



Hearing on “China’s Evolving Healthcare Ecosystem: Challenges and Opportunities”

Thursday, May 7, 2020
Washington, DC

Opening Statement of Chairman Cleveland

Good afternoon, and welcome to the fourth hearing of the U.S.-China Economic and Security Review Commission’s 2020 reporting cycle. Today’s hearing will examine opportunities for U.S. researchers and companies and the risks and challenges presented by the Chinese leadership’s approach to health care, biotechnology and medical sciences. I want to welcome our witnesses and thank them for their participation.

This hearing comes at a critical juncture. When we began planning this hearing, COVID-19 was a largely localized problem in Wuhan. We wanted to focus on the overhaul of China’s domestic healthcare system, improvements in the training of skilled health care workers, and the delivery of basic healthcare services which have contributed to measurable progress in mortality rates and quality of life. We wanted to emphasize the Chinese government’s effective collaboration with global experts after the 2003 SARS outbreak and its commitment to strengthen monitoring systems for early identification and remediation of variations of flu and new types of pneumonia.

As we gather today to discuss the development of China’s healthcare system, COVID-19 has claimed the lives and livelihoods of millions of people. The global economy and citizens around the world are paying a crushing price due to the lack of transparency and accountability by China’s leaders. Regrettably, under General Secretary Xi Jinping, China’s political climate has become intolerant of dissent. Any news or individual seen as critical of the CCP leadership is censored. This authoritarian control distorts policy and decision making in the best of times; with COVID-19 the outcome has been catastrophic, not just for China but for the entire world.

During the early stages of the outbreak, doctors were silenced, officials destroyed case samples, and the government suppressed or delayed public disclosure of key information about the outbreak. Despite its early and continued mismanagement of the crisis, Beijing has cynically exploited the pandemic in an attempt to bolster its international image and promote its authoritarian model of governance.

Beijing’s behavior during the current pandemic reflects its broader approach to engagement with the United States. Whether we look at biomedical research collaboration, trade, commercial and research opportunities or cooperation on public health issues, the Chinese government has pursued a well-worn path of subsidies, stonewalling and stealing undermining foreign access to Chinese markets and compromising improvements in the health and wellbeing of all of us. To retain its well-earned position as a global leader in the production of the safest and most innovative healthcare products and services, the United States must move decisively to protect the sensitive genetic and medical information of our citizens as well as protect critical research, corporate assets, intellectual property and our supply chains.

As one example of the inherent risks in the current system, we were all relieved to learn of the curative potential of Remdesivir—unfortunately the compound is comprised of 10 chemicals, 8 of which are made in China. COVID has focused needed attention on how to ensure US access to an array of critical products from the ingredients in life-saving drugs to new materials like graphene so essential to national security. Tomorrow’s hearing will focus on the Chinese government’s bid for control of commodities and minerals in Africa which will add to our understanding of the scope of concerns about U.S. supply chains and threats to industrial capabilities.

I hope our witnesses today can shed light on China’s healthcare policy objectives and offer recommendations on how the United States can more effectively manage its relationship with China in the healthcare domain.

I would also like to thank the Senate Recording Studio and its staff for helping us conduct this hearing virtually. Let me now turn to my co-chair for this hearing, Commissioner Thea Lee.