

## Comments from China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME)

*In re* Request for Comments on  
Advancing Inclusive, Worker-Centered  
Trade Policy

Docket No. USTR-2023-0004

Pursuant to the request for comments published by the Office of the United States Trade Representative (hereinafter as USTR) in the Federal Register at 88 Fed. Reg. 38,118 (Jun. 12, 2023), the China Chamber of Commerce for Import and Export of Machinery and Electronic Products (hereinafter as CCCME) submits the following comments in response to USTR’s Request for Comments on Advancing Inclusive, Worker-Centered Trade Policy (Docket No. USTR-2023-0004-0002). Founded in July of 1988, CCCME is a nationwide industrial and nonprofit organization, formed jointly and voluntarily by various economic organizations engaged in manufacturing, import and export and other related activities in machinery and electronic industry. As the only nationwide chamber of commerce in machinery and electronic sector, CCCME has nearly 10,000 members, representing the industry as a whole.

As stated in USTR’s request for comments, the trade and investment policies shall take full account of underserved and marginalized communities in the United States, such as disadvantaged Small and Medium-sized Enterprises (hereinafter SMEs), workers, and consumers, with a view to advancing “equity for all” and economic empowerment. However, the U.S. has frequently used protectionism instruments to create trade barriers, especially against China, which not only disrupt the normal flow of global free trade, but also have brought negative influences on domestic SMEs and laborers, such as rising prices of consumer goods, and soaring unemployment rate across key sectors and different regions. The above-mentioned tools are clearly contrary to the worker centered policy orientation, making these policies and laws (such as Section 301 Tariffs, export control policies and Uyghur Forced Labor Prevention Act) are “unconscionable” to U.S. workers, consumers, and ethnic minorities and do not meet the U.S. policy goal of advancing an inclusive trade environment. Specifically, CCCME will focus its comments on the following selected issues from the notice.

***Question:*** *Are there trade policies, provisions, or actions which are detrimental to advancing racial and gender equity, equality, and economic empowerment? If so, please specify the relevant policy, program, and/or provision, and if available, provide data or analysis that would be useful evidence of this detrimental effect.*

CCCME holds that many of the actions and policies currently effective in the U.S. are not conducive to promoting equality and economic empowerment.

## 1. Section 301 Tariffs on China

Since the invocation of Section 301 of the Trade Act of 1974 in 2018 by the Trump Administration, the tariffs put by Section 301 on Chinese imports has totaled \$191.64 billion as of September 6th, 2023.<sup>1</sup> Although remarkable tariffs have been implemented, such implementation instead of achieving its so-called goals “to mitigate Chinese mercantilist practices, change China’s behavior, and create a level playing field that will give all Americans a better chance to succeed” have significantly hurt U.S. consumers, business, and the economy. Such harm can be apparently witnessed in the decrease of US economic output and real income, and the increase of production cost and unemployment rate, and can also be experienced in the consumer’s end.

### 1.1. The U.S. economic growth is affected by Section 301 tariffs

Many studies and reports have analyzed the cost of the Section 301 tariffs on the U.S. economy. According to a working paper entitled “*Macroeconomic Consequences of Tariffs*” published by the IMF, the researchers adopted the method of “using a panel of annual data that spans 151 countries over 1963-2014” and found that “tariff increases also result in more unemployment, higher inequality, and real exchange rate appreciation .... The effects on output and productivity tend to be magnified when tariffs rise during expansions, for advanced economies ...”.<sup>2</sup>

**Specifically, the tariffs undermine the healthy development of the U.S. economy, leading to a reduction in domestic economic output and national income levels.** According to the data released in July 2023 by the Tax Foundation, several rounds of tariffs imposed by the Trump Administration amounted to an \$80 billion tax increase (based on 2018 values) on \$380 billion worth of imports, including thousands of products imported from China ranging from steel, aluminum, washing machines to solar panels *etc.*). The resulting higher input costs for businesses have led to reduced production, higher consumer prices, reduced purchasing power, fewer consumer choices, and lower value incomes. The Tax Foundation general equilibrium model calculates that the Trump-Biden tariffs will reduce long-term U.S. GDP by 0.21% and wages by 0.14%.

