventative measures we recommend will help ensure that America's leading adversaries do not realize massive economic and financial benefits from the withdrawal of our forces from Afghanistan.

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<sup>1</sup> <https://thediplomat.com/2020/02/afghanistans-mineral-resources-are-a-lost-opportunity-and-a-threat/>

<sup>2</sup> <https://www.cnbc.com/2021/08/17/taliban-in-afghanistan-china-may-exploit-rare-earth-metals-analyst-says.html>

Thank you for your kind attention to this urgent matter.

Sincerely,



Zach Mottl, Chairman  
Coalition for a Prosperous America



Michael Stumo, CEO  
Coalition for a Prosperous America

CC: The Honorable Kamala D. Harris, Vice President  
The Honorable Antony Blinken, U.S. Secretary of State  
The Honorable Lloyd J. Austin III, U.S. Secretary of Defense  
The Honorable Avril D. Haines, Director of National Intelligence  
The Honorable Janet Yellen, U.S. Secretary of the Treasury  
The Honorable Gina M. Raimondo, U.S. Secretary of Commerce  
The Honorable Gary Gensler, Chairman, U.S. Securities and Exchange Commission  
Mr. Jake Sullivan, White House National Security Advisor  
Mr. Brian Deese, White House National Economic Council Director