Statement of the U.S. Chamber of Commerce

ON: Congress and U.S. Tariff Policy

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The U.S. Chamber of Commerce is the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations.

More than 96% of Chamber member companies have fewer than 100 employees, and many of the nation's largest companies are also active members. We are therefore cognizant not only of the challenges facing smaller businesses, but also those facing the business community at large.

Besides representing a cross-section of the American business community with respect to the number of employees, major classifications of American business—e.g., manufacturing, retailing, services, construction, wholesalers, and finance—are represented. The Chamber has membership in all 50 states.

The Chamber's international reach is substantial as well. We believe that global interdependence provides opportunities, not threats. In addition to the American Chambers of Commerce abroad, an increasing number of our members engage in the export and import of both goods and services and have ongoing investment activities. The Chamber favors strengthened international competitiveness and opposes artificial U.S. and foreign barriers to international business.

Positions on issues are developed by Chamber members serving on committees, subcommittees, councils, and task forces. Nearly 1,900 businesspeople participate in this process.

Chairman Hatch, Ranking Member Wyden, and distinguished members of the committee, my name is Tom Donohue, and I am President and Chief Executive Officer of the U.S. Chamber of Commerce (Chamber). I am pleased to testify today on the importance of renewing Trade Promotion Authority (TPA). The Chamber is the world's largest business federation, representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations.

In the Chamber's view, reinvigorating economic growth and creating good jobs are the nation's top priorities. Approximately 17.4 million Americans are unemployed, underemployed, or have given up looking for work. Participation in the workforce stands at the lowest since 1978, reflecting a significant level of discouragement.

World trade must play a central role in reaching this job-creation goal. After all, outside our borders are markets that represent 80% of the world's purchasing power, 92% of its economic growth, and 95% of its consumers. The resulting opportunities are immense, and many Americans are already seizing them: One in four manufacturing jobs depends on exports, and one in three acres on American farms is planted for hungry consumers overseas.

Nearly 40 million American jobs depend on trade, as detailed on the coalition website www.TradeBenefitsAmerica.org. Consider the number of jobs that depend on trade just in the states represented by senators serving on this committee: Colorado (709,000), Delaware (123,000), Florida (2.4 million), Georgia (1.2 million), Idaho (195,000), Indiana (796,000), Iowa (448,000), Kansas (392,000), Maryland (790,000), Michigan (1.2 million), Nevada (350,000), New Jersey (1.2 million), New York (2.6 million), North Carolina (1.2 million), Ohio (1.5 million), Oregon (484,000), Pennsylvania (1.6 million), South Carolina (559,000), South Dakota (124,000), Texas (3 million), Utah (374,000), Virginia (1.1 million), Washington (915,000), and Wyoming (68,000).

Another excellent resource on the benefits of trade is www.TradeSupportsJobs.com, a website offering extensive information on U.S. exports by state and congressional district, with detailed data on manufactured goods and services exports, the direct jobs they support, and the markets for which they are bound.

A Level Playing Field for Trade

While the United States receives substantial benefits from trade, there is more than a grain of truth in the observation that the international playing field is unfairly tilted against American workers. The U.S. market is largely open to imports from around the world, but other countries continue to levy tariffs on U.S. exports that in some cases are quite high, and foreign governments have erected other kinds of barriers against U.S. goods and services.

Americans rightly sense that this status quo is unfair to U.S. workers, farmers, and businesses. U.S. exporters face higher tariffs abroad than nearly all our trade competitors. The United States received a rank of 130th among 138 economies in terms of "tariffs faced" by its exports, according to the World Economic Forum's Global Enabling Trade Report. That means U.S. exporters are often at a marked disadvantage to our competitors based in other countries. In addition, a thicket of non-tariff barriers adds to the burden exporters face.

No one wants to go into a basketball game down by a dozen points from the tip-off—but that is exactly what American exporters do every day. These barriers are particularly burdensome for America's small- and medium-sized companies, approximately 300,000 of which are exporters. The U.S. Chamber believes that American workers, farmers, and companies must be allowed to operate on a level playing field when it comes to trade.

Benefits of U.S. Trade Agreements

The good news is that America's trade agreements do a great job creating a level playing field—and tremendous commercial gains are the proof in the pudding. The U.S. Chamber of Commerce in February released *The Open Door of Trade: The Impressive Benefits of America's Free Trade Agreements*, a report which catalogues the success of these agreements and makes the case for swift renewal of TPA).

