



Policy Brief: International Trade

Congress should enact international trade legislation and ratify international trade agreements that foster U.S. manufactures' ability to successfully compete in the global marketplace. Specifically:

***The Transatlantic Trade and Investment Partnership (TTIP),
The Trans-Pacific Partnership (TPP),
The Trade in Services Agreement (TISA),
Trade Promotion Authority (TPA), and
Export-Import (EXIM) Bank Reauthorization***

Background*

International trade is vital to U.S. manufacturers as they seek to access and sell products and services to the 95 percent of the world's consumers who live outside the United States. U.S. manufactured goods exports have more than quadrupled since 1990, and in 2012 equaled nearly \$1.4 trillion, accounting for 14 percent of U.S. GDP. Translated into employment, in 2011, more than 38 million U.S. jobs – more than 1 in 5 – depended on U.S. exports and imports. ** But world trade in manufactured goods was more than \$11 trillion in 2011, which means that there is an enormous global market still to be tapped by U.S. manufacturers. And since jobs linked to U.S. manufactured goods exports pay on average 15 to 20 percent more than other jobs, there are tens of thousands of high-paying jobs waiting for American workers that will result from obtaining a bigger share of the total global market for manufactured goods.

U.S. manufacturers' ability to obtain a bigger share of the global market will be greatly enhanced by the United States entering into more trade agreements around the world. For example, in 2012, nearly 50 percent of U.S. manufactured goods exports went to just 20 countries, America's free trade partners. And America's free trade agreement partners purchased nearly 13 times more goods from the United States per capita than other countries did. So it's clear – free trade agreements make a difference, a huge difference. * *Data source: National Association of Manufacturers.*

** *Data source: The Trade Benefits America Coalition.*

Industry Position

U.S. manufacturers of printing, publishing and converting technologies strongly support free, fair trade that gives access to as much of the total global marketplace as possible. To achieve this objective, the industry urges the Administration and Congress to work collaboratively to enter into expanded free trade agreements that can be ratified by Congress. Additionally, the industry believes it is imperative that international trade agreements be enforced so as to ensure fair as well as free trade, including the protection of intellectual property rights. Finally, the industry urges Congress and the Administration to facilitate the negotiation and ratification of expanded trade agreements by reauthorizing Trade Promotion Authority for the President, and providing a strong Export-Import (EXIM) Bank to backstop export sales where private financial markets are inadequate or unavailable.



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The United States is currently pursuing one of the most ambitious, aggressive and diverse trade agendas ever, including: *The Transatlantic Trade and Investment Partnership (TTIP)*, *The Trans-Pacific Partnership (TPP)*, and *The Trade in Services Agreement (TISA)*. Additionally, once again granting *Trade Promotion Authority (TPA)* to the President to facilitate negotiating and ratifying these agreements is also before the 113th Congress, as well as reauthorization of the *Export-Import (EXIM) Bank*, a vitally necessary backstop to export sales where private financial markets are inadequate or unavailable. These negotiations involve important 21st Century trade issues, such as foreign restrictions on cross-border data flows, unfair competition from state-owned enterprises, intellectual property right, and international regulatory co-operation.

- The Proposed Transatlantic Trade and Investment Partnership (TTIP) is in harmony with and will advance free and fair trade, and has the potential to achieve a substantial increase in transatlantic trade and investment.
- Transatlantic trade and investment are the backbone of the world economy. Together, the European Union (EU) and the United States (U.S.) account for nearly half of world GDP and 30 percent of world trade that promotes economic growth and supports millions of jobs in both economies. In addition, the United States and the EU have directly invested more than \$3.7 trillion/€ 2.8 trillion on both sides of the Atlantic (United States-European Union High Level Working Group on Jobs and Growth (HLWG) June 2012 Interim Report).
- The proposed TTIP, which would address a broad range of bilateral trade, investment, regulatory and global trade rules, would provide even greater mutual economic benefit to both the U.S. and E.U.
- The Trans-Pacific Partnership (TPP) would remove trade barriers among 12 nations on both sides of the Pacific that together account for about 40% of the global economy.
- Congress should enact bipartisan Trade Promotion Authority (TPA) to enhance the President's ability to negotiate trade agreements that will keep American exporters globally competitive. Every U.S. President since Franklin Roosevelt has had this tool to help ratify international trade agreements until it expired in 2007.
- EXIM Bank is critical to U.S. manufacturers' international competitiveness. European and Asian governments provide several times more financing to their countries' exporters than does the United States.
- EXIM Bank does not compete with commercial banks. Rather, it fills an important gap during credit crisis and offers a viable option for developing nations that don't have other credit options.
- In FY 2013 nearly 90 percent of EXIM Bank transactions benefited small businesses and their suppliers, directly supported 205,000 jobs across the United States, and earned more than a \$1 billion profit for the U.S. Treasury.
Data sources: National Association of Manufacturers, The Trade Benefits America Coalition, and Pew Research.

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