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## **Sen. Wyden Says New TPA Framework Should Reflect 21st Century Challenges**

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**By Rossella Brevetti**

A new Trade Promotion Authority (TPA) framework should reflect the 21st Century challenges of forced localization, currency manipulation and state-owned enterprises as well as the digital economy, Senate Finance Subcommittee on International Trade Chairman Ron Wyden (D-Ore.) said Oct. 9.

Wyden—who spoke at the previous National Foreign Trade Council Foundation's annual gala—added that renewal of TPA must also be “informed by that which enabled the unprecedented support for trade accords with Peru, Colombia, Korea, and Panama.”

The Peru, Colombia, Korea and Panama Free Trade Agreements, which all passed with broad bipartisan support, were the first FTAs approved by Congress with enforceable labor and environmental provisions in the text of the agreements.

TPA, which expired in 2007, sets out negotiating objectives for trade agreements. In addition, the device provides for expedited time-frames for legislation implementing trade agreements and bars amendments on such legislation once it is formally introduced. Bicameral discussions on TPA involving the House Ways and Means Committee and the Senate Finance Committee have yet to result in the introduction of a formal proposal.

The Trade Act of 2002 contained the last grant of TPA. “The American economy is much different than it was in 2002, when TPA was last written, and there are new opportunities and challenges related to international trade and investment,” Wyden said. He said that World Trade Organization's rules, written before the Internet, do not “neatly apply” to the digital economy which he listed as among the 21st Century challenges.

Wyden told the trade-friendly audience that Oregon workers at Intel Corp., Google, Oracle Corp. and Nike Inc. as well as Oregon farmers rely on the rules-based trading system and the effort to reduce trade barriers. However, he also pointed to job losses at SolarWorld which he said were due to China's dumping. SolarWorld Industries America—a manufacturer of solar panels—brought cases that resulted in steep antidumping and countervailing duties on imports of solar cells and modules from China (216 ITD, 11/8/12).

The senator said he could defend his 30-year-old record of supporting trade agreements “when the nation's trade remedy laws are followed and enforced, and when there is a strong safety net for workers harmed by surging imports.”

“So as the administration and the Congress approach critical junctures in trade let's determine how to expand the winners circle, so that more workers gain and fewer businesses lose as a result of the decisions made,” he said. An agenda to achieve this must include measures that “plug the holes” in laws intended to combat unfair trade, Wyden added. The Trade Facilitation and Enforcement Act, (S. 662) introduced by Senate Finance Committee Chairman Max Baucus and ranking Republican member Orrin Hatch (R-Utah), is an “excellent place to start,” Wyden said (58 ITD, 3/26/13). The Baucus-Hatch proposal would reauthorize U.S. Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE), and it would direct these agencies to dedicate resources to customs facilitation and trade enforcement. CBP authorization has expired and ICE has not been authorized since it was created as part of Department of Homeland Security in 2003.

Wyden acknowledged that there will still be firms and workers that are hurt from foreign imports. “These folks deserve a springboard just as those that preceded them and which has existed since President Kennedy,” he said. Trade Adjustment Assistance—a federal program to help workers adversely impacted by imports—was first authorized by the Trade Expansion Act of 1962. The Obama administration has linked renewal of TPA with Trade Adjustment Assistance for workers affected by trade, but key Republicans have been cool to the idea.

In Wyden's view, the trade policy debate should go “hand-in-glove” with other economic choices. Trade is just one tactic of a pro-growth strategy which must also include fundamental tax reform, he said.