Following are some of the report's highlights:

- America's 20 trade agreement partners represent just 6% of the world's population but buy nearly half of U.S. exports. By tearing down foreign barriers to U.S. products, these agreements have a proven ability to make big markets even out of small economies.
- U.S. exports to new trade agreement partners have grown by an annual average of 18% in the five-year period following an agreement's entry-into-force.
- The increased trade facilitated by these trade agreements boosted U.S. output by more than $300 billion and in turn supports an estimated 5.4 million U.S. jobs, according to an earlier study commissioned by the Chamber entitled *Opening Markets, Creating Jobs: Estimated U.S. Employment Effects of Trade with FTA Partners*.
- Trade-related jobs also tend to pay well: For instance, manufacturing jobs tied to exports pay wages that average 18% higher than those that are not.
- For those worried about the U.S. trade deficit, trade agreements are clearly the solution—not the problem. The United States has a trade surplus with its 20 trade agreement partners as a group. This includes sizeable trade surpluses in manufactured goods, services, and agricultural products.
- U.S. manufacturers' exports to trade agreement partners have topped $650 billion in recent years, generating revenue of about $55,000 for each American factory worker.
- U.S. agricultural exports to trade agreement partners increased by more than 130% in the past decade and today exceed $56 billion.
- Topping $700 billion last year, U.S. services exports are growing rapidly and support millions of high-wage jobs even though the potential for services industries to engage in international trade is almost untapped.
- Trade agreements sweep away trade barriers that are especially tough on the 300,000 small and medium-size companies that account for 98% of all U.S. exporters and one-third of goods exports.
- Imports play a critical role in the U.S. economy as well. Companies' imports of intermediate goods, raw materials, and capital goods account for more than 60% of all U.S. goods imports and help them maintain their global competitiveness.

Trade Promotion Authority

To get more of these benefits, Congress must approve the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 ("TPA bill"), which will renew TPA. The U.S. Chamber strongly supports this bill and urges Congress to approve it swiftly.

TPA is a critical tool to help Americans sell their goods and services to the 95% of the world's customers living outside our borders. The United States has never entered into a major trade agreement without it. A simple form of TPA was first enacted in 1934, but the latest iteration lapsed in 2007.

TPA is premised on the commonsense notion that the executive and legislative branches of the federal government should work together on trade. The Constitution gives Congress authority to regulate international commerce, but it gives the president authority to negotiate with foreign governments.

TPA allows Congress to show leadership on trade policy by doing three important things: (1) It allows Congress to set negotiating objectives for new trade pacts; (2) it requires the executive branch to consult extensively with Congress during negotiations; and (3) it gives Congress the final say on any trade agreement in the form of an up-or-down vote. The result is a true partnership stretching the length of Pennsylvania Avenue.

While foreign governments may initiate negotiations with the United States without TPA in place, they have historically proven leery of making the difficult political choices associated with the final stages of negotiations in its absence. In this sense, TPA strengthens the hand of U.S. negotiators, helping them secure the best possible deal for U.S. workers, farmers and companies.

Without TPA, the United States is relegated to the sidelines as other nations negotiate trade agreements without us—putting American workers, farmers, and companies at a competitive disadvantage. According to the World Trade Organization (WTO), 398 bilateral or regional trade agreements are in force around the globe today, but the United States has agreements in place with just 20 countries. There are more than 100 trade agreements currently under negotiation among our trading partners.

The United States cannot afford to stand on the sidelines as foreign governments rewrite the rules of international trade and American companies are placed at a competitive disadvantage in market after market. If we do, American workers, farmers and companies will pay the price.

Strong Negotiating Objectives

From the U.S. business community's perspective, the negotiating objectives laid out in the TPA bill are balanced, ambitious, and well suited for attaining trade agreements that are commercially valuable. They reflect the evolution in U.S. trade agreements in recent years and push the envelope to include many of the best ideas in contemporary trade policy.

The TPA bill directs U.S. trade negotiators to seek high-standard and comprehensive agreements. Indeed, U.S. trade agreements must be comprehensive, avoiding exceptions or carveouts. Whenever one party in ongoing trade negotiations seeks to exclude a given commodity or sector from an agreement, other parties follow suit, limiting the agreement's reach and its benefits. This is not just a matter of tariff policy: The TPA bill admirably instructs U.S. negotiators to seek agreements that extend their rules to all industries. This sends a positive signal to other governments about the priority the United States ascribes to trade agreements based on high standards and comprehensive coverage.