**Moreover, the reduction in domestic economic output has resulted in job losses.** Based on the calculation model, the Foundation pointed out that, the U.S. has lost 166,000 full-time equivalent jobs (hereinafter as FTE Jobs) as a result of the Section 301 tariffs, and China’s retaliatory tariffs against the U.S. also led to a reduction FTE by 29,000. These statistics can also be found in the following table.<sup>3</sup>

Table 1: Projected Impact of U.S. Imposed Tariffs

	Total	Section 232 – Steel and Aluminum	Section 301 – China (25% on \$250; 7.5% on \$112)
Tariff Revenue	\$73.9	\$2.7	\$71.2
Long-run GDP	-0.21%	-0.01%	-0.21%
GDP (\$2018)	-\$53.6	-\$2.0	-\$51.7
Wages	-0.14%	-0.01%	-0.13%
FTE Jobs	-166,000	-6,000	-160,000

<sup>1</sup> See <https://www.cbp.gov/newsroom/stats/trade>.

<sup>2</sup> Davide Furceri, Swarnali A Hannan & Jonathan David Ostry, *Macroeconomic Consequences of Tariffs*, IMF WORKING PAPERS (January 15, 2019).

<sup>3</sup> See <https://taxfoundation.org/research/all/federal/tariffs-trump-trade-war/>.

Source: Tax Foundation Taxes and Growth Model, March 2018.

Source: Tax Foundation Taxes and Growth Model, March 2018. In addition, it can be seen from the table below that the Section 301 tariffs have generated no tax benefits but adverse impacts on wages and employment.<sup>4</sup>

Table 2: Projected Impact of U.S. Retaliatory Tariffs

	Total	Section 232 Retaliation	Section 301 Retaliation
Tariff Revenue (billions of 2018 dollars)	\$0	\$0	\$0
Long-run GDP	-0.04%	0.00%	-0.03%
GDP (billions of 2018 dollars)	-\$9.4	-\$1.1	-\$8.3
Wages	-0.02%	0.00%	-0.02%
FTE Jobs	-29,000	-4,000	-26,000

Source: Tax Foundation Taxes and Growth Model, March 2018.

Note: Totals may not add due to rounding. Tariff revenue is \$0 because retaliatory tariffs are not paid to the U.S. government.

## 1.2. The cost burden on U.S. businesses have increased with Section 301 tariffs

Studies have proven that the cost caused by the tariffs have been pass through to US businesses, including importers and manufactures. According to the report *Economic Impact of Section 232 and 301 Tariffs on U.S. Industries* issued by the U.S. International Trade Commission (hereinafter as ITC), between 2018 and 2021, U.S. importers have borne almost the full burden of section 301 tariffs. The tariffs under sections 232 and 301 has led to “a nearly one-to-one increase in prices of U.S. imports.”<sup>5</sup> Furthermore, it is estimated that based on the econometric model developed by ITC, for every 1% increase in these tariffs, imports from China of products covered by the tariffs have decreased by about 2% in value and quantity.<sup>6</sup> For goods that are part of the supply chain, the increase of section 301 tariffs can lead to a ripple effect throughout the economy, especially for SMEs and start-ups, which often lack exchanges and bargaining power as underserved market entities.

Firstly, tariff-induced inflation takes a heavy toll on capital-hungry startups and small-sized businesses, which employ almost half of U.S. workers in the private sector. Therefore, it is impossible to develop effective *worker-centered trade policy* without laying the foundation for small business success.<sup>7</sup>

Secondly, unreasonable tariffs as trade barriers undermine the level playing field in the U.S. market, and the monopoly of large enterprises is bound to be strengthened, squeezing the living space of SMEs, and similarly posing a threat to the employment opportunities of the majority of workers.

