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## **Wyden Statement at Finance Committee Hearing on the Promise and Challenge of Strategic Trade Engagement in the Indo-Pacific Region**

*As Prepared for Delivery*

The Finance Committee meets this morning to discuss the challenges and opportunities in stepping up our economic ties with countries in Asia and the Pacific. The Indo-Pacific region accounts for half the world's population. It's full of like-minded democracies and growing economies. As one of the gateways to the Pacific, Oregon has a lot to gain from this opportunity. One in five jobs in Oregon is trade-related, and those jobs pay better on average than non-trade jobs.

When you look across the Pacific, there are big markets for everything from Oregon blueberries and alfalfa to manufactured goods to services. Raising environmental standards and ensuring robust labor rights in the region could help also level the playing field for American workers.

Last fall the Biden administration kicked off an effort to develop a wide-ranging economic framework with several countries in the region.

There's a long way to go before any such framework comes together, so today's hearing gives this committee an opportunity to discuss key issues and priorities at the outset of the process.

First, the United States must fight for a free and open internet. The U.S. sees the internet as a venue for free speech and commerce. Authoritarian governments like China's do not. The competition between those two visions is a fight the U.S. must win. Otherwise, Americans get hit with a one-two punch. First, authoritarian regimes block American exports, and then they export their censorship laws to us.

The most significant example is the Chinese government and its Great Firewall. When the internet began to take off a few decades ago, Americans were the first ones out of the gate launching companies with big, innovative ideas. The Chinese government decided it couldn't compete on the level. Instead, it blocked the American firms, ripped off their ideas, and started clone companies under tight censorship rules. As those Chinese tech firms have grown, the reach of their censorship has grown too, with repressive effects on the American people.

The Chinese government is not a part of these Indo-Pacific discussions, nor should it be. Even still, winning the fight for a free and open internet requires the U.S. to push for digital rules that lock in freedom and openness with our allies at every opportunity. There is bipartisan interest in fighting this censorship, so the committee is going to watchdog this issue in the months and years ahead.

Second, the U.S. must fight to raise the bar on labor rights. Democrats in Congress fought to make sure that the recent USMCA would be the strongest agreement in history when it comes to worker

protections. It's essential to continue to build on that progress with enforceable labor obligations that fit the region and the task.

This includes combating the scourge of forced labor, which is a top priority for this committee. The truth is, forced labor and economic oppression overall are part of the Chinese government's economic model. It's not only morally repugnant, it's a major threat to American workers and jobs.

Senator Brown and I closed a major loophole in our forced labor law in 2015, and the challenge now is making sure that law is fully enforced. While the U.S. continues to fight against forced labor in China, it's also essential to prevent a race to the bottom on labor rights in other countries too.

Labor rights and environmental protections often go hand in hand. For example, there's a big need for strong new rules on subsidized fisheries. In some parts of the world, highly subsidized and poorly regulated fleets are abusing workers and massively overfishing the waters. It's not sustainable, and everybody loses in the end, including the abused workers and Oregon fishermen who should never have to compete with forced labor.

Third, in all areas of trade policy, this committee also believes in the old adage— sunlight is the best disinfectant. In 2015, the Finance Committee raised the bar for transparency in trade negotiations because the American people expect it and so do we. That means consultations with Congress and access to the text of any agreement before it's signed. These new discussions in the Indo-Pacific region will need to meet that transparency standard too.

I'll close on a broader issue. While the committee meets for this hearing, there's a terrible war happening about 5,000 miles to the east. The events of the last few weeks show the importance of our economic alliances, as well as the power they generate for the United States and our friends around the world.

In this unprovoked, unjustifiable war, Vladimir Putin has killed thousands of Ukrainians, displaced millions and decimated cities. The U.S. has marshaled the collective strength of our economic allies to hit Russia with the most severe economic sanctions in history. Russia's economy is in freefall. The country is isolated. Putin is the head of a pariah state.

This is proof that strong economic alliances add up to a whole lot more than "soft" power. The U.S. is putting that power to work, punishing Russia's government and helping in the fight for democracy. The more economic allies America has, the better.

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