



U.S.-CHINA ECONOMIC AND SECURITY
REVIEW COMMISSION

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Contacts: David Ohrenstein – 202-624-1407
dohrenstein@uscc.gov

U.S. - China Commission Testifies Before Senate Foreign Relations Committee
Economic and Security Concerns Addressed; Policy Recommendations Issued

WASHINGTON, DC (April 22, 2004) - Just one month prior to the release of their annual Report to Congress, the Chairman and Vice-Chairman of the U.S.-China Economic and Security Review Commission today offered testimony to the Senate Foreign Relations Committee outlining key economic and security issues impacting bilateral relations between the U.S. and China. Commission Chairman Roger W. Robinson, Jr. and Vice-Chairman C. Richard D'Amato presented their concerns to the Committee on imbalances in U.S.-China trade relations, heightened tensions in cross-Strait relations, China's recent moves to limit Hong Kong's autonomy, and China's role in seeking resolution of the North Korea nuclear crisis.

“In sum, we believe that a number of the current trends in U.S. - China relations have potential negative implications for our long-term economic and national security interests,” said the Chairman and Vice-Chairman in their joint statement. “Therefore, U.S. policies in these areas are in need of urgent attention and course corrections.”

“The United States has played – and continues to play – an enormous role in the economic and technological development of China,” stated the Chairman and Vice-Chairman. “As we have documented through our hearings and reports, U.S. trade, investment, and technology flows have been the critical factor in China's rise as an economic power. We need to use the substantial leverage this provides us to develop an architecture that advances both countries' long-term interests.”

The hearing takes place the day after high-level trade talks between the U.S. and China concluded in Washington, where the Chinese side made commitments to improve protection of intellectual property rights and to not move forward with a restrictive standard that would have been a barrier to U.S. wireless goods. Commenting on the talks in his oral remarks to the Committee, Chairman Robinson stated: “Time will tell whether these commitments will be fulfilled. We have too often seen China's trade promises – particularly on IPR – be worth no more than the paper they're written on. We are also concerned that several vital issues in U.S.-China trade – including China's currency and subsidies policies – were not on the table.”

Established in 2000, the bipartisan Commission was created to investigate, evaluate and provide recommendations to Congress on the national security implications of the bilateral trade and economic relationship between the U.S. and China. The Commission will deliver its 2004 Report to Congress in mid-May.

The Commission's testimony before the Senate Foreign Relations Committee's April 22 hearing, including findings and recommendations, are available on the Commission's website, at www.uscc.gov.

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