The Chamber applauds the clear, concise objectives in the TPA bill that give our negotiators a mandate to achieve in our trade agreements the same effective protection and balance that are found in U.S. intellectual property law. It is devastating for American workers and companies to have their ideas and "know how" copied and stolen, or likewise to see our innovations shut out of overseas markets, because we either did not have a trade agreement with a key market in place or because that agreement lacked the strong protections we need. This bill strikes exactly the right balance.

The TPA bill's objectives on digital trade and cross-border data flows are another example of its modernized negotiating objectives. In today's global economy, companies often move data across borders as they create new products, enhance productivity, deter fraud, protect consumers and grow their business. This is particularly important for services, many of which were considered "non-tradable" before the advent of the Internet. Recent studies estimate that within ten years products and services reliant on cross-border data flows will add over $1 trillion annually to the global economy, with the United States at the fore. To seize these benefits, U.S. trade agreements should prohibit restrictions on legitimate cross-border information flows and bar local infrastructure mandates relating to data storage.

The TPA bill also directs U.S. negotiators to seek rules in future trade agreements to ensure that private companies are not put at a disadvantage when they compete with state-owned enterprises (SOEs) and other national champions. U.S. negotiators are instructed to guard against anti-competitive behavior by SOEs and ensure a level playing field. The Chamber applauds these objectives.

The TPA bill's negotiating objectives also direct U.S. negotiators to consider how goods are produced in the 21st century using global value chains. Today, the goods we buy are usually labeled "Imported" or "Made in the USA"—with no middle ground. However, companies often rely on global value chains that span national borders to hone their competitiveness. The United States is a principal beneficiary of these supply chains. Making customs and border procedures more efficient and enacting other trade facilitation reforms will remove sand from the gears of global value chains and enhance U.S. competitiveness.

The Chamber also supports the TPA bill's negotiating objective that parties to a trade agreement avoid manipulating exchange rates to gain an unfair competitive advantage. On this matter, the United States should continue to press economies to adopt market-determined exchange rate systems that reflect economic fundamentals, and there are several fora for such discussions. In recent years, the G-7 economies have affirmed that they will not target exchange rates to achieve domestic economic objectives. G-20 members have made similar commitments to avoid persistent exchange rate misalignments and refrain from competitive devaluations.

The notion that trade policy mechanisms can address monetary policy challenges elicits concern in many quarters. To cite one, it is not in the U.S. interest to enter into an international agreement that would handcuff U.S. monetary policy and limit the flexibility of the Federal Reserve to respond to economic circumstances. Amid these concerns, the Chamber believes the TPA bill's negotiating provision relating to currency reflects a careful and reasonable balance.

As noted, the TPA bill reflects many of the best ideas in contemporary trade policy. Negotiating objectives have been modernized to reflect our changing economy. The careful bipartisan compromise on labor and environmental issues included in the four most recent U.S. trade agreements is reflected in the TPA bill—with some enhancements—not least because it allowed those agreements to attract broad bipartisan support. There is nothing "fast" about the manner in which this bill was prepared, and it plainly reflects input from many quarters. Given the careful balance attained in many areas, the Chamber urges Members of Congress to forgo amendments and support this bill, which squarely reflects the U.S. national interest.

The Trans-Pacific Partnership

And how should TPA be used? The first priority is the Trans-Pacific Partnership (TPP).

The booming Asia-Pacific region is a logical focus for America's trade negotiators. Over the last two decades, the region's middle class grew by 2 billion people, and its spending power is greater than ever. That number is expected to rise by another 1.2 billion by 2020. According to the International Monetary Fund, the world economy will grow by more than $20 trillion over the next five years, and nearly half of that growth will be in Asia.

U.S. workers, farmers and businesses need access to those lucrative markets if they are to share in this dramatic growth. However, U.S. companies are falling behind in the Asia-Pacific. While U.S. exports to the Asia-Pacific market steadily increased from 2000 to 2010, America's share of the region's imports declined by about 43%, according to the think tank Third Way. In fact, excluding China, East Asia in 2014 purchased a smaller share of U.S. exports in 2014 than it did five years earlier, despite a 54% increase in total U.S. merchandise exports in that period.

