

INTRODUCTION

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This special issue is the product of a Symposium held September 29-30, 2005, entitled, *The WTO at 10 and the Road to Hong Kong*. The Symposium was sponsored by the American Bar Association (ABA) Section of International Law and Practice (SILP), the Georgetown University Law Center, and the Carnegie Endowment for International Peace.

The purpose of the Symposium was to bring together experts on international trade issues from government, academia, the private sector, and international and non-governmental organizations to take stock of the world trading system ten years after the creation of the World Trade Organization (WTO) and four years into the Doha Development Agenda (DDA) Round of WTO negotiations. The Symposium was comprised of sixteen panel discussions, which examined the successes and failures of the WTO to date, including the ongoing DDA Round of negotiations and the operation of the WTO dispute settlement mechanism, as well as the opportunities and challenges ahead for the WTO system.

The Symposium was held just three months before the key WTO Ministerial Meeting in Hong Kong in December 2005. A key theme that emerged across panels at the Symposium was that the chances of a significant breakthrough in the negotiations before or at the Hong Kong meeting were slim, and that serious doubts existed about whether WTO Members would even be able to conclude the Round in the foreseeable future.

By September 2005, it was becoming clear that the primary stumbling block in the DDA negotiations was a fundamental three-way stalemate in the agriculture talks between the United States, the European Union, and key developing countries, led by Brazil and India. Based on their experience as observers of, and in some cases, participants in this WTO Round and previous WTO and GATT Rounds, the panelists at the Symposium were not optimistic that the impasse on agriculture could be overcome in a few months' time or that the Round could be concluded before U.S. trade promotion ("fast track") authority expires in June 2007. The speakers identified several reasons for the uncertain future of the Round.

First, the view was widely expressed that growing ambivalence and uncertainty about globalization and trade liberalization—in the United States, as well as in Europe and in many other countries, including developing countries—has weakened political support for major trade agreements. Skepticism about the benefits of trade liberalization has grown even among

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traditional stalwart supporters of increased trade, such as the farming community in the United States. Participants noted that key members of the European Community, such as France, have voiced clear opposition to additional cuts in agricultural support. Further, a number of commentators noted that, with Congress scheduled to renew the 2002 Farm Bill in 2007, and the European Union still implementing reforms to its Common Agricultural Policy, the political appetite for further restrictions on agricultural protections and support was not likely to increase in the near future.

Second, unlike previous multilateral trade rounds, commentators observed that the DDA Round was conceived with the explicitly stated goal of providing benefits to developing countries. This development agenda has raised expectations among developing countries that the Round will yield significant benefits for poorer countries, while also mitigating the potentially negative consequences of trade liberalization in those countries, such as “preference erosion” and threats to the livelihoods of vulnerable farming populations. For some advanced developing countries, it has also given rise to expectations that Doha will be a “free ride,” in which they can secure major improvements in access to developed-country markets, while giving up little if anything in return. Such an outcome would be at odds with the principle of reciprocity which has been at the core of the GATT/WTO system.

Several speakers noted that many developing countries’ economies were still reeling nine months after the expiration in January 2005 of the global system of textile and apparel quotas and China’s subsequent growing domination of the industry. Further, participants observed that developing countries are apprehensive about making significant commitments in the area of agriculture because so much of their populations depend on subsistence farming for survival. Commentators cautioned that the expectations and sensitivities of developing countries concerning the Round are likely to present a significant challenge to WTO negotiators, as any future agreement will need to provide sufficient new benefits to satisfy the expectations of developing countries, while also ensuring that the liberalization commitments made by such countries are sufficient to win support in developed countries.

Third, many participants noted that, also in contrast to previous Rounds, the U.S. business community does not yet appear to have mobilized as fully in support of the DDA Round, largely because of companies’ uncertainty about whether an ambitious outcome to the negotiations can be realized. As a result of the stalemate on agriculture, there has been little to no progress in other areas of the negotiations of critical importance to the U.S. business community, such as services and “non-agriculture market access” (known as “NAMA”). (In fact, many commentators have noted the irony that the negotiators chose to name the sector that accounts for the vast majority of world trade not in the affirmative, as “manufactured and other products,” but in the negative as “non-agriculture.”) It was pointed out that, without a clearer idea of the likely gains for U.S. businesses,

farmers, and working people, it is difficult to mobilize the business community to build U.S. political support.

