

Written Statement by Ambassador Franklin L. Lavin
Under Secretary-Designate
International Trade Administration
U.S. Department of Commerce
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Mr. Chairman, Senator Baucus, and distinguished Members of the Committee, thank you for the opportunity to appear here today.

I want to thank Senator DeWine for his gracious introduction. I am proud that he represents my home state, and I am grateful for his support.

I am thrilled that my daughter, Abby, my sister-in-law, Lauren, and my nephew, Seth, are here. My wife, Ann, and other children, Nat and Elizabeth, are here in my heart, although many miles separate us today.

I would also like to recognize my fellow nominees here on the panel, and if confirmed, I particularly look forward to working with Dr. Susan Schwab and Assistant Secretary Karan Bhatia in the Office of the U.S. Trade Representative.

It has been a privilege to serve the President and the American people as the U.S. Ambassador to the Republic of Singapore. I am honored that President Bush and Secretary Gutierrez have asked me to serve as Under Secretary of Commerce for International Trade. Trade is an important source of good jobs for our workers, new opportunities for our entrepreneurs, and higher growth for our economy.

Mr. Chairman, as U.S. Ambassador to Singapore and as a former banking executive and Commerce official, I helped U.S. companies navigate the international marketplace. From breaking down trade barriers to facilitating export financing, I have seen the challenges and opportunities firsthand. If confirmed, I will use this experience in the International Trade Administration to promote exports, open foreign markets, ensure compliance with trade laws and agreements, and support U.S. commercial interests at home and abroad.

If confirmed, my service will be guided by three principles. First, American companies produce world-class goods and services and we can win in the global marketplace. Second, we must use all of the tools at our disposal to ensure that American businesses face fair competition. We must enforce the rules and hold our trading partners accountable to the agreements they have signed. Third, cooperation between the legislative branch and ITA is essential for a constructive international trade policy. I look forward to working with the Congress on the vital issues we face. Please allow me to elaborate on these three principles.

First, I believe that U.S. companies can compete successfully in the international marketplace and there are many export opportunities for U.S. companies, large and small. Americans are resourceful, innovative, and quite nimble at adapting to change. We are living in an era of economic transition, but I have no doubt that American companies can successfully meet this challenge. U.S. exports are higher than at any time in our history. Indeed export growth might be one of the brightest spots in our overall economy as jobs in exports pay more on average than other jobs. To put these numbers differently, our exports this year will be larger than the entire GDP of Canada. But even with this success, the experience may be daunting for companies looking to export for the first time. For many businesses, ITA's involvement is a significant factor in export success.

My second principle is that we must open markets and enforce the rules that govern trade. Although the U.S. Trade Representative negotiates trade agreements, ITA oversees compliance and enforcement. The Department of Commerce is involved in every step of the implementation process. ITA staff works to ensure that American companies and their employees have every opportunity to succeed internationally.

Enforcement will be a priority for me. ITA works to ensure that American exports are afforded the proper protections, including respect for intellectual property. Intellectual property is a component in products from snowshoes to lawnmowers to computer software, and IPR protection is key to their success in the marketplace.

Third, I believe that to be effective in our mission, we must work closely with the Congress. The Senate is uniquely positioned to know first-hand about trade problems encountered by constituent companies and individuals. At the same time, you have a full appreciation of the relationship of open markets to the high standard of living we enjoy in the United States. If confirmed, you have my commitment that I will work closely with you and remain attuned to any concerns about ITA-related matters.

As an example of these principles, I would like to cite the Singapore Free Trade Agreement. It committed Singapore to maximum liberalization for bilateral trade in goods and services. It included state-of-the-art commitments in e-commerce, customs cooperation, transparency, and the protection of intellectual property rights, and it incorporated a constructive model for workforce and environmental matters. Since this FTA went into effect in 2004, U.S. exports have grown at a run-rate of almost 30 percent.

In closing, I would like to express my enthusiasm for ITA's mission. If confirmed, I will join an extraordinarily capable group of men and women who work around the world as commercial officers, trade specialists, economists, and trade lawyers to support that mission. I believe their work has never been more critical to both our economic well-being and our national security. With your support, I would be honored to lead them in this endeavor.

Thank you for your time. I would be happy to answer any questions that the Committee may have.