<sup>4</sup> *Id.*

<sup>5</sup> See [https://www.usitc.gov/press\\_room/news\\_release/2023/er0315\\_63679.htm](https://www.usitc.gov/press_room/news_release/2023/er0315_63679.htm); See also [http://www.chinatoday.com.cn/ctenglish/2018/zdtj/202303/t20230324\\_800326624.html](http://www.chinatoday.com.cn/ctenglish/2018/zdtj/202303/t20230324_800326624.html).

<sup>6</sup> ITC, *Economic Impact of Section 232 and 301 Tariffs on U.S. Industries*, p.23 (March 2023).

<sup>7</sup> See [https://www.forbes.com/advisor/business/small-business-statistics/#sources\\_section](https://www.forbes.com/advisor/business/small-business-statistics/#sources_section); See also, USCBC, *US-China Business Council Comments on Four-Year Review of Actions Taken in the Section 301 Investigation: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation* (January 2023).

Thirdly, such tariffs will lower the confidence and expectations of business owners and investors, thereby suppressing investment and leading to a more conservative business operation. All of these will be directly reflected in employee wages and benefits. For example, in its comments on *Proposed China Tariffs*, IBM argued that the Section 301 tariffs have significantly increased the purchasing costs of IBM's advanced manufacturing business in the U.S., especially since some of the key raw materials can only be obtained from China, and that purchasing such raw materials at a high price is awfully unfavorable to U.S. domestic production and the diversification of the supply chain.

### **1.3. Section 301 tariffs damage the well-being of the American people**

#### **1.3.1. Section 301 Tariffs directly affect the price of imports in the U.S. domestic market and ultimately pass on the bitter consequences to workers and employees**

The fact should not be overlooked that a large part of the tariff burden is redistributed to downstream entities that use these raw materials or components, which are cautious in investing and contracting their expenditures in order to maintain normal business operations, resulting in a slowdown in investment and recruitment in the relevant industries. While workers in certain industry sectors will benefit in the short term, this is actually a jobless crisis that is more costly than it is worth from the point of view of the larger number of workers in the associated industries that are affected.<sup>8</sup> Such protectionist policies would also trigger countermeasures from China and a parallel restriction of market access for related U.S. firms in China, leading to a renewed burden on American workers, either through layoffs or wage reductions as profits are squeezed.

Also, as released in ITC report, some attendants mentioned that the tariffs disproportionately affect U.S. workers, such as “a decrease in the community tax base, negative effects for supplier businesses, the loss of infrastructure and community businesses, and increased poverty, crime, drug use, and domestic abuse, among others”.<sup>9</sup> The reduction in mechanic-electronic related jobs will be synchronized with a reduction in job quality. At a round-table discussion organized by the ITC in March 2022 on *Distributional Effects of Trade and Trade Policy on U.S. Workers*, a union representative also pointed out that increased unemployment rate of automotive manufacturing sector would negatively impact upstream component suppliers. As a result, precisely because of the size of the company's operations, SMEs tend to employ more minority workers, whose employment environment became more vulnerable due to the impacts of the trade policy. Similarly, when General Motors reduces production, jobs are lost to varying degrees throughout the local community.

In addition, Manufacturing and Engineering (MEC), a U.S. manufacturer of aerial work platforms, uses imported lifts and parts from China to produce their mobile elevating work platforms. The company stated that the Section 301 tariffs on these components harm MEC's ability to compete with its peers in the market. The tariffs have been transformed into a loss of jobs in the local Kerman, California community, where the majority of households are supported by a single income.<sup>10</sup> A worker working at MEC called White also pleaded at the round-table that MEC have provided him with new and

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<sup>8</sup> Riley, NTUF, written submission to the USITC, May 2, 2022, 4–5; Murphy, U.S. Chamber of Commerce, written submission, (January 26, 2022).

<sup>9</sup> ITC, *Distributional Effects of Trade and Trade Policy on U.S. Workers* (October 2022).

