



U.S.-CHINA ECONOMIC AND SECURITY  
REVIEW COMMISSION

## **Hearing on Research and Development, Technological Advances in Key Industries, and Changing Trade Flows with China**

**Opening Statement of Chairman Larry Wortzel  
July 16, 2008  
Washington, DC**

Good Morning. Welcome to this hearing on “Research and Development, Technological Advances in Key Industries, and Changing Trade Flows with China.”

My name is Larry Wortzel. I am the Chairman of the U.S.-China Economic and Security Review Commission for the 2008 reporting year. This hearing will be co-chaired by Commissioners Michael Wessel and Dennis Shea. For those who are new to our hearings, let me say that we are a bi-partisan Commission composed of 12 members, six of whom are selected by the Majority and Minority Leaders of the Senate, and the Speaker and the Minority Leader of the House. Commissioners serve two-year terms.

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.

So far this year, we have looked into the activities of Chinese sovereign wealth funds in the U.S. market, as well as Chinese exports of seafood products to the United States. We have also examined China’s expanding global influence, its controls on information and the media, and its use of prison labor.

Today’s hearing will explore the nature of research and development in China and China’s increasing production of advanced technology products.

I am going to ask that each of the panelists speak for no more than seven minutes. This will allow the maximum amount of time for questions and answers.

Let me now introduce Commissioner Carolyn Bartholomew, who is the Vice-Chairman of the Commission.

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