

United States Senate
Committee on Finance



Sen. Chuck Grassley • Iowa
Ranking Member

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MEMORANDUM

To: Reporters and Editors
Fr: Jill Gerber for Sen. Grassley, 202/224-6522
Re: President's trade policy agenda
Da: Monday, March 2, 2009

Today the Office of the United States Trade Representative released the President's trade policy agenda. Senator Chuck Grassley, Ranking Member of the Committee on Finance, which has jurisdiction over international trade, made the comments below regarding the President's agenda.

“I was glad to see that the President intends for trade policy to play an important part in our economic recovery. That statement is long overdue. I'm ready to work with the President to accomplish that goal. I agree we need to do everything we can to create new market opportunities for U.S. exporters. If that means starting with the pending trade agreement with Panama, I can accept that as long as we turn to our pending agreements with Colombia and South Korea right afterward. I also agree that there's an unacceptable imbalance in the current state of the Doha negotiations. There's still so much ambiguity that we can't see what benefits the current outline of an agreement would bring to U.S. exporters. At the same time, our trading partners haven't been shy in demanding reductions in our domestic supports for agriculture, for example. And I agree that the President should have trade negotiating authority — every President should, regardless of political party, because it's in our national interest. I'm also interested in reforming our trade preference programs, and I look forward to working with the President to accomplish that as well.

“But I do have some concerns with the President's trade policy agenda. For example, I don't know what the President intends in saying that our trade policies should build on the labor provisions in our existing trade agreements, or in asking how trade policy can respond to global environmental challenges. Until I see the details, I'm reserving judgment. But the bipartisan compromise on these issues that was reached on May 10, 2007, was difficult for me to accept. I still question the merits of some elements of that compromise, and we're still waiting for our three pending trade agreements to be

implemented even though they were renegotiated to incorporate the elements of that compromise.

“I also have questions about the statement that the Administration will work with Canada and Mexico to identify ways in which the North American Free Trade Agreement could be improved without having an adverse effect on trade. On the campaign trail the President called NAFTA ‘devastating’ and ‘a big mistake’ that should be renegotiated. But renegotiation would involve a rebalancing of tariff concessions. I’m concerned that Mexico may seek increased tariffs on agricultural exports that are important to my home state of Iowa. I’m going to seek additional clarity from the President on that point.”