

**Remarks by Former Secretary of State Madeleine K. Albright
National Bureau of Asian Research Conference
“Recent Progress and Persistent Challenges in IP”
Monday, March 29**

Thank you for the introduction and my thanks to the National Bureau of Asian Research for inviting me to be a part of this important and timely event.

I have the highest respect for NBR and the role that it plays in helping American decision-makers craft better policy towards Asia. It is a role that will become even more critical as Asia’s influence grows and U.S. engagement in the region expands.

I want to recognize in particular the work of NBR’s Commission on the Theft of American Intellectual Property, led by my friends Dennis Blair and Jon Huntsman.

Although the protection of U.S. intellectual property has long been a priority for Republican and Democratic administrations, a decade ago Admiral Blair and Governor Huntsman helped policymakers understand that the hemorrhaging of American IP was a national crisis. That remains the case today, making IP protection a strategic imperative for the United States in 2021.

Fortunately, the work of the IP Commission continues, and I trust that the Biden administration will take seriously the recommendations it issued earlier this month.

In his interim national security strategic guidance, President Biden declared that the world is at an inflection point.

The covid-19 pandemic has hastened the economic transformation that was already taking place, driven by technology and globalization.

At the same time, the strategic environment is shifting, with the US-China relationship becoming far more competitive and, at times, adversarial.

There is also a global competition between democracy and authoritarianism, and between those who want an international system built on the rule of law and those who believe the most powerful countries should be able to act with impunity.

In acknowledging these challenges and seeking to meet them, the Biden administration has begun to put forward a strategy built on renewing the

foundations of the U.S. economy, revitalizing our global alliances, and deepening our commitment to democracy and the rule of law.

It is a strategy which recognizes the deep connections between domestic and foreign policy and seeks to better coordinate the two.

This has implications for the subject we are focusing on today.

During my time as Secretary of State, I understood that IPR was the foundation for U.S. economic growth and international competitiveness, and therefore had to be on the U.S. foreign policy agenda.

I recall traveling to countries such as Vietnam and Ukraine to press them on improving their domestic IP protection regimes, addressing concerns raised by American companies and reinforcing the importance of rule of law.

I also recall it as an issue that was central to negotiations over China's accession to the World Trade Organization.

Clearly, China's enforcement efforts have fallen short of expectations. The scale of IP infringement by Chinese entities has also been far larger than anticipated, and it has shifted from consumer products to advanced technologies.

We now understand the negative impact this theft has had in the United States and around the world. But we also understand that the problem cannot be viewed exclusively through a foreign policy lens.

As the IP Commission has recognized, robust enforcement of domestic IP authorities is critical for our international efforts.

In part this is through the positive example the United States can set for other countries, reinforcing our credibility as we press foreign governments to take similar enforcement actions.

Perhaps more important, however, is that domestic enforcement tools enable the U.S. government to leverage the power of the U.S. market to punish and deter IP theft overseas.

An example of this is the 337 process through which the Customs service is directed to exclude IPR infringing products from entering the U.S. market.

In February, the International Trade Commission (ITC), a nonpartisan government body, delivered an unambiguous decision on a 337 case involving theft of electric

vehicle battery technologies. This ITC decision sent a powerful signal that the United States is prepared to act at home in accordance with the principles we are promoting and the example we are trying to set abroad.

I should say that both of the companies in that case have been clients of my firm and I hope they will reach a fair settlement, that is fully consistent with the findings of the ITC and respects IP rights.

These domestic actions give added weight to the important bilateral and multilateral actions that must be pursued.

I was pleased to see that President Biden recognized the importance of strong intellectual property protection to America's innovation-based economy and made it a priority in his first conversation with China's leadership. I also understand there were serious discussion of trade issues, including IP, during the talks that took place in Anchorage.

Moreover, I was very glad to see that the widely respected new U.S. Trade Representative, Katherine Tai, has also made it clear she will make unfair trade practices – including IPR infringement – a top priority.

Many key partners of the U.S., particularly the EU and Japan, increasingly recognize that coordinated action to address IPR threats is a strategic imperative.

I also believe the Biden administration has the will and the capacity to build these more effective coalitions. But they will only succeed if they are able to draw on the best expertise and ideas, which is why I am so pleased that NBR and the IP Commission are as active as ever.

So let me close by once again commending NBR for its commitment to supporting U.S. leadership in Asia, and all of the participants in today's events for your focus on one of the most important issues of our time.

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