



For Immediate Release
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Contact: Dan Virkstis
202-224-4515

**Hearing Statement of Senator Max Baucus (D-Mont.)
Regarding the Nomination of Mr. Ronald Kirk to be United States Trade Representative**

On June 29, 1944, as an international conference began to envision the world that would emerge from World War II, President Franklin Roosevelt said: "Commerce is the life blood of a free society. We must see to it that the arteries which carry that blood stream are not clogged again, as they have been in the past, by artificial barriers created through senseless economic rivalries."

Slowly, a plan for global economic reemergence took shape. Far from the battlefield, economists and strategists in Washington drafted a document called Proposals for the Expansion of Trade and Employment. Published in 1945, the report was a blueprint for dismantling the protectionism that had crippled the international economy for decades. The report laid the foundation for the international trading system that would sustain the global economy for the next 60 years.

Mayor Kirk, as President Obama's nominee for U.S. Trade Representative, you will soon have the pen to draft a new international economic blueprint. This new blueprint will be no less historic and no less important. In many ways, your task is more challenging.

America emerged from World War II as the clear military victor. We were the world's strongest economic engine.

In the current global economic crisis, America is not the victor, but its first victim. Some in foreign lands see America as the main culprit.

Our economy is in recession. Our consensus to advance international trade is frayed. And our faith in the international trading system is badly shaken.

New economic powers are emerging. Historical trading powers are waning.

Economies that followed the letter and the spirit of international trade rules are battered. And foes of open trade are emboldened to take action that could undermine the global trading system for years to come.

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Mayor Kirk, your job will be to fight a rear-guard action to combat new barriers to trade. And your job will also be to chart a course forward to free and open trade that endures.

I believe that you are the best man for the job. Now, this Committee's vetting process revealed mistakes in your tax returns. These are regrettable but, I believe, honest mistakes. You have acted to remedy them. And now you must focus on succeeding in the position for which the President has nominated you.

This year, American trade policy is off to a good start. In the economic recovery act, Congress worked with the administration to pass a landmark expansion of Trade Adjustment Assistance.

Passing TAA was a model of bipartisan cooperation. Senator Grassley, Chairman Rangel, Congressman Camp, and I worked to craft the agreement. Senators Snowe, Cantwell, Stabenow, Bingaman, and Rockefeller made valuable contributions.

I am committed to continuing that model of cooperation and engagement.

I plan to introduce bipartisan, comprehensive customs reauthorization legislation.

I plan to introduce bipartisan legislation to give the administration the tools and resources it needs to enforce our trade agreements and level the playing field for American workers, firms, farmers, and ranchers.

And I plan to introduce legislation to reform and reauthorize our preference programs in a way that will ensure that the world's poorest countries can trade, grow, and prosper.

I also want to find a way to begin consideration of the three pending trade agreements. And I am committed to approaching that process with the same cooperation and commitment that we demonstrated on TAA.

We should start with Panama. That's the agreement that's most ready for action. And it's the agreement that will win the greatest level of support.

With careful thought, consideration, and compromise, I also want to address the trade agreements with Colombia and Korea. We must find a way to address the real and significant concerns with labor violence in Colombia. And Korea must find a way to accept all American beef from cattle of all ages.

Done properly, I believe that the U.S.-Korea trade agreement could serve as a cornerstone of a broader economic agenda that embraces the dynamism of Asia.

Our exports to Japan and China — the world's second and third largest economies — are far from reaching their full potential. And surrounding these Asian heavyweights are promising markets in Vietnam, Malaysia, and Taiwan.

Bilateral engagement with these and other Asian countries is important. But a regional approach is also critical. The United States will chair the Asian Pacific Economic Cooperation group in 2011. We must start planning now to make our APEC leadership meaningful.

One way to do so would be to lead ongoing Trans-Pacific Partnership negotiations to a successful conclusion. The sooner that the Obama Administration commits to Trans-Pacific Partnership negotiations, the sooner that those negotiations can grow into a broader regional deal that encompasses Japan and other countries with greater commercial impact.

Opening new markets through new negotiations is essential to American workers, firms, farmers, and ranchers who struggle in today's economy. But equally important is unraveling the web of sanitary and phytosanitary barriers that keep the world's consumers from enjoying American agriculture products.

These barriers hurt every state represented on this Committee, in markets throughout the world. Unscientific beef import bans have cost ranchers in Montana and other states ten billion dollars in exports. And the European Union has effectively locked out American corn, soy, poultry, and beef from their market.

Mayor Kirk, you will also need all of your vigilance and tenacity to enforce our international trade agreements. Our Softwood Lumber Agreement with Canada is a prime example. American companies can go toe-to-toe with any global competitor. But they can succeed only if the competition plays by the rules of the game.

Mayor Kirk, the 1945 report on trade expansion and jobs that I mentioned earlier began with a simple observation. Its authors observed that America had "a limited and temporary power to establish the kind of world we want to live in." I urge you to approach your position as U.S.T.R. in a similar way.

And so, Mayor Kirk, I urge you to protect the life blood of free society. I encourage you to see to it that the arteries that carry that stream are not clogged again, as they have been in the past. And I urge you to use your position as U.S. Trade Representative to help to establish the kind of world that Americans want to live in.

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