

ONE HUNDRED THIRTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

**Statement of Rep. Henry A. Waxman**  
**Ranking Member, Committee on Energy and Commerce**  
**Hearing on “Cross Border Data Flows: Could Foreign Protectionism Hurt U.S. Jobs?”**  
**Subcommittee on Commerce, Manufacturing, and Trade**  
**September 17, 2014**

Today’s hearing is on efforts to limit the electronic movement of information across national boundaries.

The United States leads the world in technological innovation. Digital trade-related exports totaled more than \$350 billion in 2011, up from about \$280 billion in 2007.

In today’s heavily digital commercial environment, cross-border data flows are not just a normal part of doing business, but also essential to the innovative capacity of U.S. enterprises. Any limits on international trade, including digital trade, will have an effect on the American economy and American jobs. Recent industry reports find that the efforts of foreign countries to restrict data flows – or even the threat to do so – can hurt American businesses.

There is no doubt that foreign trust in the United States government and of U.S.-based companies has been hurt by revelations since last year about the NSA’s online surveillance programs.

But other factors are also at work. Just like Americans, citizens of other nations are concerned about the massive amount of personal information being collected by private companies and whether this information is secure. In Europe, for example, the efforts to limit private data mining and to ensure basic data security protections began long before Mr. Snowden’s name was known.

For example, in 2012, an Austrian law student sparked outrage in Europe over his discovery that Facebook possessed files of personal information on individual users that were hundreds of pages long. Even earlier, several European countries took action against Google’s Street View service after it was revealed that Google’s Street View cars collected personal information as they drove through the streets.

One way to help alleviate those fears and build trust is for the United States to establish effective baseline privacy and data security protections. That is why I have supported, and continue to support, efforts to establish such protections for consumers’ information.

Regaining the trust of consumers worldwide is crucial to the continued growth of Internet and communications technology sector in the United States. That requires a multi-faceted approach – through appropriate legislation and regulation, as well as through trade negotiations and other Administration efforts to prevent harmful restrictions on cross-border data flows.

I look forward to the witnesses' testimony and to our discussion today of this important topic. Thank you.