



TO: Republican Study Committee
FROM: Chairman Jim Banks
DATE: October 21, 2021
RE: Supply Chain Crisis

Many are saying the current supply chain crisis is “unparalleled in American history.” How did we get here? Bad luck?...

Nope. Bad politicians. The Biden administration caused it. And our job as Republicans is to explain to the American people what the grinch at 1600 Pennsylvania Ave did to ruin Christmas.

Here are **the top 4 reasons** that are 100% Biden’s fault that have helped cause the current supply chain crisis:

1. **Biden’s economic policies have affected the availability of truckers, port workers and other personnel essential to our supply chains:** Paying people to stay at home, vaccine mandates, and other COVID restrictions have kept individuals from rejoining the workforce.
 - The government spent [\\$15.49 billion](#) in unemployment aid since Democrats’ \$1.9 trillion spending bill was signed into law.
 - This summer, [1.8 million unemployed Americans](#) reportedly turned down jobs because the federal government paid them to.
 - Cost prohibitive childcare is keeping parents out of the workforce... annual child care prices have [doubled](#) since the pandemic began due to increased government benefits found in the Democrats’ \$1.9 trillion spending bill.
 - [4.3 million](#) workers are still missing from the labor force.
 - [According to a survey](#) of industry executives, 69% of them fear that vaccine mandate enforcement will spur turnover.
 - U.S. Xpress, one of the nation’s largest asset-based truckload carriers by revenue, [estimates](#) that more than half of their truck drivers are unvaccinated. As a company with thousands of employees, they will be subject to Biden’s vaccine mandate and force employees to choose between their conscience and their jobs.
2. **Biden’s Green New Deal agenda has caused shipping prices to skyrocket:** The cost of shipping rises as the burden of regulations and fuel prices increase ([cargo ships use 63,000 gallons of fuel per day](#)). Both have spiked because of Biden’s weakness and “green energy” policies.
 - Within his first 100 days, Biden [shut down](#) the Keystone XL Pipeline project, [suspended](#) new drilling leases on federal lands and waters, [proposed](#) discriminatory tax hikes on energy companies, and [rejoined](#) the energy job-killing Paris Climate Agreement.
 - Under Biden, U.S. oil production have plummeted by [1.5 million barrels a day](#) since the beginning of 2020.

- Then in August, President Biden [begged](#) OPEC+ leaders to produce more oil to cut costs, [but OPEC didn't listen](#) and oil prices hit a 7-year high.
3. **By indiscriminately pumping money into the economy, Biden's spurring inflation which, in turn, is spurring the supply chain crisis:** The rational consumer response to 5.4% annual inflation is to spend their rapidly devaluing currency, and that increases pressure on our supply chains and further increases inflation.
- Even the New York Times is [reporting](#) that Biden's \$1.9 trillion so-called "COVID relief" bill is pushing inflation up.
 - There's no sign that inflation is ending anytime soon, as Consumer Price Index data from the Labor Department showed that prices [climbed](#) in September.
 - Consumers don't want to sit on money that's being devalued daily, so they're eager to spend it: Retail sales [rose](#) 13.9% in September from a year earlier.
 - That *artificially* increased demand is "[off the charts](#)" according to Transportation Secretary Pete Buttigieg. But, disagreeing with Pete, this is the result of a *dysfunctional economy*, not a functional one.
4. **Biden's soft China policies give them permission to take advantage of us:** We're still dependent on Chinese manufacturing, so [when the power goes out in China](#), Christmas is cancelled in America.
- Even after China [threatened](#) to halt supply of medicine and other lifesaving medical supplies during the height of the pandemic, Joe Biden and the Democrats have done ***nothing*** to make us less dependent on Chinese manufacturing.
 - Moreover, China's zero-COVID policy is so [strict](#) that it shut down a whole shipping terminal for two weeks—the third busiest port in the world—after just one case. It took [up to 60 days](#) for operations at the port to return to normal.
 - And Biden's green energy policies are making our reliance on China even worse... China provides more than [85% of the world's rare earth metals](#), which are necessary for electric vehicles, solar panels and other forms of renewable energy production.
 - Biden's subservience to China is so severe that at the same time GM had to halt vehicle production for two weeks due to an international chip shortage, he was [approving](#) licenses for auto chips for the Chinese Communist Party.

Bottom Line: Motivations for these policies range from gross negligence to an open hostility toward the private sector. Regardless, it's more than fair to say that Joe Biden has caused the current supply chain crisis. It's our job—even *our duty*—to explain to the American people who is at fault for the skyrocketing cost of living. Only when the current administration feels the stinging pain of tanking public opinion will they be spurred to abandon their far left and economically devastating agenda.