



Opening Statement of Sen. Chuck Grassley  
Hearing on “The 2010 Trade Agenda” with  
Ambassador Ron Kirk, U.S. Trade Representative  
Wednesday, March 3, 2010

This is an important opportunity for the Committee to engage Ambassador Kirk in a detailed follow-up to the President’s recently-released trade policy agenda for 2010. I’ve looked at the trade policy agenda, and I’m disappointed by some of the gaps I see in the level of detail provided by the President.

For example, the trade agenda states that our government “will continue to engage with the Governments of Panama, Colombia, and Korea” as the Administration further refines its analysis of outstanding issues. But it doesn’t indicate where we are on that engagement, or when future meetings are planned with the governments of Colombia and South Korea to iron out resolutions to the Administration’s concerns.

It’s been almost three years since each of our pending trade agreements was modified to reflect what is commonly known as the “May 10<sup>th</sup>” agreement between congressional Democrats and the Bush Administration. This delay in implementation hurts U.S. credibility around the world, not just economically, but geopolitically as well. On top of that, it creates some confusion with respect to the Administration’s own trade initiatives. The Administration has articulated forcefully the potential benefits of a Trans-Pacific Partnership trade agreement. And, I agree with the Administration on that.

But there is some disconnect between this enthusiasm for negotiating a Trans-Pacific Partnership agreement, and the apparent lack of urgency to resolve the outstanding issues cited by the Administration as cause for delay in implementing our pending trade agreements. There may well be political reasons for this lack of urgency. But that doesn’t justify delay as good policy — quite the opposite.

Though some may dismiss this focus on our pending trade agreements, the world won’t wait for us if we sit on the sidelines. South Korea has already concluded a trade agreement with the European Union, and Colombia has reportedly just done the same. Such erosion to global U.S. competitiveness concerns me. We were left on the sidelines once before — in the latter 1990s — and I don’t want to see us repeat that experience. The trade agenda also reiterates the President’s goal of doubling U.S. exports in the next five years, and touts the President’s National Export Initiative as a means of achieving that.

But beyond another bureaucratic incarnation — in the form of a new “Export Promotion Cabinet”— the details for achieving that growth in exports are missing. In fact, the relevant executive departments and agencies have been given six months to submit detailed plans to the President on how they will spend monies that have already been accounted for in the President’s budget to achieve an increase in U.S. exports. This top-down spending mandate is a recipe for waste. Before additional resources are appropriated, this Administration must provide a detailed justification for why current spending levels are insufficient — and the fact that agencies can find ways to spend more money is not an acceptable reason.

The trade agenda does acknowledge the important role that international trade plays in creating and sustaining good-paying jobs here in the United States, and I commend the President for that. I also agree with the President that we need to remain mindful of the needs of American workers who are displaced by trade. But we’ve already done that. Congress enacted a comprehensive overhaul and expansion of our trade adjustment assistance programs last year. So, we’re left waiting for the President to act. We’re left waiting for more details. I look forward to Ambassador Kirk’s testimony to help fill in the blanks.