

Ranking Member Tim Scott (R-S.C.)  
Opening Statement  
Full Committee Hearing  
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Every day, there's news story after news story about our foreign adversaries searching for a foothold to expand their global reach. Whether it's China brokering so-called 'peace deals' to Russia's continued invasion of Ukraine, or Chinese precursors sent to Mexico to fuel cartels' deadly fentanyl trade—America needs to have strong leadership.

Today, we'll be hearing from Biden administration witnesses from Treasury and Commerce, to better understand their thinking and frankly, learn why the White House is choosing to follow instead of leading.

Advancing U.S. national security, economic security, and foreign policy are all vital to our domestic security here at home. As I've said before, you can't secure your house with the doors wide open.

In our ever-connected and ever-evolving world, the United States and our vibrant economy are continuously impacted by other countries. We spend a great deal of our time on this committee discussing our government's response to our own economic issues, but it is vital to consider the decisions being made oceans away by governments and countries with very different ideals and values than those we hold near and dear here at home in America.

China is at the top of that list. For years, China has grown in force and strength, persistently engaging in coercive economic policies to further its interests and undermine those of the United States and our allies.

To try and gain a leg up on America and our allies, China has resorted to intellectual property theft, unfair trade practices, and other harmful actions that ultimately challenge free markets and U.S. innovation. And innovation is the crown jewel of America's success. It's about the birth of ideas and the fertile ground for them to grow and to prosper.

As the internet creates a web of connectivity worldwide, protecting American data from would-be bad actors—like China—becomes even more important. That's why I recently introduced the Know Your App Act to increase transparency and protect Americans by requiring app stores to

label apps controlled by foreign adversaries. It's about empowering our parents with information to make informed decisions.

Further, China exploited America's openness to do business on the global stage. But we cut our own selves off, with rules and regulations, dictating everything from climate requirements to burdensome building regulations taken to an extreme—making it more and more difficult to build here at home and perversely encouraging companies to search for more open environments around the globe.

There should never be a world—there should never be a world—where a company finds China easier to do business [with], a better business environment. Our country was built on freedom, hard work, and innovation. We should encourage policies that foster these ideals in the marketplace—and that means lessening burdensome regulations.

Furthermore, American companies should not be on an uneven playing field simply because they must abide by progressive regulations far stricter than the ones in China. We must work simultaneously to provide businesses with room for growth and opportunity here at home while also robustly responding to China's unfair practices globally.

The United States possesses tools to curb China's economic aggression, including sanctions, export controls, and investment screening, but we must use these tools strategically and effectively. Policymakers must think beyond the Washington bubble and ensure that when the government uses its economic security tools, it evaluates the economic impact on communities and small businesses across our country.

From securing our farmland to protecting our U.S. technological innovators—this is the lifeblood of our economy and our communities. I know that firsthand from my home state of South Carolina, where advanced manufacturing is our engine, we have some of the largest global brands making their home in South Carolina, the foreign direct investment in my state is tremendous, from BMW to Volvo, an important component of the success that we offer the nation from South Carolina. After all, efforts to advance national security will never succeed if the government undermines the economic security, and economic opportunities, of everyday Americans.

Regrettably, under President Biden, America's economic strength has waned, and the administration has led this country down a path of reckless spending that has led to a 40-year high of inflation—which every single American knows all too well.

The more this administration spends on progressive policies, the more their attention is diverted from issues that our communities actually need the federal government to focus on—like preventing the deadly fentanyl deaths that Chairman Brown alluded to.

The Chinese Communist Party is facilitating the flow of the deadly fentanyl into our nation through the Mexican cartels, leading to 70,000 American deaths. Fentanyl is the leading cause of death for young Americans—the leading cause of death. Americans who will never marry, have children, grow old, or make an investment into our economy simply because they took fentanyl. That's why I, along with Chairman Brown, introduced the FEND Off Fentanyl Act, which will target the illicit fentanyl supply chain, using sanctions to choke off the income of cartels and the Chinese laboratories that make precursors of this deadly drug. We must hit them, of course, where it hurts the most, which means in their wallets.

We must boost economic growth and competitiveness through a renewed commitment to free enterprise, free trade, rule of law, and international U.S. leadership. And we must maintain our technological edge, promote capital formation, and ensure supply chain resilience.

Let me close with this. Concerns about China's rising strength and aggression are certainly understandable. However, America can always outcompete China. Our economic system and our values have lifted countless people out of poverty by providing economic freedom for everyday people to work hard, apply their talents, and pursue their dreams. There's no better system in the world today.

It's time we renew our commitment to the principles that made us the greatest nation on God's green earth.

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