

Bill part of House package to help export U.S. goods, not jobs

**July 28, 2010**

WASHINGTON, DC – The U.S. House of Representatives today approved legislation authored by Rep. Peter DeFazio (D-Springfield) to close our trade deficit and help our nation export goods, not jobs. DeFazio's legislation, H.R. 1875, the Emergency Trade Deficit Commission, passed unanimously.

DeFazio is part of a coalition of members that has developed the "Make it in America" manufacturing initiative to rebuild America's manufacturing base and bring and keep good value jobs here in the U.S. H.R. 1875 is intended to help establish a coherent trade strategy to achieve balanced trade. In addition to DeFazio's bill, the "Make it in America" initiative also provides incentives for manufacturing investment in the U.S. to create a level playing field for U.S. manufacturers, improve U.S. infrastructure, and strengthen the labor pool through improved education and training programs.

"We need a trade overhaul to help our nation export goods, not jobs," DeFazio said. "The world is not forever going to lend us money to buy things that we used to make here. And as we impoverish more and more of the middle class by exporting their jobs, we're going to have even less capability of buying those goods. Something has to change."

In 1998, the United States trade deficit was \$166 billion, which led Congress to authorize the Trade Deficit Review Commission. This Commission was the watered down version of the End the Trade Deficit Act introduced in 1997 by Rep DeFazio and Senator Dorgan. Unfortunately, the Commission was deadlocked along ideological lines and no recommendations were ever enacted.

Fast forward to today and the trade deficit has ballooned to \$677 billion in 2008, \$700 billion in 2007, both down from the largest negative trade balance in history, \$753 billion in 2006. But this is not a new trend. The United States has had 33 years of consecutive annual trade deficits, totaling \$6.7 trillion. In the last ten years, the annual trade balance has increased by a magnitude of seven. Deficits of this magnitude mean the loss of millions of good paying jobs, the loss of critical manufacturing infrastructure, and that foreign countries, like China, who finance our debt, have undue influence over policies.

The recession has not changed the underlying trend. While the trade deficit dropped to \$375 billion (for goods and services) in 2009, the real story is the imbalance between China and the U.S. In 2009, we ran a manufacturing trade deficit with China of \$226 billion, a full 44% of our trade gap.

“The U.S. gets played for a sucker in these trade deals,” DeFazio continued. “Our trade policies all have the same fundamental flaw; they open up U.S. markets to imports, but always fail to open up foreign markets to U.S. exports. The commission will review U.S. trade policies that have allowed huge multinational corporations to export our industrial manufacturing base as they chase the cheapest labor and lax environmental and safety standards around the world.”

The Chinese have been particularly effective in protecting their markets while the U.S. has given away millions of manufacturing jobs. For instance, the Chinese passed a law prohibiting the sale of any renewable technology unless it was manufactured in China by a Chinese company. We can talk about green jobs and how they will put American's back to work, but we're importing Chinese windmills and they are excluding any kind of green technologies made here in the U.S. from being sold in their country. The U.S. has lost 3,718,000 manufacturing jobs since 1998, including more than 45,000 here in Oregon.

To access video click: <http://bit.ly/DeFazio-tradebill>