One reason U.S. companies have lost market share in the Asia-Pacific region is that some countries maintain steep barriers against U.S. exports. A typical Southeast Asian country imposes tariffs that are five times higher than the U.S. average while its duties on agricultural products often soar into the triple digits. In addition, a web of nontariff and regulatory barriers block market access in many countries.

Trade agreements are crafted to overcome these barriers. However, Asia-Pacific nations are clinching trade deals among themselves that threaten to leave the United States on the outside looking in. The number of trade agreements between Asian countries surged from three in 2000 to more than 50 today. Some 80 more are in the pipeline. Meanwhile, the United States has just three trade agreements in Asia (with Australia, Singapore and South Korea).

This challenge is growing: 16 countries are launching expedited negotiations for a trade deal called the Regional Comprehensive Economic Partnership (RCEP). It includes Australia, China, India, Japan, Korea and New Zealand—as well as the 10 ASEAN countries—but not the United States.

The TPP is America's best chance to secure a level playing field for trade in the Asia-Pacific region. Its objective is to achieve a comprehensive, high-standard and commercially meaningful trade and investment agreement with 11 other Asia-Pacific nations, including Australia, Brunei, Japan, Malaysia, New Zealand, Singapore and Vietnam. It also includes Canada, Mexico, Peru and Chile, thus offering a chance to integrate existing U.S. trade agreements in the Americas.

One top U.S. priority is to ensure the TPP protects intellectual property (IP), which plays a critical role in driving economic growth, jobs and competitiveness. According to the U.S. Department of Commerce, IP-intensive companies account for more than $5 trillion of U.S. GDP, drive 60% of U.S. exports and support 40 million American jobs. To build on these strengths, the TPP must include robust IP protection and enforcement provisions that build on the U.S-Korea Free Trade Agreement and provide 12 years of data protection for biologics consistent with U.S. law.

Completing the TPP would pay huge dividends for the United States. The agreement would significantly improve U.S. companies' access to the Asia-Pacific region, which is projected to import nearly $10 trillion worth of goods in 2020. A study by the Peterson Institute for International Economics estimates the trade agreement could boost U.S. exports by $124 billion by 2025.

Working closely with the Office of the U.S. Trade Representative (USTR), the Chamber has led the business community's advocacy for the inclusion of strong disciplines in the TPP trade agreement on intellectual property, due process in antitrust enforcement, state-owned enterprises, and regulatory coherence.

The TPP has the potential to strengthen our nation's commercial, strategic and geopolitical ties across one of the fastest growing and most influential parts of the world. It would be an economic shot in the arm, boosting growth and jobs across the country.

The Transatlantic Trade and Investment Partnership

As we consider new trade accords with our biggest commercial partners, Europe calls out for attention. Indeed, the European Union is by far America's largest commercial partner.

Together, the United States and the European Union account for nearly half of global economic output, with each producing approximately $17 trillion in GDP. Total U.S.-EU commerce—including trade in goods and services and sales by foreign affiliates—tops $6.5 trillion annually and employs 15 million Americans and Europeans.

The U.S.-EU investment relationship is even more impressive. Companies headquartered in EU Member States had invested nearly $1.7 trillion in the United States by the end of 2013 and directly employ more than 3.5 million Americans. Similarly, U.S. firms have invested $2.4 trillion in the EU—a sum representing more than half of all U.S. investment abroad. It's also nearly 40 times as much as U.S. companies have invested in China. Because of this unique investment-based relationship, approximately 40% of U.S.-EU trade is intra-industry and intrafirm, which means that removing barriers to this trade will substantially boost the competitiveness of our companies in global markets.

The United States and the Member States of the EU share common values as strong democracies with an enduring commitment to civil liberties and the rule of law. We uphold similar social, labor and environmental standards in our laws and regulations.

For these reasons and more, the United States and the EU in July 2013 launched the TTIP negotiations. The goal is to eliminate tariffs; open up services, investment and procurement; and promote regulatory cooperation to ensure high levels of health, safety and environmental protection while cutting unnecessary costs.

The benefits could be immense. The sheer volume of transatlantic commerce is so large that eliminating today's relatively modest trade barriers could bring big benefits. According to the London-based Centre for Economic Policy Research (CEPR), the TTIP would boost U.S. exports to the EU by $300 billion annually, add $125 billion to U.S. GDP each year and increase the purchasing power of the typical American family by nearly $900—with similar benefits for Europeans.

