

**Opening Statement (As Delivered)  
Ranking Member John Cornyn**

**Senate Committee on Finance, Trade Subcommittee  
“The Strategic Benefits of a Multilateral Approach to Trade Policy in the Asia-Pacific  
Region”  
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Thank you, Chairman Carper for organizing this hearing on such an important and timely topic, and thank you to our witnesses for appearing in-person and virtually.

This Subcommittee continues its work, exploring the geopolitical benefits and consequences of America's trade policy, and in particular, our foreign adversaries such as Russia and China. The top of U.S. trade policy is the - the topic, I should say, of U.S. trade policy is the Asia-Pacific. It's not a new topic, nor a partisan one. But it should be at the forefront of our conversation about the ever evolving economic, authoritarian and human rights threat posed by countries like China.

Our government must take a balanced and innovative approach to this competition. But we cannot rely on the paradigms of the past to build that approach. After all, we know China does not play by the rules.

First, our national security must come first, we have to identify smart democratic measures that take into account the unfair trade practices, the human rights, and censorship abuses deployed by our adversaries, while making targeted investments in trade relations with our allies that abide by rules-based international trading system.

I've been proud to work with our colleagues on both sides of the aisle to craft legislation with these goals in mind. One example is the SECRETS Act, which I recently introduced with Senator Coons and Senator Young. This legislation would prevent the importation of specific products that contain intellectual properties stolen via economic espionage.

There's also the SPEECH Act, which I authored with the Senator from Pennsylvania, Senator Casey and was passed by the Senate. This will require the U.S. to review items for export control that could be used for human rights abuse and censorship by foreign governments such as China in Hong Kong, Tibet, Taiwan, and the Uighur region.

The bill Senator Casey and I introduced called the National Critical Capabilities Defense Act would safeguard our critical supply chains to ensure we aren't caught flat footed in the event of a public health crisis or natural disaster, or national security emergency. And the CHIPS For America Act, along with the FABS Act that was recently introduced, which was modeled after the original provision that Senator Warner and I introduced, would bring semiconductor manufacturing capabilities back home and eliminate that vulnerable supply chain.

In addition to these efforts, we need to work to strengthen the international rules-based trading system and our relationships with nations that abide by them. For example, we can reauthorize programs like the Generalized System of Preferences and codify an exclusion process for Section 301 tariffs to transition critical supply chains away from foreign adversaries, as was done in the Crapo amendment to the U.S. Innovation and Competition Act.

And we can support critical reforms at the World Trade Organization. Most importantly, we can open new markets and reduce tariffs for nations that follow the rules through U.S. accession to a multilateral trade agreement in the Asia-Pacific.

The U.S. needs a seat at the table in the Asia-Pacific along with India, the U.K., Taiwan and other nations in the Comprehensive and Progressive Trans-Pacific Partnership also known as the CPTPP. This is our most effective weapon to confront China's sharp power to speak up against its accession to the agreement and to counter the Regional Comprehensive Economic Partnership or the RCEP.

Next week, Trade Promotion Authority designed for the noun named CPTPP will expire - that's hard to say Mr. Chairman - CPTPP. The Trade Promotion Authority will expire. The U.S. withdrawal from the TPP, as Senator Carper and I have opined and join op-ed in the Washington Post recently, was a missed opportunity for national security, free enterprise and international trade.

I along with 24 of my Republican colleagues in 2018, said as much when the previous administration withdrew from the agreement in favor of bilateral trade deals. In 2019, the U.S. turned around and signed into a regional multilateral and landmark trade deal with the USMCA that can serve as a model for our engagement in the Asia-Pacific.

So I look forward to learning from each of our witnesses today as we examine the best path forward. Ms. Cutler has a wealth of knowledge in international trade policy and law and was president for previous negotiations during TPP.

Dr. Petri can help us quantify the economic growth we missed by withdrawing from that agreement and what we might gain going forward.

Ambassador Cunningham has represented the United States around the world, including Hong Kong, where he saw China's claims in the early 2000s to become a responsible partner. He's also seen the China up to day that ignores the rule of law in the name of national security when it locks up sensors and steals from press freedom advocates like Jimmy Lai.

Mr. Allan, on behalf of his 55,000 employees, can provide us with the firsthand account of the importance of a diversified supply chain and how we can make targeted investments to strengthen manufacturing here at home, including through the opening of a new facility in Fort Worth, Texas.

So thank you all for being here today. And thanks to my friend, Chairman Carper for making this possible. I look forward to exploring this topic.