<sup>10</sup> *Id.*

better opportunities but now is threatened by large 301 tariffs on the imported lifts, leaving many families no longer happy, and called on the government to remove such tariffs as soon as possible to avoid even more negative repercussions.<sup>11</sup>

Similarly, the loss of jobs caused by the tariffs have also been witnessed in other industries. In the rural area of Fairfield, South Carolina, Element Electronics, a company with a television assembly business, is the dominant employer in the area. After the *Miscellaneous Tariff Bill* suspended tariffs on LCD panels imported from China, Element Electronics had planned to expand its operations and hire hundreds of additional workers. However, the section 301 tariffs forced it to lay off hundreds of workers.<sup>12</sup> For the workers in that rural area, they have lost the livelihood that they should have gotten and are carrying a heavy burden of living. This shows that policymakers should not ignore the different groups of workers in each node of the supply chain. In order to advance a more inclusive trade policy, they should pay full attention to the employment opportunities of workers in rural areas, remove the unreasonable section 301 tariffs on China, and restore the normal trade prices of commodities to protect the basic livelihood needs of workers.

### **1.3.2. Underserved/underrepresented consumers experience unreasonable increases in the cost of living**

The section 301 tariffs have disrupted the original trade flows and created trade divisions, ultimately raising the price of commodities and the inflation rate, which put a higher cost burden on downstream consumers. Especially with tariffs as high as 25% on a wide range of Chinese-made electro-mechanical products, such as automotive parts, lamps, and household appliances, the interest of US consumers has been seriously injured.

It is worthwhile to mention that it lies in the basic economic principal that a tax burden falls both on the consumers and producers and it is the elasticity of the demand to decide which group will bear more tax. In the case of the Section 301 cases, studies which examined the US economic and trade statistics have already reach the conclusion that the tax burden has been passed along to the U.S. consumers in the form of higher tag prices, which then further lifted the U.S. price index higher. From the perspective of price change, according to the data released by U.S. Department of Commerce, the average unit price of U.S. imports of electro-mechanical products during the Section 301 tariffs period generally 10% (can be mentioned 15% or higher) or even higher. The increases in the price of these commodities should have been due to technological advances, maturity of technology and price reductions, in particular, computer parts, pumps, valves, and a large number of intermediate products, such as the rise in the cost of the U.S. manufacturing industry's ability to inputs and competitiveness has been weakened.

In particular, lower-income consumers have been heavily influenced along the way of the tariffs. section 301 tariffs have been widely criticized by economists as being highly “regressive”, *i.e.*, those with the lowest incomes pay significantly more after-tax compared to the payment assumed by richer consumers with more income, and families with young children and women pay significantly more than the richest consumers for

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<sup>11</sup> See ITC, DISTRIBUTIONAL EFFECTS: IMPACTS ON UNDERSERVED COMMUNITIES, p.17-19, available at: [https://www.usitc.gov/documents/impacts\\_on\\_underserved\\_communities\\_roundtable\\_transcript\\_030822.pdf](https://www.usitc.gov/documents/impacts_on_underserved_communities_roundtable_transcript_030822.pdf).

<sup>12</sup> Baer, Element Electronics, written submission to the USITC, April 8, 2022, 1–2.

the U.S. trade policies against China.<sup>13</sup> In the case of high-tech products, for example, higher prices prevent these groups from opting for tele-medicine or virtual medicine in rural hospitals, where low-income groups can afford only a small portion of the price. Similarly, in areas with relatively low levels of education suffers greatly. The tariffs affect the installation of information equipment and computer networks that should have been planned, and impede young people's access to information technology education in a timely manner. Changes in consumption put low-income population in a more vulnerable position to trade divisions and uncertainties, not to mention the potential devastating consequence caused by even small fluctuation in income for the US hand-to-mouth population and minorities.