One key goal in the negotiations is to tackle regulatory barriers to trade. Companies selling their products on both sides of the Atlantic incur high costs complying with both U.S. and European regulations, even when they are very similar. For example, U.S. automakers run crash tests to comply with U.S. safety regulations but must do so a second time to comply with EU standards—and vice versa. Mutual recognition of these regulations would save consumers up to 7% on each car or truck and enhance the global competitiveness of U.S. and European companies.

TTIP also is an opportunity to raise global standards. With a combined GDP of more than $30 trillion, the sheer size of the transatlantic economy will incentivize other countries to look to standards set in the TTIP. Accordingly, the United States and the EU should establish a high bar in such areas as cultivating the digital economy and combating trade and investment protectionism.

Indeed, refusing to pursue this agreement would exact a price as other countries enter into new trade pacts with the EU. Already, the EU has dozens of trade agreements in force with such countries as Mexico, Central America, Colombia, South Africa and South Korea. It has concluded negotiations for additional agreements with Canada, Singapore, Ukraine and others.

The EU is currently in negotiations with India, Japan, Malaysia, Thailand, Vietnam and the Mercosur bloc. Without a trade agreement in place with the EU, U.S. workers and companies could be put at a disadvantage in the giant European marketplace.

Finally, the TTIP would not benefit the United States and the EU at the expense of other nations. In fact, liberalizing transatlantic trade would increase GDP in the rest of the world by as much as $130 billion, according to a CEPR study.

The Trade in Services Agreement

While it hasn't made national headlines, the United States has joined with more than 50 other countries to launch negotiations for a high-standard trade agreement in services dubbed the Trade in Services Agreement (TISA). This exciting new accord, covering about two-thirds of the global market for services, has the potential to ignite economic growth and job creation in the United States and abroad.

Services are a clear strength for the United States, which is by far the world's largest exporter of services. U.S. services exports reached $710 billion in 2014, and the U.S. services trade surplus reached $232 billion. In addition, services sales by foreign affiliates of U.S. multinational corporations topped $1 trillion. Combined, total sales of U.S. services abroad reached approximately $1.7 trillion in 2014.

Contrary to popular misconception, many jobs in services pay well. Approximately 18 million Americans are employed in business services such as software, architectural services, engineering and project management services, and insurance—all of which generate billions of dollars in exports. Wages in these sectors are 20% higher on average than those in manufacturing, which employs about 12 million Americans.

Even so, the potential for service industries to engage in international trade is almost untapped. One in four U.S. factories exports, but just one in every 20 providers of business services does so. Just 3% of U.S. services output is exported, according to the Peterson Institute for International Economics.

The chief goals of the United States in TISA are to expand access to foreign markets for U.S. service industries and prohibit discrimination against American service providers in foreign markets. In addition, the TISA will put in place rules to prevent regulations from being used as disguised trade barriers that shut out U.S. services exports.

The payoff from the TISA could be huge. Eliminating barriers to trade in services could boost U.S. services exports by as much as $860 billion—up from 2013's record $682 billion—to as much as $1.4 trillion, according to the Peterson Institute. Such a dramatic increase could create as many as three million American jobs.

The TISA may not be making headlines anytime soon, but its potential to drive economic growth and job creation in the United States and beyond is significant. The American business community is committed to working closely with U.S. negotiators, foreign governments and Congress to press for a strong agreement that translates this potential to reality.

The World Trade Organization

In addition to these negotiations, the U.S. Chamber remains firmly committed to the global rules-based trading system embodied by the World Trade Organization (WTO). In the view of Chamber members, the U.S. business community needs the WTO today as much as ever. Its rules inform national policy at home and abroad, and its dispute settlement system commands global respect.

The multilateral trading system has benefited the entire world. Eight successful multilateral negotiating rounds have helped increase world trade from $58 billion in 1948 to $22 trillion today. This is a 40-fold increase in real terms, and it has helped boost incomes in country after country.

Renewing TPA could open the door to additional trade agreements negotiated through the WTO. While it is not required for the critical expansion of the Information Technology Agreement, TPA will be needed to secure passage of the WTO's Environmental Goods Agreement now under negotiation.