Another challenge to the WTO system that received significant attention at the Symposium was the increasing strain on the WTO dispute settlement system. The panelists asserted that as WTO negotiations have faltered, the dispute settlement system has become not only the primary mechanism—but the *only* viable mechanism—to resolve differences that arise under the WTO agreements.

Reliance on the dispute settlement system presents several difficulties, commenters noted. Dispute settlement may not be the most appropriate venue for addressing complex or systemic issues. Further, WTO Members' reliance on dispute settlement itself can undermine the incentive to negotiate on certain issues, as Members believe they can obtain resolution of their priority issues outside of the negotiations.

WTO panels and the Appellate Body also have struggled to interpret the many inherent ambiguities in the existing WTO agreements. This problem has been exacerbated by the increasing length and complexity of modern WTO negotiating rounds and legal texts. Given the lack of progress in the Doha negotiations and tendency by many governments to hoard potential bargaining chips, WTO negotiators have been unable to play a “legislative” role by updating and clarifying the agreements when serious issues arise.

Several panelists raised concerns that WTO dispute settlement decisions have reflected inappropriate judicial activism, as panels and the Appellate Body have engaged in “gap-filling” to resolve what were, in many cases, purposefully negotiated ambiguities in the agreements. Indeed, some commenters observed that there was even a tendency in a number of cases to rewrite black-letter WTO agreement text where there was no ambiguity. Some speakers cited an apparent bias of the dispute settlement system in favor of complainants, particularly in disputes involving trade remedies. These speakers questioned whether the WTO dispute settlement system appropriately protects the interests that the United States and other nations agreed to protect in the Uruguay Round, particularly with respect to important trade remedies, where the United States believed it had negotiated a more deferential standard of review in the Uruguay Round. Further, several speakers questioned whether WTO dispute settlement panels and the Appellate Body have provided appropriate deference to decisions made by domestic regulatory authorities. These speakers argued that the WTO should pay greater respect to measures that often reflect deep-seated societal beliefs. These speakers argued that WTO panels and the Appellate Body should not “add to or diminish” the rights or obligations of the WTO Members, as provided in Articles 3:2 and 19:2 of the Dispute Settlement Understanding.

Finally, there was considerable discussion as to whether China has failed to live up to its WTO obligations. A number of commentators expressed the view that China's unfair trading practices, such as its currency manipulation, failure to enforce intellectual property rights, and governmental subsidies, have undermined the ability of U.S. companies to compete against Chinese firms in the global

marketplace, even as others argued that China's growth has presented significant new opportunities for multinational companies and investors. Several speakers expressed support for a more aggressive approach in the WTO towards China, and asserted that existing mechanisms for addressing China's trading practices, such as the WTO Transitional Review Mechanism and the U.S. Treasury report on currency manipulation, have not been effective.

We close with a few thoughts about the future. The speakers at the conference accurately predicted that the then-upcoming Hong Kong Ministerial in December 2005 would fail to produce meaningful progress on agriculture or a credible framework for a final WTO package. Despite repeated attempts by the WTO to set new deadlines for progress on agricultural "modalities," the talks have remained stalemated.

As this issue goes to press in the spring of 2007, it is now increasingly clear that it would be essentially impossible for the Doha Round to be completed under the President's existing grant of trade promotion ("fast track") authority, which expires on June 30, 2007. As a result, some experts have speculated that the Doha Round could be postponed until after the next U.S. presidential elections in 2008, or until 2013, when the European Union will reach the mid-point of its current package of reforms to the Common Agricultural Policy. Some trade experts predict a wave of new dispute settlement challenges, as WTO Members seek to obtain through legal briefs and clever lawyering what they could not negotiate in the Uruguay Round Agreements or in the Doha Round talks. Others argue that the future now rests with free trade agreements (FTAs), and that the United States, EU, Japan, ASEAN, and China will now embark on a host of preferential FTA arrangements across Europe, Africa, Latin America, Asia and the Pacific Basin.

Such speculation provides useful fodder for trade conferences, academic articles, and editorial pages, but the reality may be somewhat more harsh. The failure of the WTO talks would likely be a major blow for many developing countries, even if some of them do not appear to share that view at this time. Even at a time when many are reevaluating the merits of globalization, there is still widespread agreement that trade liberalization, if structured correctly, is a necessary condition for development and sustained economic growth.