What's more, CCCME would like to point that a worker-centered policy with economic and foreign policy at its core should not merely claim for the prosperity and benefit of workers without valuing any basic principles of economics and international trade. It is of great importance for the policy to consider the unreasonable increase in the cost of living born by those low-income families and workers. Hence, CCCME advocates that the removal of the section 301 tariffs on Chinese imports plays an important role in the aspects to restore the rights of these underserved consumers.<sup>14</sup>

## **2. Export control policies by the U.S.**

In recent years, the U.S. has abused tools of export control, foreign investment security screening and other policy instruments to escalate control measures and restrictions on the export of goods, services and technologies targeting non-allies countries (especially China) in order to suppress their development in technologies and other areas. Such implementations have seriously impeded normal economic and trade exchanges among WTO members and undermined the stability and security of the global supply chain. From the perspective of advancing an inclusive trade environment and a worker-centred trade policy, it has drastically reduced the number of relevant jobs that should have grown, and the unemployment rate in the U.S. has thus risen; it has also reduced the ability of the relevant industries, especially electro-mechanical enterprises, to cooperate in the international industrial chain, which is contrary to the U.S. Government's original intention of advancing fairness, equality and economic empowerment.

### **2.1. Export control policies are an important factor contributing to the growth of unemployment in the relevant industries**

According to the US-China Business Council (USCBC), U.S. exports of goods and services to China soared 22% in 2021 compared to the previous year, supporting roughly 1.06 million jobs in the U.S. All U.S. states saw growth in the number of export-supported jobs, with California and Texas supporting the most jobs from exports to China, at 132,400 and 106,900. California exports to China accounted for 10% of its global exports of industrial machinery, navigation and measuring instruments, and other products, which drove a 15% increase in jobs.<sup>15</sup>

However, taking the semiconductor chip industry as an example, China and the U.S. have deep cooperation in the field of chip manufacturing, and the U.S. export

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<sup>13</sup> Reynolds, Kara M., Costs of Trade Wars: The Distributional Consequences of US Section 301 Tariffs Against China (June 8, 2021). Available at SSRN: <https://ssrn.com/abstract=3862764>.

<sup>14</sup> USITC, Distributional Effects: Academic Symposium Transcript, April 5, 2022, 250 (Michael E. Waugh, Federal Reserve Bank of Minneapolis).

<sup>15</sup> See <https://www.uschina.org/reports/us-exports-china-2023-0>.



restrictions have a negative impact on employment, such as the California-based chip manufacturing equipment supplier, Panarin Group, which may lose billions of dollars in revenues in the fiscal year of 2023, has announced that it will fire 1,300 full-time employees, and plans to fire 1,400 temporary employees in the next two quarters; Intel Corporation since October 2022, a series of layoff plans for some departments, and on August 18 this year, said it plans to lay off more than 300 employees in three office parks in California. In addition, the U.S. market will face an oversupply of chips, increased competition in the market and falling prices, which in turn will weaken the overall economy. After the loss of the Chinese market, the U.S. chip overproduction will become a reality, which will intensify market competition, resulting in a large number of job losses, more unfavorable to economic growth and employment rate.

## **2.2. U.S. export control policies are not in the long-term interests of U.S. businesses**

In July 2023, executives from Intel, Qualcomm, NVIDIA and other semiconductor companies were reported to meet with U.S. Commerce Secretary Raimondo Raimondo, Sullivan, and other high-ranking officials, to oppose the Biden Administration's efforts to expand restrictions on China's export of certain chips and semiconductor manufacturing equipment, to call a halt to the sanctions on China's chips and to restore the freedom of supply. They indicated that such restrictions will reduce the competitiveness of U.S. Semiconductor enterprise competitiveness, disrupt the global supply chain, and bring "serious market uncertainty".<sup>16</sup>

The Semiconductor Industry Association (SIA) also stated that " (the U.S.) imposes overly broad, ambiguous, and at times unilateral restrictions risk diminishing the U.S. semiconductor industry's competitiveness, disrupting supply chains, causing significant market uncertainty, and prompting continued escalatory retaliation by China" and urged "the administration to refrain from further restrictions until it engages more extensively with industry and experts to assess the impact of current and potential restrictions to determine whether they are narrow and clearly defined, consistently applied, and fully coordinated with allies".<sup>17</sup>

China occupies about one-third of the U.S. technology industry, and as the largest source of semiconductor parts and the end market for its products, the Chinese semiconductor market is irreplaceable. Opposition voices from many sides indicate that U.S. export controls against China, especially controls and blockades in the semiconductor sector, will ultimately threaten the competitiveness of related U.S. domestic industries and their ability to cooperate in the international industrial chain, and create substantial obstacles to the advancement of an inclusive and worker-centered trade policy.