The United States and 13 other WTO Members, including China and the 28 Member States of the European Union, last year launched this new initiative to eliminate tariffs on environmental goods. These countries account for 86% of global trade in environmental goods. The initiative aims to build on the APEC Leaders' commitment to reduce tariffs on the APEC List of 54 Environmental Goods to make these technologies cheaper and more accessible.

The Chamber welcomed the initiative. Eliminating barriers to trade in environmental goods such as solar panels, gas and wind turbines, and products to control air pollution and treat wastewater is both pro-environment and pro-growth.

Total global trade in environmental goods approaches $1 trillion annually, but some countries currently apply tariffs to these goods as high as 35%, discouraging their use. The countries taking part in this initiative have begun to reach out to other countries to encourage them to join in.

Other Trade Priorities Before Congress

In addition, the Chamber strongly supports the *AGOA Extension and Enhancement Act of 2015*, which would renew both the African Growth and Opportunity Act (AGOA) and the Generalized System of Preferences (GSP) and provide continued trade benefits for Haiti.

AGOA benefits not only the economies of sub-Saharan Africa but U.S. companies and consumers here at home, but it will expire on September 30, 2015. Moving this bill sooner rather than later will avert disruption of trade flows and afford companies the certainty they need to make investments and sourcing decisions. Moreover, as the first and only economic policy platform that exists between the United States and sub-Saharan Africa, AGOA's looming expiration weighs heavily on U.S. relations with the region and threatens to undermine the gains that African economies have made under this program.

GSP expired on July 31, 2013. Since 1976, GSP has promoted economic growth in more than 120 developing countries by providing duty-free access to the U.S. market for thousands of selected products. GSP helps keep U.S. manufacturers and their suppliers competitive. Approximately three-quarters of U.S. imports using GSP are raw materials, parts and components, or machinery and equipment used by U.S. companies to manufacture goods in the United States for domestic consumption or for export. The products coming in under GSP generally do not compete with U.S.-made goods in any significant way. According to a 2006 U.S. Chamber of Commerce study, over 80,000 American jobs are associated with moving GSP imports from the docks to farmers, manufacturers, and retail shelves.

In addition, the Chamber strongly supports efforts to modernize our own borders and facilitate trade and travel through customs reauthorization legislation. A bill to reauthorize U.S. Customs and Border Protection is long overdue, as the dramatic growth of global supply chains has made trade facilitation critical to business competitiveness.

Technological progress and falling transportation costs—coupled with companies' need to access resources, labor, and markets—have pushed companies to source many raw materials, intermediate goods, and other inputs from locations around the world. Outdated customs procedures can raise costs for U.S. businesses that rely on global supply chains to access these inputs and to reach new consumer markets. Making improvements to customs procedures to ease cross-border friction will smooth the flow of trade and ensure the timely delivery of inputs and final products. Small- and medium-sized businesses would be among the top beneficiaries.

The Chamber is eager to advance legislation in the 114th Congress to promote trade facilitation, modernize customs processes, improve enforcement of customs and trade laws, advance cooperation among government agencies, enhance intellectual property rights enforcement, and set the global standard for border management. There is bipartisan support for this legislation, and we urge Congress to move this legislation forward alongside the TPA bill.

Conclusion

To conclude, the United States cannot afford to sit on the sidelines while others set the rules of world trade. To create the jobs, growth, and prosperity our children need, we need to set the agenda. Otherwise, our workers and businesses will miss out on huge opportunities.

We need a laser-like focus on access to foreign markets. We urgently need to renew TPA. Then, Congress and the administration should use this legislation to pursue new trade agreements to ensure that international commerce is fair. The trans-Pacific, trans-Atlantic, services, and WTO trade agreements now being negotiated represent a once in a lifetime opportunity to tear down the walls that have shut American goods and services out of foreign markets for so long.

And with all our trade agreements—old and new—we need to ensure they are fully enforced. The trade agreements we enter into are not worth the paper they are written on if they are not fully enforced.

The United States is home to many of the best workers and companies in the world. We create many of the world's most innovative products. We have also got tougher competition facing us than ever before. But our productivity is high, and our energy costs are going down. The facts show we can compete and win.

The Chamber looks forward to working with Congress and the administration to advance a bold trade agenda to generate growth, opportunity, and jobs.

Thank you very much, and I look forward to your questions.