

TOM CARPER

U.S. SENATOR DELAWARE

FOR IMMEDIATE RELEASE: November 30, 2022

CONTACT: [Avery Mulligan](mailto:Avery.Mulligan@delaware.gov) – 202-224-2441

Chairman Carper’s Opening Remarks: Finance Trade Subcommittee Hearing on the Digital Economy

WASHINGTON, D.C. – U.S. Senator Tom Carper (D-Del.) today held a hearing as Chairman of the Senate Finance Subcommittee on International Trade, Customs, and Global Competitiveness to explore opportunities and challenges for trade policy in the digital economy.

Below is the opening statement of Chairman Carper, as prepared for delivery:

“Good afternoon. It’s my pleasure to call this hearing before the Senate Finance Subcommittee on International Trade, Customs, and Global Competitiveness to order. Thank you to our witnesses for joining us to testify today. And I want to say a special thank you to our subcommittee’s Ranking Member, Senator Cornyn—as well as Chairman Wyden and Ranking Member Crapo, and their teams—for working with both Senator Cornyn’s and my staff to plan this hearing on digital trade.

“Today’s hearing will offer an opportunity for us to answer three central questions: First: what is digital trade, anyway? Second: why is it important to Americans? And finally: how can we work with our allies to strengthen our ever-changing digital economy? Today’s hearing will also be the first Senate hearing in this Congress to specifically explore the importance of digital trade. I’m glad we can take this dedicated time, in a bipartisan way, to dive into this critical issue with leading experts across our nation.

“When I first started learning about digital trade, I quickly discovered it is necessary for us to better understand and appreciate how digital technologies and the internet have transformed our economy. I’d like to take just a couple of moments to talk about this through an example that we have all come to know very well: smartphones.

“Smartphones are everywhere in our society—nearly everyone I know has one, and it’s almost impossible to imagine our lives today without them. We use them for everything: from checking work e-mails to logging into a Zoom meeting to purchasing goods from halfway around the world. Whether you’re booking a hotel in Dover, Delaware or Dover, England—smartphones have made our lives more accessible to just about everything.

“These are just a few examples in our daily lives that show how digital connectivity makes it easier, faster, and less expensive to trade goods and services across the globe. And this is all made possible because the Internet has made it easier for us to share information and data without geographic barriers. Without these tangible barriers, digital innovation has revolutionized nearly every industry across our economy, ranging from manufacturing to agriculture to financial services to e-commerce—you name it!

“As a result, trading goods and services, with a lot of help from the Internet, has exploded in recent years. Just look at the numbers: from 2005 to 2019, real value added for the U.S. digital economy grew at an average annual rate of over 5 percent per year, outpacing the 2 percent growth in the overall economy each year. And the pandemic has spurred digital growth even more, with people staying home and turning to the Internet to access medical services, stream their favorite movie, or book that next vacation in the First State, another state, or around the globe.

“And this growth isn’t just benefiting consumers—it’s also spurring job creation and enabling small businesses to thrive. With the digital economy, a small business that sells jewelry in Delaware or Texas can now sell their products to anyone, anywhere in the world with ease.

“However, it’s critical that as we examine the importance of digital trade for our economy, we must also acknowledge how digital technologies affect our national security. Right now, we are witnessing a global battle over the values that govern the digital economy. Foreign adversaries like China are using digital technologies to advance authoritarianism and crack down on freedom of speech and human rights. They are working overtime to shape the digital economy in a way that threatens our democratic values and jeopardizes our national security.

“Yet as Albert Einstein once said, ‘in adversity lies opportunity.’ And that’s exactly what we have before us today: a real opportunity to set rules of the road for digital trade that reflect our values. Those words were true then, and are even truer today. So far, the U.S. has taken a leadership role through negotiating ambitious digital rules in the USMCA agreement with Canada and Mexico and through digital trade cooperation with Japan—but that’s not enough. Our work cannot stop there.

“That’s why this past July, my staff and I worked closely with Senator Young and his staff and other members of this committee to introduce a bipartisan, bicameral resolution advocating for the United States to work with our allies across the globe to establish forward-looking global digital trade policies.

“I’m also eager to work with U.S. Trade Representative Katherine Tai and the Biden Administration to make progress on these important issues as they negotiate the Indo-Pacific Economic Framework and other economic engagements related to digital trade.

“In that spirit, today I look forward to hearing from our esteemed panel of witnesses to pull back the curtain on the importance of digital trade and how we can work with our

allies to advance thoughtful digital trade policies. And with that, I'd like to turn it over to Senator Cornyn for his opening statement—thank you.”

###