In U.S. Presidential Executive Order No. 13985, we can see the U.S. government's determination to "advance equity for all", but the U.S. has adopted export control measures to hinder the free trade process, which is a complete departure from the equity-oriented trade policy. The U.S. government is bent on building a "small yard, high fence" on China, not only blocking advanced equipment and technologies in the

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<sup>16</sup> See <https://www.bloomberg.com/news/articles/2023-07-15/chip-leaders-head-to-washington-to-lobby-for-china-rules-relief#xj4y7vzkg>.

<sup>17</sup> See SIA Statement on Potential Additional Government Restrictions on Semiconductors, <https://www.semiconductors.org/sia-statement-on-potential-additional-government-restrictions-on-semiconductors/>.

upstream industry, but also trying to control the application of such products and technologies in the downstream industry, such as in the fields of AI and super-computing, *etc.*, and adopting a multilateral blocking approach, joining hands with the European Union, Japan, the Netherlands and other regions and countries in an attempt to impede the fair and free development of Chinese commodities, services and technologies. In the end, it is the workers who will bear the heavy burden of unilateralism and technological blockade.

### **3. Uyghur Forced Labor Prevention Act against China**

The U.S. government claims that “(a)dvancing a worker-centered trade policy means respecting the rights of workers and eradicating forced labor in global supply chains”.<sup>18</sup> However, the assertion of so-called “forced labor” should not be solely generated without any substantial evidence, and the Xinjiang-related Act actually fakes its aim of implementing “trade bullying” under the excuse of “combating forced labor”, suppressing key industries such as photovoltaic and cotton in Xinjiang Uygur Autonomous Region. The act has exerted a negative impact on the regional industry and affect multinational enterprises and hundreds of thousands of workers participating in the local industries of their most basic right to work. Given the scale of the industries affected and the intertwined nature of the global supply chain, not only the rights of Chinese laborers have been infringed upon, but also the basic rights of workers in industries across the globe have been involved and widely influenced to varying degrees.

If the U.S. workers community, based on its biased policy preferences, authorizes its trade unions and their Government to make a series of decisions and actions that undermine the spirit of fair trade and human rights, with a view to imposing sanctions on China’s so-called forced labour and related products, then this is the United States Government’s contempt and exploitation of the rights of the its workers’ community.

#### **3.1. Chinese laws endow citizens with labor entitlements and obligations**

China has introduced and implemented a series of laws, such as Labor Law, Labor Contract Law and Law on Promotion of Employment, to provide a solid legal guarantee for respecting the labor rights of its people, safeguarding the legitimate rights and interests of laborers, realizing decent labor, and preventing and combating forced labor. In addition, the Government have resolutely implemented 26 international labor conventions, including four core conventions such as the “Discrimination (Employment and Occupation) Convention”, as well as the relevant provisions of the United Nations “International Covenant on Economic, Social and Cultural Rights” and other international treaties, and resolutely prevents and punishes various illegal and criminal acts in the labor field. People of all ethnic groups in Xinjiang Uygur Autonomous Region (“Xinjiang”), same as the people in other parts of China, voluntarily enter into the employment contracts and receive the same level of work benefits and conditions in accordance with the applicable law. Their rights to labor remuneration, rest and vacations, labor safety and health protection, and access to social insurance benefits, are protected in accordance with the applicable laws. Xinjiang’s labor and employment policy and its practice are in line with Chinese law and international labor and human rights standards.

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<sup>18</sup> See USTR, <https://ustr.gov/about-us/policy-offices/press-office/fact-sheets/2023/march/fact-sheet-year-2-ambassador-katherine-tai-and-ustr-continued-execute-president-bidens-vision-worker>.



