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Touting Trade Agenda, USTR Calls For Congress' Help

By **Scott Flaherty**

Law360, New York (April 15, 2014, 7:08 PM ET) -- The top U.S. trade official said Monday that the Obama administration's "robust" trade agenda and access to affordable energy make the U.S. attractive to businesses, but cautioned that Congress must act before the U.S. would see the benefits of pending trade agreements.

Speaking at a New England Council event in Boston, Mass., U.S. Trade Representative Michael Froman detailed aspects of the country's trade policy, including negotiations for the Trans-Pacific Partnership with several Pacific Rim countries and the Transatlantic Trade and Investment Partnership with the European Union.

Describing the Obama administration's plans as "the most robust trade policy agenda, perhaps in history," Froman said potential trade agreements like the TPP and TTIP, when considered in combination with affordable clean energy resources in the U.S. and strong legal protections in areas like intellectual property, have helped put the U.S. on the map as an ideal destination for businesses to set up shop.

"When you add all these things up, and then include the trade agreements we are negotiating, the United States begins to look like the ideal place to invest. To set up a factory. To hire workers. To innovate, design, create and build things," Froman said. "By opening markets abroad, we drive investment here at home. And that investment means jobs and growth."

But Froman warned that the U.S. would reap "none of the benefits" of the trade agreements it is currently negotiating unless Congress acts to grant Trade Promotion Authority to the Obama administration. The authority, sometimes called "fast-track," generally allows the executive branch to negotiate trade agreements while expediting the congressional process for approving proposed pacts.

"Without Trade Promotion Authority, our businesses and workers are put at a disadvantage while other countries are actively negotiating their own agreements, securing preferential market access at our expense and setting standards that reflect neither our interests nor our values," Froman said Monday.

Lawmakers have been **debating a possible renewal** of the authority, which expired in 2007, with some on Capitol Hill **calling for legislation** that would give Congress greater input into and oversight of trade negotiations. Froman acknowledged that debate in his remarks on Monday, saying the provision has for decades been used by Congress to "give the executive branch its marching orders" on what to negotiate in trade deals and how to engage with lawmakers throughout the process.

"There's been a great deal of debate, and frankly misinformation, about TPA and how it works," he said. "There is no other area of policy where Congress and the executive work so closely together than trade policy. Ultimately, it is Congress that decides whether or not the agreement is good enough to merit its approval."

Froman also plugged several ways in which, he said, the U.S. can use its trade policy to help influence global standards in areas like the environment, workers' rights and intellectual property protections.

Noting that other countries are negotiating their own bilateral and regional trade agreements, the USTR said those negotiations are unlikely to share the U.S.' "goal of raising labor and environmental standards, the goal of protecting intellectual property rights and a free internet, the goal of ensuring a level playing field between state-owned enterprises and private firms."

"Globalization is here, and it is here to stay," he said. "The only question is whether we are going to shape it, or be shaped by it."

--Editing by Emily Kokoll.

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