



## U.S.-Middle East Free Trade Coalition



**FOR IMMEDIATE RELEASE**  
October 7, 2002

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### **Business Groups Launch Push for U.S.-Middle East Free Trade Area** *Solid Country-by-Country Progress Towards MEFTA Cited by USTR*

Washington, D.C. – U.S. business leaders today gathered in support of a proposed U.S.-Middle East Free Trade Area, at a lunch forum sponsored by the newly formed U.S. – Middle East Free Trade Coalition. In an address to the group, U.S. Trade Representative Robert Zoellick outlined the progress that has already been made through bilateral trade agreements in the region, and how a U.S. - Middle East Free Trade Area (MEFTA) will benefit the U.S. economy and enhance American relations in the Middle East.

“Last year, President Bush outlined a country by country effort to achieve a Middle East Free Trade Area. With the hand of U.S. economic partnership, the United States will embrace and encourage reformers across the region,” said Zoellick. “The MEFTA is a strategy for engagement that will help nations build free, dynamic economies and raise standards of living, while at the same time creating significant benefits for the U.S. economy. Furthermore, the 9/11 Commission urged the United States to expand trade with the Middle East and highlighted the recently concluded FTA with Bahrain, as well as our recently passed FTA with Morocco as examples of positive steps in this direction.”

“This is a bold initiative that will significantly boost the economic interests of the United States,” said Bill Reinsch, President of the National Foreign Trade Council. “The American business community has a vital stake in strengthening economic ties with countries in the Middle East. The proposed MEFTA will involve a complex set of negotiations over several years. It’s a worthy goal, and one the U.S.-Middle East Free Trade Coalition pledges to aggressively support.”

The U.S.-Middle East Free Trade Coalition announced four primary objectives:

- 1) supporting the negotiation and conclusion of commercially meaningful free trade agreements between the United States and governments in the Middle East region;
- 2) providing unified and overarching U.S. business leadership and commitment to the MEFTA vision;

- 3) establishing an umbrella business group to oversee and focus on the key components of MEFTA through a range of educational, advocacy, outreach, and other activities; and
- 4) providing an efficient, broad-based business mechanism and steady pool of corporate chairs to lead future bilateral FTA business coalition efforts with Middle Eastern countries.

“Establishing a free trade framework between the U.S. and Middle East will encourage economic development and transparent and accountable governance, while greatly enhancing long-term prospects for the people of the Middle East. At the same time it will provide the United States with a great opportunity to forge better relations in an increasingly volatile part of the world,” said Jeffrey Donald, Vice President of the BCIU.

### **9/11 Commission Report Recommends Economic Policies Such as MEFTA**

*The U.S. government has announced the goal of working toward a Middle East Free Trade Area, or MEFTA, by 2013. The United States has been seeking comprehensive free trade agreements (FTAs) with the Middle Eastern nations most firmly on the path to reform. The U.S.-Israeli FTA was enacted in 1985, and Congress implemented an FTA with Jordan in 2001. Both agreements have expanded trade and investment, thereby supporting domestic economic reform. In 2004, new FTAs were signed with Morocco and Bahrain, and are awaiting congressional approval. These models are drawing the interest of their neighbors. Muslim countries can become full participants in the rules-based global trading system, as the United States considers lowering the trade barriers with the poorest Arab nations.*

***Recommendation:** A comprehensive U.S. strategy to counter terrorism should include economic policies that encourage development, more open societies, and opportunities for people to improve the lives of their families and to enhance prospects for their children’s future. The 9/11 Commission Report Pages 378-379*

**The U.S.-Middle East Free Trade Coalition is being managed jointly by the National Foreign Trade Council (NFTC) and the Business Council for International Understanding (BCIU) and is guided by a Steering Committee of U.S. companies and associations including, the Association of Equipment Manufacturers, Boeing, Booz Allen Hamilton, ChevronTexaco, Dow, ExxonMobil, Intel, J. Ray McDermott, Motorola, PhRMA, and Washington Group International.**

*The National Foreign Trade Council is a leading business organization advocating an open, rules-based world economy. Founded in 1914 by a group of American companies that supported an open world trading system, the NFTC now serves 400 member companies through its offices in Washington and New York.*

*The Business Council for International Understanding (BCIU), a U.S. business association founded in 1959 at White House initiative, is dedicated to promoting dialogue and action between the business and government communities for the purpose of expanding international commerce.*