

## RECOMMENDATIONS

### *The U.S.-China Trade and Economic Relationship's Current Status and Significant Changes During 2008*

- The Commission recommends that Congress urge the administration to employ more aggressively all trade remedies authorized by World Trade Organization (WTO) rules to counteract the Chinese government's practices. The Commission further recommends that Congress urge the administration to ensure that U.S. trade remedy laws are preserved and effectively implemented to respond to China's unfair or predatory trade activities so as to advance the interests of U.S. businesses.
- The Commission recommends that Congress enact legislation that will ensure an effective response to China's currency manipulation.
- The Commission recommends that Congress urge the administration to monitor the implementation and enforcement of China's updated antimonopoly and patent laws to ensure that they are consistent with its WTO commitments and do not discriminate against foreign suppliers. In particular, the Chinese laws should not be used to shield state-owned enterprises from equal enforcement of the laws, in compliance with China's WTO commitments.

### *China's Capital Investment Vehicles and Implications for the U.S. Economy and National Security*

- The Commission recommends that Congress, within the context of its broader review of financial and corporate regulation, create enforceable disclosure requirements regarding the investments in the United States of all foreign sovereign wealth funds and other foreign state-controlled companies and investment vehicles. Such disclosure requirements, embodied in law or regulation, should include but not be limited to holdings in any public or private company, hedge fund, private equity fund, investment partnership, and/or investment vehicle.
- The Commission recommends that Congress direct the president to establish an interagency task force made up of the U.S. Department of the Treasury, the U.S. Securities and Exchange Commission, and other appropriate government agencies to identify and address the unique national security and economic challenges created by the lack of transparency and political character of China's sovereign wealth funds and government-controlled companies.

- The Commission recommends that Congress monitor the implementation and application of the Foreign Investment and National Security Act of 2007 and other appropriate laws and regulations with respect to the possibility of China's sovereign wealth funds acting in concert with other Chinese government-controlled companies and/or investment vehicles in a manner that technically fails to activate the established review process.

***Research and Development, Technological Advances in Some Key Industries, and Changing Trade Flows with China***

- The Commission recommends that Congress revive the Office of Technology Assessment, which for 23 years advised Congress on the social, economic, and environmental consequences of technology. The office should be reopened with the mission of advising Congress on technology policy and related issues, with specific attention to Chinese actions that affect U.S. technology interests.
- The Commission recommends that Congress prevent further cuts in information and statistical analysis by the chief economic departments and agencies of the executive branch and encourage the administration to improve its collection of information about China's impact on globalization.

***A Case Study of the Local Impact of Trade with China: Seafood Imports from China into Louisiana and the U.S. Gulf Coast, and Related Safety Issues***

- The Commission recommends that Congress grant the authority to the Food and Drug Administration (FDA) to identify and indelibly mark imports of fish that fail to meet the agency's standards of safety and to seize and destroy shipments of fish that foreign governments report have been contaminated or that subsequently are recalled in that country. The Commission further recommends that Congress pass legislation to institute within the FDA an import inspection and equivalency of standards program for fish similar to the meat and poultry inspection program administered by the U.S. Department of Agriculture.
- The Commission recommends that Congress authorize the National Oceanic and Atmospheric Administration (NOAA) and the FDA to test imported fish for any contaminants typically found in polluted waters, such as mercury, and to expand funding for research into the potential harm to consumers of fish contaminated with the antibiotics, pesticides, and industrial wastes typically found in unregulated Chinese aquaculture operations.
- The Commission recommends that Congress revise the Country of Origin Labeling regulations on fish to place the program under the jurisdiction of the FDA rather than the U.S. Department of Agriculture and to remove from the law's provisions the loopholes that exempt much of the fish sold in fish markets.
- The Commission recommends that Congress authorize the expansion of NOAA's fish inspection and certification program. By expanding this voluntary, fee-based system for imported fish, Con-

gress could enable consumers to be better informed, while encouraging American fish importers to follow the highest health and safety practices for their products—at little or no cost to taxpayers. NOAA's inspection and certification program approximates the U.S. Department of Agriculture's meat and poultry program.

- The Commission recommends that Congress pass legislation to enhance the authority of the Customs and Border Protection agency of the U.S. Department of Homeland Security (DHS) to collect penalty tariffs in antidumping cases. Exporters in China have been able to circumvent such duties by transshipping through third countries not covered by antidumping orders, while importers have used a variety of means to escape paying the duties.