



For Immediate Release
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**Hearing Statement of Senator Max Baucus (D-Mont.)
Regarding Trade Enforcement**

In Measure for Measure, Shakespeare wrote: “The law hath not been dead, though it hath slept.”

The same could be said of our trade enforcement laws.

The administration has many tools to enforce trade agreements and trade remedy laws. It has the World Trade Organization Dispute Settlement Body to resolve violations of WTO agreements. It has Section 301 to fight market access barriers. It has Special 301 to address intellectual property infringements abroad. And it has Section 421 to remedy Chinese import surges that cause injury here at home.

But having these rules on the books is not enough. The Government needs to enforce them.

We in Congress often single out the Office of the U.S. Trade Representative for not doing enough to enforce our trade agreements. We sometimes forget that in recent years, USTR has launched some significant enforcement cases. It brought cases against China’s weak intellectual property enforcement regime, against Mexico’s discriminatory telecommunications barriers, and against European aerospace subsidies.

But USTR can and should do more. And Congress can help USTR to do more by updating its trade enforcement tools.

Many of the trade enforcement tools that USTR uses today were created decades ago. Congress created them to address different problems, in a very different world.

For example, in 1974, Congress created Section 301 to begin opening foreign countries to American exports. But the rules that govern our trade with those countries have changed dramatically since then.

In 1974, America was party to one trade agreement — the General Agreement on Tariffs and Trade, or GATT. Since then, the GATT has been dismantled, the WTO has been established, and America has entered into 11 bilateral and regional trade agreements. A complex web of interconnecting and often contradictory rules now regulates our trade with other countries.

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Our economy has also changed since 1974. Exports are more than ten times higher. The Internet and other forms of electronic trading have revolutionized international commerce, and America has shifted from a goods-based economy to a services- and knowledge-based economy.

But our enforcement tools have not kept pace.

That's why I introduced the Trade Enforcement Act of 2007 with Senators Hatch and Stabenow. It can help to ensure that the administration has the resources that it needs to enforce our existing trade laws. It can help to provide accountability when the administration does not enforce those laws. And it can help to create new tools to address the enforcement priorities of the 21st century.

The bill would significantly bolster enforcement of our trade agreements abroad. Among other things, it would require USTR to provide an annual report to Congress identifying its trade enforcement priorities for the upcoming year. And it would create a Senate-confirmed Chief Enforcement Officer at USTR to ensure that those priorities are thoroughly investigated and prosecuted.

The bill would also bolster enforcement of our trade remedy laws here at home. It would limit the President's ability to deny relief in Section 421 China safeguard cases. That has happened all too frequently in recent years.

And it would help U.S. companies to obtain relief from subsidized imports. It would clarify that the Commerce Department may apply countervailing duties to nonmarket economies.

So let us wake up our trade laws. Let us ensure that the administration enforces them as much as it can. And for the sake of our farmers, ranchers, manufacturers, and service suppliers, let us ensure that our trade laws do not remain asleep.

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