

Crapo Statement at Hearing on U.S.-China Relations

April 22, 2021

WASHINGTON – U.S. Senator Mike Crapo (R-Idaho), Ranking Member of the U.S. Senate Finance Committee, delivered the following remarks at a hearing entitled, “U.S.-China Relations: Improving U.S. Competitiveness Through Trade.”

The text of Ranking Member Crapo’s remarks, as prepared, is below.

“Thank you for those remarks, Mr. Chairman, and for spearheading this effort to out-compete China, in particular.

“I am glad to be working with you on legislation to strengthen America’s trade policies and practices.

“China is a potent challenge to the United States on several levels—economic, strategic and moral.

“Republicans and Democrats can—and should—work together to formulate a China policy that can effectively confront these challenges.

“Put plainly, there is no need for a Republican or Democrat policy on China; just an American policy.

“An American policy is precisely that: it reflects the best of America. It reflects our competitive spirit, our leadership in innovation, and critically, our values.

“So how do we put such a policy into practice? Simple—stay true to what made the American experiment a success.

“In terms of competitiveness, we should not close off our market or engage in protectionism.

“China closes off its market and provides distortive subsidies to create national champions.

“We do not fear competition; we embrace it because America’s workers, farmers, and businesses have always confronted challenges head on, and that spirit will never dampen.

“American companies become global champions because the way forward in a free market is to excel, and America excels like no other in a fair fight.

“And to fight at its best, America must focus on strengthening its competitiveness, which means we need to be smart in our use of tariffs.

“We need to cut tariffs on inputs that support American manufacturing, or on goods consumed by the American consumer, especially middle and low income families.

“We can achieve that through programs like the Miscellaneous Tariff Bill, and through thoughtful application of the Section 301 tariffs on China.

“Our open market strengthens America strategically. President Eisenhower told Congress in 1958 that world trade:

‘...strengthens our friends and increases their desire to be friends. World trade helps to lay the groundwork for peace by making all free nations of the world stronger and more self-reliant.’

“He was right. That is why it is important we reauthorize the Generalized System of Preferences Program.

“Developing countries that want to play by the rules should know that the United States will be a reliable trading partner and a fierce friend.

“For example, there is no question that if most countries are offered a choice between debt-trap diplomacy like China’s Belt and Road initiative, or the opportunity to have access to the U.S. market, which is governed by the rule of law, they are going to pick America. History is instructive in that regard.

“In terms of innovation, we should pursue policies that promote and reward creativity, such as strong intellectual property protections.

“Many of us are rightly repulsed by practices like China’s technology theft and its Great Firewall.

“But, the answer is not to construct our own restrictions on data and information, or create some social credit score for U.S. companies.

“The answer, like President Reagan said three decades ago, is to tear down the wall.

“We must directly target those actions that take aim at U.S. companies.

“We must also negotiate and enforce strong rules through new trade agreements, including at the World Trade Organization.

“Last, but perhaps most important, are our values.

“China’s human rights abuses are appalling.

“The Communist regime set its tone on human rights at its inception, and it has not improved since.

“Internationally, we must be sharper in our engagement on human rights by rallying our allies to confront these abuses, including forced labor and the suppression of free speech.

“What will bring down those abuses is not U.S. disengagement, but facilitating the opportunity for the Chinese people to engage themselves.

“Domestically, we have to stay true to our processes. That means our approach is shaped by a course that reflects our American tradition of building consensus through dialogue and debate.

“Whatever anyone may claim China has achieved through its system, ask them if they would rather live in a world that reflects its approach to its citizens—or ours?

“Unlike any government official in China, every Member present today is here because their constituents chose them through free and fair elections.

“And each of our Members has the right and responsibility to bring their insights into the discussion. This hearing is part of that discussion, but it is not the end of it.

“Moreover, it bears emphasis that Congress is democracy at its best—concentrating unfettered power in the executive is China’s approach, not ours.

“Having Congress in the driver’s seat on critical trade policy decisions is not a weakness, it is a strength.

“Chairman Wyden and I still have a lot of work ahead of us to right this ship of state in the world’s marketplaces, and I appreciate his partnership in this effort.

“And, we are working together, and with members on the Committee, to achieve that in a legislative package that will strengthen American’s competitiveness and benefit its farmers, businesses and innovators.

“Thank you for organizing this hearing, Mr. Chairman. I look forward to the testimony from our witnesses.”

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