The idea that FTAs alone offer a genuine substitute for an open, rules-based global trading system appears equally implausible. Many FTAs do not represent genuine trade liberalization but instead a thinly disguised set of trade preferences. (And, many view the lax enforcement of Article XXIV of the GATT 1994 as a major substantive, institutional, and tactical blunder.) Such FTAs are characterized by high-sounding opening principles, but are shot full of exceptions—or virtual exceptions—for many sensitive products. A proliferation of such FTAs, driven by the United States, EU, Japan, and other powerful economic players, would exacerbate barriers to many developing countries, particularly less favored ones that stand to lose access because of preferences granted to their competitors.

Finally, the idea that the WTO dispute settlement mechanism offers a plausible alternative to multilateral negotiations appears naive. The GATT/WTO mechanism for resolving and enforcing disputes was a breakthrough in international law. But the WTO system, like any legal system, relies in the end on the perceived legitimacy of the WTO's processes and a core commitment by key WTO Members to an open rules-based global trading system. If the WTO were to evolve into another UNCTAD (United Nations Conference on Trade and Development), characterized by strident North-South ideological debates, its legitimacy can only erode, leaving less reason for the United States, EU, and other powerful Members to adhere to legal rulings. Unless WTO panels and the Appellate Body are able to construct a firm foundation based on competence, legitimacy, and respect, the WTO dispute settlement system is unlikely to win the sustained confidence of the broad swath of the WTO's membership.

Despite its manifest flaws, the GATT/WTO negotiating process offers an established mechanism for galvanizing all WTO Members to confront barriers to trade and for addressing the full range of issues that are inherent in worldwide trade liberalization. Until someone comes up with something better—a mechanism that actually works in practice, not just in theory or in academic textbooks—Doha remains the best hope for real trade liberalization, serious agricultural reform, creation of a more level playing field in the manufactured product and services sectors, and future opportunities for the world's poor.

The Symposium was organized by six individuals: Tim Reif, Staff Director for the Trade Subcommittee of the Ways and Means Committee; Warren Maruyama, Partner at Hogan and Hartson, LLP; Mike Castellano, Counsel and Senior Policy Advisor for Senate Majority Leader Harry Reid; Viji Rangaswami, Associate at the Carnegie Endowment for International Peace; Julie Herwig, Assistant Vice President for Legislative Affairs at New York Life; and Shubha Sastry, Attorney at Hogan and Hartson. The Symposium organizers would like to thank all of the panelists who provided their valuable time and insights; to Jessica Elliot and Laura Quartuccio at the ABA-SILP, who provided significant logistical support and made the Symposium a reality; to the Georgetown University Law Center for hosting the Symposium; to the rapporteurs, Caroline Cooper, Kate Vyborny, Melanie Frank, Jonathan Stoel, Lauren Fredendall, Gabriela Carais-Green, Alicia Cate, and Shubha Sastry, who prepared summaries of the panel discussions; to the editors and staff of the *Arizona Journal of International and Comparative Law* for preparing this volume for publication; and to David Gantz, the Samuel L. Fegly Professor of Law at the Rogers College of Law, University of Arizona, who offered constant wise counsel in the preparation of this volume.



REMARKS BY THE HONORABLE BENJAMIN L. CARDIN*

Thank you very much for the opportunity to be here today. It is a pleasure to be here with my friend, Jim Kolbe. He is one of the leaders in Congress on internationalism, and he knows how to reach across party lines to get things accomplished.

Let me give you a little background about myself. I was elected to Congress nineteen years ago. I represent a community that includes the Port of Baltimore. The Port of Baltimore contributes about \$1.5 billion to the Maryland economy. Approximately 15,000 direct jobs and many more indirect jobs are related to the port.

Trade is vitally important to my constituency and to me personally. The first major speech I gave upon being elected to Congress was about expanding trade opportunities and talking about free and fair trade.

Until this year, I had supported every trade agreement that came before Congress during my tenure. For example, in recent years, I supported NAFTA [North American Free Trade Agreement] and the Uruguay Round; free trade agreements with Chile, Morocco, Australia, and Singapore; and Permanent Normal Trade Relations status for China. I believe trade agreements can expand opportunities for workers, farmers, and businesses, and I am pleased to have the opportunity to work on trade issues more closely as current Ranking Member on the Ways and Means Trade Subcommittee.

