



For Immediate Release
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Contact: Scott Mulhauser/Erin Shields
(202) 224-4515

**Opening Statement of Senator Max Baucus (D-Mont.) on
Boosting America's Economy By Increasing Trade With Key Asia-Pacific Countries**
As prepared for delivery

Bill Clinton once said: "A world without walls is the only sustainable world."

Throughout history, countries have erected walls to create barriers and safeguard themselves. From fortress walls, to city walls, to the Great Wall of China, physical barriers were essential to ensuring the security of a nation.

But in today's world, we seek not to build, but to tear down the economic walls that divide us.

American companies frequently face barriers when they seek to export their products abroad. Rather than bricks and mortar, these are tariff and non-tariff barriers.

Today, we are here to discuss the Asia-Pacific Economic Cooperation forum, or APEC, which is dedicated to breaking through these economic walls.

APEC is a group of 21 Asia-Pacific member economies. These economies have joined together to facilitate economic growth, cooperation, trade and investment in the Asia-Pacific region.

Together, these APEC members represent nearly 55 percent of the world economy and nearly 45 percent of world trade. In 2009 alone, trade with the APEC region pumped approximately one trillion dollars into the U.S. economy.

This May, Montana will host the APEC Trade Ministers and Small and Medium-Sized Enterprises meetings so we can discuss how to eliminate the economic barriers that divide us.

I am so proud to bring cabinet-level officials from the 21 APEC economies to my great state. Montana is rolling out the Big Sky welcome mat. From our ranchers and farmers to our manufacturers and innovators, we are preparing to showcase all that Montana has to offer.

As we do so, we also will work to ensure that APEC stays meaningful and relevant in the years to come.

There are two things we need to do to succeed. We need to ensure that APEC tears down the barriers that lurk behind our trading partners' borders. And, we need to ensure that APEC makes trade work for all American exporters, not just big businesses.

First, we must ensure that APEC eradicates the hidden barriers that often stymie our exports.

APEC has been extremely successful in reducing tariff barriers. In fact, the average APEC tariff fell to a remarkably low five percent in 2010.

And as tariffs decreased, exports increased. The United States nearly doubled our goods exports to the APEC region in the last 15 years, from \$400 billion in 1994 to almost \$800 billion in 2010.

But onerous non-tariff barriers remain. Taiwan continues to impose a web of restrictions that effectively block U.S. beef exports.

And China uses subsidies and local content requirements to stymie U.S. green technology and other exports.

American businesses are often unable to scale these walls, which cost tens of millions of dollars a year in lost exports. APEC must find ways to tear down these non-tariff barriers.

Second, we must ensure that APEC creates opportunities for our small and medium-sized businesses, in addition to our large businesses.

This year, my staff and I have met with dozens of small Montana companies that are exporting – or would like to export – to APEC economies.

These companies raise a litany of concerns including: rules and regulations that are difficult to identify and understand; an inability to find local companies to partner with in export countries; and a lack of information on the most basic nuts and bolts of how to export their products.

These are not huge barriers, but for a small company seeking to understand a new market, they can seem insurmountable.

That is why I support APEC's goal of making it 25 percent cheaper, faster, and easier to do business in the region by 2015.

But we must identify specific benchmarks along the path to ensure we are making progress toward that goal. For a small business, 25 percent can be the difference between success and mere survival.

The Trans-Pacific Partnership free trade agreement, or TPP, is a step in the right direction.

I have long advocated for the United States to resume these negotiations. And I support the speedy conclusion of a high-standard TPP agreement.

But while the TPP will create a dent in the barriers our companies face in the APEC region, it will not cause the walls to tumble.

Some of the most onerous barriers we face are those imposed by APEC economies that are not part of the TPP framework. And we must aggressively address those barriers, as well.

APEC has a track record of success in breaking down walls and bringing the region together.

I urge the United States to focus this year on making sure APEC continues this track record of success.

Montana depends on it. America's exporters depend on it. And our country's economy depends on it.

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