



October 26, 2015

The Honorable John A. Boehner  
U.S. House of Representatives  
1011 Longworth House Office Building  
Washington, DC 20515-3508

Dear Congressman Boehner:

On behalf of the National Foreign Trade Council, I am writing to urge you to vote in favor of H. Res. 450 (rule) and the Fincher-Kirk-Heitkamp reauthorization of the Export-Import Bank.

Over the last twenty years we have learned that international markets are not seamless, and they do not operate the way the economics textbooks tell us they should. In the wake of the 2008 financial crisis, many banks have dropped out of the export finance business. In the case of large or long-term projects, like power plant construction or mainframe aircraft, it has been a long time since private banks were prepared to provide financing without a government guarantee, which has long been one of the Bank's important functions. This means that official export credit institutions like the Export-Import Bank do not supplant the market; they fill in its gaps.

For more than 70 years, the Bank did that effectively; so effectively that now virtually all our trading partners have similar institutions competing with ours. And that is what makes shooting ourselves in the foot so serious. Our companies have to survive in a world of cutthroat and often unfair competition. When the U.S. government unilaterally disarms, it is U.S. companies and U.S. jobs that suffer as our competitors step in to fill the space we have abandoned. Unfortunately, evidence of that is growing:

Last month's news featured two predictable developments, both noted in *POLITICO*:

- 1) *"General Electric announced today that it is moving 500 U.S.-based jobs to France, Hungary and China in order to secure export credit financing from foreign export credit agencies, pointing to the expiration of the U.S. Export-Import Bank as the crucial factor."*
- 2) *"Boeing said it was informed by a Singapore-based broadband satellite operator that it can't consider the U.S. aircraft maker's bid on a satellite contract without Ex-Im financing."*

These were not the first such announcements, and they won't be the last. It should be becoming apparent to everyone that the United States is going to suffer enormous economic damage from a self-inflicted wound – the expiration of the Bank's charter. The Bank's opponents have argued that its services are redundant and that the private sector will step in to finance the exports formerly backed by the Bank. We are now faced with tangible evidence that that is simply wrong.

If the Bank is not reauthorized, jobs will continue to disappear from our shores as we lose contracts or as companies move offshore to take advantage of financing available elsewhere. At a time of slow economic growth, I hope Congress will focus its attention on how to promote more jobs and growth in the part of our economy that has the greatest potential – exports. That is exactly what the Bank was designed to do, and it is what the Bank has been doing successfully for over 70 years. I urge you to put the Bank back in business by voting for H. Res. 450 (rule) and the Fincher-Kirk-Heitkamp reauthorization of the Export-Import Bank.

Sincerely,



William A. Reinsch  
President