



Senators grill USTR Ron Kirk on 'lack of urgency' in trade promotion efforts

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Washington, March 3 – U.S. Trade Representative Ron Kirk assured the Senate Finance Committee Wednesday that the administration is on track “to double U.S. exports in five years, an increase that could support two million additional American jobs.”

Committee Chair Max Baucus (D-MT) and Ranking Member Chuck Grassley (R-IA) agreed on the goal to double exports and the need to create jobs. But they also agreed that the U.S. isn't doing nearly enough on the trade front. Baucus pointed out that Canada “spends 50% more than we do on export promotion. The United Kingdom spends three times more.” Grassley cited “the apparent lack of urgency” and possible “political reasons for this lack of urgency” in pursuing new trade agreements.

Baucus called on Ambassador Kirk to “do everything possible to open markets and promote our exports,” noting that “According to the Department of Commerce, every \$1 billion in manufacturing exports supports almost 7,000 jobs. And every \$1 billion in agricultural exports supports 8,000 jobs.” Then he listed five steps he feels are needed to boost exports, including spending more on export promotion programs; signing the long-delayed Free Trade Agreements with South Korea, Colombia and Panama; and enforcing existing trade agreements.

Committee member Sen. Blanche Lincoln (D-AR) who Chairs the Senate Agriculture Committee questioned Kirk about removing “unacceptable” provisions from the pending Doha international trade agreement, opening trade with Cuba, and “leveling the field for catfish. Kirk responded with non-committal responses, the need to take “broader strategy” into account, and the need to avoid rash decisions which could impact other trade issues. Sen. Pat Roberts (R-KS) suggested banning all Japanese auto exports to the U.S. until all safety issues are resolved in response to Japan's banning U.S. beef over safety concerns. Kirk's response was the need to always take a “strategic approach.”

Lincoln emphasized that “As we look for new markets for our exports, we must work to open trade with Cuba once and for all. Cuba has an exceptionally large demand for rice, and as the largest producer of rice in the United States, Arkansas is ready to meet this

demand. Opening trade relations with Cuba is long overdue and I will continue my efforts to ensure that our producers gain access to this multi-billion dollar market.”

As more senators expressed concerns over Japan, China, Taiwan, Europe and Russia erecting barriers to U.S. exports, Kirk repeatedly pointed to “ongoing negotiations” and, with specific reference to beef, promised that “we will use every tool until we get our beef back into these markets.” He assured Sen. Tom Carper (D-DE) that not only is USTR working on removing barriers to U.S. poultry exports to Europe, Russia and China, but actively working on pork issues as well.

Pressed hard on the delays over signing the stalled free trade agreements with South Korea, Colombia and Panama, Kirk agreed that it would be common sense to sign the agreements since their terms overwhelmingly benefit the U.S. Yet when Baucus called for quick action on the FTAs, Kirk said he hopes there will be progress “over the next several months.” Kirk said he’s also working on the Mexican trucking issue which has led to high retaliatory tariffs on a number of U.S. agricultural products.

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