The subject of this Symposium is the future of the Doha Development Agenda Round of WTO negotiations. In order to be able get into a discussion of how the Doha Development Agenda can be concluded successfully, I think you first have to understand what happened with CAFTA [Central America Free Trade Agreement]. If you just gloss over the CAFTA debate rather than learn from what went wrong, I think consideration of the Doha Round in Congress could become another CAFTA.

First, as the senior Democrat on trade issues on the Ways and Means Committee, let me start by talking about the Democratic Party and our views on trade. We believe in the expansion of trade and we want to be part of the process of promoting fair trade and opening markets. We understand the practical necessity of Congress delegating to the President the authority to negotiate trade agreements, with the knowledge that this is a practical method to implement them upon their completion. But in exchange for granting the President “trade promotion authority,” as it is known, the Executive Branch must truly involve Congress—and not just Democrats or just Republicans—in the process of negotiating agreements.

In recent years, there has not been the type of give and take with members of Congress on the Democratic side that is necessary to maintain bipartisan support for trade agreements in this country. We want to be consulted

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on expanding trade opportunities—whether it be on agriculture, services, or manufactured goods. We want to be consulted with regard to negotiations about the operation of trade remedy laws. We want to be consulted about ensuring trade agreements that improve labor standards and workers rights internationally. These are important issues to the Democratic Party, and we want our trade agreements to reflect these priorities.

When the Administration negotiates a trade agreement without working with, and listening to, the leaders of the Democratic Party on these issues, it causes us to take a position we would prefer not to take. And that is what happened on CAFTA.

Let me give a few more details. Since 1984, the United States has conditioned trade preferences provided to Central American countries under the Generalized System of Preferences (GSP) and Caribbean Basin Initiative (CBI) on the Central American countries making progress towards attaining basic labor standards. Yet, CAFTA dropped even this basic requirement.

Under CAFTA, the one enforceable provision in the chapter on labor required only that countries enforce their own laws with regard to workers' rights. This "enforce your own laws" provision has been the standard language in trade agreements negotiated by the Bush Administration. So, by dropping the labor condition in GSP and CBI, and replacing it with the weak "enforce your own laws" standard, we gave away the leverage we had to improve the conditions of workers in the Central American countries.

Democratic members of Congress were not consulted on the Administration's position on workers' rights in CAFTA, and when we looked at these labor issues, we found that the Administration had crossed the line. We could not say in this case that the Administration had done the best it could to negotiate a strong labor chapter in CAFTA, and so we were not willing to support the agreement.

I hope we learn from CAFTA so that the same mistakes are not made with regard to the Doha Round. I think it is critically important that we have a successful Doha Round. To me, the Doha Round should be the Administration's top priority. I am afraid that we have been distracted recently by too many other trade issues, and as a result, we are way behind any reasonable time frame for concluding the Round.

Let me go over the key issues. First, agriculture has become the linchpin for whether we will be able to move forward with a successful round. This may not be the best way for the Round to be framed from the U.S. perspective, but that is how it has been framed. If we are unsuccessful in negotiating an aggressive framework on agriculture, then everything else will be more difficult to accomplish.

I should point out that EU Trade Commissioner Peter Mandelson and EU Agriculture Commissioner Mariann Fisher Boel visited with the Ways and Means Committee this week. It was striking that you could not tell the difference between Democrats and Republicans during these meetings; there was a unified

position of disappointment with the manner in which Europe is proceeding on the agricultural front.

The United States wants to see aggressive movement on agricultural tariffs; particularly among those countries with higher tariffs. It is not just a matter of reducing tariffs, but also narrowing the disparities between the tariffs applied by different countries on agricultural goods.

Another difficult issue in the agriculture negotiations involves domestic subsidies. It is a tough issue, not just on the substance, but also in terms of making quick decisions given the jurisdiction over agriculture issues in Congress. The one area where you'll get unified support in Congress is if you tamper with jurisdictional issues in Congress. The House and Senate Agriculture Committees take pride in their jurisdiction over agricultural issues. Yet, the U.S. Trade Representative is going to be in position at some point in the near future where he has to make difficult decisions under a short deadline, and he will have to consult with about fifty members before he can move. Depending on the circumstances, that may make it difficult to move in an aggressive manner.

