

## **Chairman Brown Opening Statement – February 28, 2023**

Last week marked one year since Vladimir Putin unleashed his brutal, criminal war on Ukraine.

Putin wanted to jeopardize the future of a sovereign democracy, and in the process, to threaten the world order – an order based on freedom, democracy, and the rule of law.

But Putin was surprised by two things – the resilience of the Ukrainian people, and President Biden’s ability to put together, and keep together, a broad, consistent international coalition to support the Ukrainian people as they defend their country.

Last week, I met with Ukrainian-Americans in Greater Cleveland.

My state is proud to have a vibrant, active Ukrainian community. And Ohioans’ message to me was clear: we must maintain our resolve. And we must continue to hold the Russian government accountable, along with all those who enable its war on Ukraine.

I agree.

We cannot waiver in our commitment to Ukraine, and I am glad that President Biden, Leader Schumer, and Leader McConnell all made clear their support last week.

Many of our colleagues of both parties were overseas last week, all showing united, bipartisan support. Our commitment to the Ukrainian people and our resolve to stand up to Putin has never been partisan.

We must also recognize that Putin’s brutal war is the most recent assault that authoritarians are launching around the world.

And all their eyes are on our response in Eastern Europe right now.

NATO General Secretary said last month, “If President Putin wins in Ukraine, this would send a message that authoritarian regimes can achieve their goals by brute force ... Beijing is watching closely. And learning lessons that may influence its future decisions.”

It’s what the Administration’s National Security Strategy outlined as, “a strategic competition to shape the future of the international order.”

Today’s hearing is about how we use economic tools like sanctions, export controls, and investment screening to advance and protect U.S. national security and foreign policy.

In addition to the humanitarian and military assistance the United States and our allies have provided to Ukraine, our response to Putin’s war centered on the significant sanctions and export controls we have imposed to ensure that Russia – not the rest of the world – bears the full costs of Putin’s illegal invasion.

These measures are imposing real costs on Russia. Treasury Deputy Secretary Wally Adeyemo put it pretty well last week: “our actions are forcing Russia to mortgage its economic future to save face today.”

We of course recognize that not all economies are the same.

Our work is complex, as we confront the challenges posed by President Xi and the Chinese Communist Party in Beijing.

25 years ago, Senator Graham and I led efforts in the House to oppose China’s accession to the World Trade Organization.

Corporations, in search of even bigger profits shut down manufacturing in Ohio and across the U.S., moved production to China.

It contributed to the industrialization of China. And it’s funded the buildup of the Chinese military.

I’ve challenged the failed China policy of administrations of both parties. It was obvious to some of us then, what all of us see now — that China poses a real threat to our economic security – look at Columbiana County in Ohio. Look at Clarendon County in South Carolina.

Now the serious national security threats are also obvious.

The Chinese government made its aims clear: to dominate advanced technology and global strategic supply chains.

The Chinese Communist Party’s civil-military fusion policy erases the line separating commercial and military use of finished goods – and of the technologies that go into them.

And we have seen Beijing ramp up its activities in the South China Sea and Taiwan Strait while oppressing its own citizens. And now we are even seeing Chinese Communist Party officials meeting with Putin, and consistently refusing to condemn his invasion of Ukraine.

Whether in Beijing or Moscow, Iran or North Korea – whether it’s to address IP theft, human rights abusers, or foreign traffickers of illicit fentanyl, we need a robust economic policy to deter and disrupt behavior that hurts US national security interests.

In this Committee, I have worked with colleagues in both parties to restrict U.S. technology or financing from being used in ways that harm U.S. national security interests.

On a bipartisan basis, this committee led reforms to strengthen our investment screening process conducted by the Committee on Foreign Investment in the United States - CFIUS. We provided permanent statutory authority for the Bureau of Industry and Security, or BIS, to administer and enforce our export control system.

And last Congress, Ranking Member Toomey and I led this Committee's work to prohibit the importation of Russian gold, impose sanctions regarding human rights abuses by Iran, and expand BIS's authority to limit exports to foreign militaries, intelligence services, and security forces.

And we took action last year to remove most-favored-nation trade status from Russia. Actions have economic consequences.

I hope that we'll continue this strong history of bipartisan work on important national and economic security issues in this Committee's jurisdiction over the next two years with Ranking Member Scott.

Today, in this hearing, we have a chance to take that first step by examining how we use our economic toolkit to advance the breadth of issues that impact our U.S. national security and foreign policy.

We must use the tools we have to deter or disrupt behavior that undermines U.S. national security.

We need to do that while we strengthen our partnership with countries that share our values for free markets and democracy. And we need to do that while not harming U.S. economic and technological leadership.