If trade restrictive measures are imposed on products from Xinjiang on the grounds of “forced labor”, then it is in essence a denial of basic human rights (e.g., the right to labor and the right to employment) for all ethnic groups in Xinjiang, and will result in *de facto* “forced unemployment”, leading to a significant decline in the standard of living of them or even a return to poverty. In addition, it will seriously disrupt Xinjiang’s economic development and foreign trade, and unreasonably increase enterprises’ burden.

### **3.2. False allegations of “forced labor” against China will ultimately harm the interests of U.S. businesses and workers**

Such Restrictions will also seriously damage the trade relationship between China and the U.S., harm the interests of businesses and consumers, and is not conducive to the stability of the global supply chain and the recovery of the world economy.

Taking the solar industry in Xinjiang as an example, the local solar enterprises are mainly focusing on industrial silicon and polysilicon, and have the world’s leading high-tech, which realizes the informationization, intellectualization, automation and digitization of the production process. This ensures the high efficiency and environmental protection of the production lines, which provides employees with a better working and living environment.

Enterprises fulfill their social responsibilities in accordance with the laws, actively accept public supervision in accordance with the 11 forced labor indicators listed by the United Nations Labor Organization. Employees voluntarily sign employment agreements with enterprises, and the contents of employment agreements comply with the Labor Law and Labor Contract Law and the other relevant laws and regulations. The rights and interests of freedom of religious belief and ethnic customs are also respected and guaranteed in accordance with the law. There is no forced labor issue at all. Contrary to its stands to protect relevant ethnic groups, the Act to be implemented would actually negatively affect the employment of those groups, results in discrimination, unfair treatment and loss of work opportunism.

As stated in the *Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, “the U.S. faces converging economic, health, and climate crises that have exposed and exacerbated inequities”.<sup>19</sup> Nowadays, countries raising the level of their climate commitment targets, what is needed is more cooperation and healthy competition, not political suppression and malicious smearing. Promoting the development of renewable energy, represented by photovoltaics, and advancing energy change has become a development consensus among countries around the world. It is conducive to promoting the goal of equal opportunity, which is also a cornerstone of American democracy.

The U.S. imposes restrictions on Xinjiang enterprises and interference in normal business cooperation and competition, from which to seek personal gain, which is not only a serious violation of the rules of international trade and market economy norms, but seriously undermining the international economic order, the global industrial chain and ultimately harm to all countries, including the U.S itself.

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<sup>19</sup> See <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/>.

*Question: Do you have a recommendation for how this should be corrected?*

In light of the trade policies, regulations and acts being imposed by the U.S. that are not conducive to the advancing of equality and economic empowerment, as explained in detail above, CCCME holds that the U.S. government and the relevant authorities shall amend or withdraw the relevant policies and acts as soon as possible.

First of all, the Section 301 tariffs should be removed as early as possible. The U.S. government shall follow the WTO panel's ruling issued on September 15, 2020 that the tariffs imposed by the U.S. against Chinese goods is inconsistent with U.S.'s WTO obligations under the GATT and thus eliminate tariffs imposed on China immediately.

Secondly, the practice of defining the entire China-US relations by competition, generalizing the concept of national security, abusing the use of export control measures out of the need to maintain US technological hegemony should be terminated without further ado. Regarding the series of U.S. export control measures against China, the U.S. government shall rectify its practice and refrain from maliciously blocking and suppressing Chinese enterprises and disrupting the global industrial chain, which is also the right choice to effectively safeguard the interests of U.S. enterprises, workers and consumers.

Thirdly, the wrong practices by the US government which impedes the development and stability of Xinjiang should be immediately stopped. The *Uyghur Forced Labor Prevention Act* introduced by the U.S. under the guise of "human rights" disregards international law principles and restricts Xinjiang's advantageous industries by means of non-tariff barriers and unilateral sanctions. CCCME urges the U.S. Government to immediately stop its wrongful practices, withdraw all sanctions and repressive measures related to Xinjiang, stop infringing on the rights to survival and development of the ethnic groups in Xinjiang, and jointly safeguard the international trade order and the legitimate rights and interests of workers in all countries.