



U.S.-CHINA ECONOMIC AND SECURITY
REVIEW COMMISSION

**Hearing on China's Industrial Policy
and its Impact on U.S. Companies, Workers and the American Economy**

**Opening Statement of Chairman Carolyn Bartholomew
March 24, 2009
Washington, DC**

Good Morning. Welcome to today's hearing on "China's Industrial Policy and its Impact on U.S. Companies, Workers and the American Economy."

My name is Carolyn Bartholomew, the Chairman of the U.S.-China Economic and Security Review Commission for the 2009 reporting year. Today's hearing will be co-chaired by Commissioners Patrick Mulloy and Daniel Slane. For those who are new to our hearings, we are a bi-partisan Commission composed normally of 12 members, six of whom are selected by the Majority and Minority Leaders of the Senate, and six from the Speaker and the Minority Leader of the House. Commissioners serve two-year terms. We currently have two vacancies.

Congress has given our Commission the responsibility to monitor and investigate the national security implications of bilateral trade and economic relations between the United States and China. We fulfill our mandate by conducting hearings and undertaking related research as well as sponsoring independent research. We also travel to Asia and receive briefings from other U.S. government agencies and departments. We produce an annual report and provide recommendations to Congress for legislative and policy change.

This is the third hearing for the 2009 reporting year, a year with a new Administration in Washington. The new Administration will have to deal with a lot of critical issues in 2009, along with the worst economic crisis the world has seen in the past 60 years.

Today's hearing is on China's industrial policy and the support and nurture of its pillar and strategic industries. China pursues many policies that incentivize the development of indigenous industrial production, like subsidies and tax benefits. However, a major contribution to the development of China's industrial base has been the relocation of U.S. manufacturers there.

Later in the year we will have further hearings on China's internal and external propaganda efforts and China's activity in Asia and the economic and security implications for the United States.

I would like to welcome our panelists, and kindly ask that each speak for no more than seven minutes. This will allow the maximum amount of time for questions and answers.

With that, let me introduce Commissioner Mulloy, who is one of the co-chairman of the hearing.

###

Filename: Opening Statement - March 24 Hearing (Chairman
Bartholomew) (Final - 20090320)
Directory: C:\Documents and Settings\Jertman\Local
Settings\Temporary Internet Files\OLK5E
Template: C:\Documents and Settings\Jertman\Application
Data\Microsoft\Templates\Normal.dot
Title: Opening Statement of Larry Wortzel
Subject:
Author: Athanasios Mihalakas
Keywords:
Comments:
Creation Date: 3/20/2009 2:05:00 PM
Change Number: 4
Last Saved On: 3/23/2009 3:02:00 PM
Last Saved By: Nick Barone
Total Editing Time: 5 Minutes
Last Printed On: 3/24/2009 8:01:00 AM
As of Last Complete Printing
Number of Pages: 2
Number of Words: 398 (approx.)
Number of Characters: 2,143 (approx.)