



U.S.-CHINA ECONOMIC AND SECURITY  
REVIEW COMMISSION

## **Hearing on Chinese Seafood: Safety and Trade Issues**

### **Opening Statement of Vice Chairman Carolyn Bartholomew April 24, 2008 New Orleans, LA**

Good morning. My name is Carolyn Bartholomew. I am the vice chairman of the U.S.-China Economic and Security Review Commission. I am also one of the co-chairs of this particular hearing, along with Commissioner Daniel Slane, who you will hear from in a minute.

Each year, our Commission holds eight hearings to gather information for our annual report to Congress and at least one of those hearings is held outside the confines of Washington. We do this in order to hear first-hand the impact that Washington's policies regarding China are having on the American economy and national security. Last year, we held a hearing in North Carolina on the effects that imports of Chinese furniture and clothing were having on that state's economy. The year before, we held a hearing in Michigan to gauge the effects that imports of Chinese car and truck parts—many of them counterfeits-- were having on the parts industry in the Midwest. Today, we wish to hear about the effects that Chinese exports of seafood are having on the fishing and aquaculture industry of the Gulf Coast and on the health of consumers.

Our Commission was created by Congress in 2000 to monitor, among other things, China's compliance with its international trade agreements. We report our findings to Congress along with our recommendations for legislative and funding changes.

As many in this room know quite well, imports now account for a considerable majority—over 80 percent—of the seafood consumed by Americans. In 2007, \$2 billion of that was from China, up from \$600 million in 2000. As many Americans have discovered to their dismay, Chinese producers have been having problems with their quality controls. The list of consumer products that have been tainted with dangerous chemicals or substandard ingredients, such as toys, medicines, pet food, and toothpaste, is already too long. You can add to that lengthening list imports of fish from China. Adulterated fish and China's reluctance to admit to problems about its quality controls on its fish farms have led the federal Food and Drug Administration to impose an "Import Alert" on six categories of farmed-raised seafood from China. We will hear from the FDA how well this program is working.

The practice of dumping product on the U.S. market—essentially, selling it below the cost of production or below the cost in China—is also a matter of concern to the Commission. The U.S. Department of Commerce and the U.S. International Trade

Commission, an independent agency, have both approved penalty tariffs on crawfish and on shrimp in response to dumping. The Commission also intends to consider evidence during this hearing that the Chinese seafood industry, particularly its fish farms, receive large subsidies from the central and local governments in China.

Finally, I'd like to note that our next hearing, in Washington on May 20, will be on China's weapons proliferation practices and the development of its cyber and space warfare capabilities. On June 18 and 19 in Washington, we will examine China's media control and access to information in China as well as forced prison labor in China.

Now I'd like to introduce Daniel Slane, my colleague and co-chair.