OPENING STATEMENT

Statement of C.J. Mahoney Before the United States Senate Committee on Finance January 17, 2018

Chairman Hatch, Ranking Member Wyden, and Members of the Committee.

Let me start by thanking the Committee—and your staff—for holding this hearing today and for your engagement and professionalism through this nomination process.

I also thank my home state senators, Senator Roberts and Senator Moran, for your gracious introductions and for being here today. I am proud to hail from Russell, Kansas, which is also the hometown of the former Chairman of this Committee, Senator Bob Dole. I note that this hearing is being held on the same day that the Congress is honoring Senator Dole with the Congressional Gold Medal. Any achievements I have had certainly pale in comparison to Senator Dole's. But I think it says something quite remarkable about our country that not one, but two people who grew up in the same small town of 4,500 in Western Kansas are appearing on Capitol Hill on the same day.

I would like to recognize the members of my family who are here today—my wife, Becca, my mother, Joyce, and my mother- and father-in-law, Susan and Bill Iverson. I'm also joined today by friends from Kansas and Washington and members of my second family at Williams & Connolly, including two of my mentors, John Buckley and Bob Barnett. I am deeply honored to have been recommended by Ambassador Lighthizer and nominated by the President to serve as the Deputy United States Trade Representative for Investment, Services, Labor, Environment, Africa, China, and the Western Hemisphere.

One of my primary goals, if I am confirmed, is to ensure that USTR has a constructive and transparent relationship with this Committee and the House Committee on Ways and Means, consistent with the framework set forth in TPA. An important part of USTR's mission is to facilitate a partnership between the executive and legislative branches on trade policy. I am fully committed to that goal.

USTR's chief priority in the Western Hemisphere at present is the renegotiation of the North American Free Trade Agreement. I fully support the goals set forth in USTR's published negotiating objectives for NAFTA. These negotiations are an opportunity to modernize the agreement and to create a more level playing field for American workers, especially those in the manufacturing sector. At the same time, however, I am fully committed to preserving and enhancing the gains that our country has achieved in NAFTA, notably for agricultural goods. Especially at a time of already depressed commodity prices, it is important that U.S. agriculture lose no ground and maintain its reputation as a reliable supplier. While the NAFTA renegotiation is a critical priority, I am mindful that our single greatest trade challenge is our relationship with China. In the past three decades, China has succeeded in lifting millions of its citizens out of poverty. That is an amazing achievement that should be celebrated. But it has become increasingly clear that China is sustaining high levels of economic growth by pursuing an unfair, mercantilist economic policy that distorts world markets and inflicts harm on its trading partners, including the United States. Moreover, while much of China's growth is attributable to its relatively uninhibited access to the U.S. market, China maintains too many barriers to its own domestic market in too many sectors.

Years of dialogue have yielded some progress but not nearly enough. It is time for new thinking and a new approach. Ambassador Lighthizer is committed to that; so am I.

I would also oversee USTR's Africa portfolio if I am confirmed. I look forward to working with my African counterparts to strengthen America's trading relationship with this strategically important region.

Another of my priorities, if confirmed, is to be a champion for America's services sector. This is an area where the United States enjoys a tremendous competitive advantage. But too many barriers to market access remain, particularly in the fast-growing area of digital trade.

I have full confidence that America's workers, farmers, service providers, and entrepreneurs can succeed in global markets. But to do so, they need greater and freer access to those markets, robust protection for intellectual property rights, and assurance that our trading partners are playing by the rules. That's where USTR comes in, and that is where my full attention and energy will be devoted if I am confirmed.

Again, I thank the Committee and look forward to your questions.