A second area of our concern in the Doha Round relates to manufactured goods. I wish this was a higher priority. I represent a district in which manufactured products are critical to the economy, and international change is important to open up markets for our products. And yet, several of our traditional allies in the WTO—those who we would think would help us with an aggressive reduction of tariffs—have not made the reduction of tariffs on industrial goods a priority. So, even on manufactured products, reaching a successful conclusion in the Doha Round is going to be tough.

Another area that is, or should be, a high priority for the United States is non-tariff barriers. In several countries, non-tariff barriers present a barrier to our exports that is as big, or bigger, than barriers posed by tariffs. Yesterday, we had a hearing on Japan in the Ways and Means Committee, where Japan's long history of using non-tariff barriers to keep out foreign imports was the subject of intense discussion.

We don't have too many hearings where the Ranking Member and Chairman seem to agree on nearly everything—but the hearing yesterday on Japan was one of those rare occasions. There was a genuine disappointment among all the Committee members about the lack of progress made between the United States and Japan on non-tariff barriers. Representatives of the insurance industry, medical equipment industry, and auto and auto parts industry all testified before the Committee, and across the board, the witnesses detailed the non-tariff barriers that are restricting American companies' access to the Japanese market.

Another area that is particularly important to me is services and the unfair restrictions that U.S. service providers face in foreign markets. Services represent an increasing proportion of the U.S. economy and U.S. employment. To me, the Doha Round will be judged in large part based on what we do to expand markets on services.

Let me mention one final issue, which is particularly important for me to

raise as the Ranking Democrat on trade in the House of Representatives, and that is the rules negotiations. These negotiations on the rules regarding antidumping and countervailing duties and safeguards typically come last in WTO negotiations. However, no matter when these issues are confronted in the Round, it is important to recognize that the outcome of the rules talks will send a signal to the Congress about whether the Administration has really been listening to Congress about priority issues.

I can tell you outright that the Congress will not support efforts to weaken our antidumping or countervailing duty laws. This issue could be a deal-breaker. If, at the end of the day, the Administration comes to Congress with an agreement that weakens our trade rules, it could be a deal-breaker—meaning that Congress may not approve the agreement. And, unfortunately, I am very concerned about the way things currently are headed in the rules negotiations, because our traditional partners, those countries that typically have supported our position, are either sitting on the sidelines or lining up in opposition to the U.S. position. The United States is being isolated in these talks, and that is not encouraging.

Let me end on an optimistic note. I have a great deal of confidence in Rob Portman as our new U.S. Trade Representative. He comes from the Congress and the Ways and Means Committee, and has a reputation of working with those on both sides of the aisle. He has the talent and energy to make the Doha Round a success. I can tell you as the Ranking Democrat on the Ways and Means Committee that I am prepared to work with Rob Portman. We have worked together on many issues in the past. I also am prepared for give and take. I understand that in a negotiation, we cannot expect to get everything we want.

Even with Rob Portman, the success of the Doha Round is going to depend on the hard work of a lot of people, including those of you in this room. It also will take work to make sure that the Administration listens to Congress about the issues that are important priorities for this country. We cannot lose energy arguing among ourselves.



VIEW FROM THE HILL REMARKS

Congressman Jim Kolbe*

I. OPENING

Thank you. I appreciate the opportunity to speak before you today.

Over the last ten years, we have seen an explosion of international trade and an enormous amount of economic benefits and growth. I think that is directly related to the success of the Uruguay Round and the establishment of the WTO.

Countries and private sectors around the world have found greater confidence in the international trading system and sought to expand trade. That in turn has led to tangible economic benefits for companies, workers, families, and consumers alike.

The title of your conference is *The WTO at 10 and the Road to Hong Kong*. Today, I will spend most of my time talking about the second half of that title, relating to the Doha Development Round, but at first offer up a few words on the WTO after ten years.

II. WTO LEGITIMACY AND RESPECTING THE INTEGRITY OF NEGOTIATIONS

I would highlight what might be characterized as a black cloud on the horizon for the WTO. This cloud, if not addressed by some course changes in WTO operations, will move upon us and darken the prospects for U.S. leadership in the global trading system.

The black cloud relates to what are U.S. concerns of judicial activism by WTO dispute panels. Claude Barfield of the American Enterprise Institute has written extensively on the issue of free trade, sovereignty, and democratic legitimacy. Claude's work is well respected among members of Congress. Because he has been a strong supporter of free trade and multilateral liberalization for so many years, his work raised more than a few eyebrows when he started to sound alarms regarding U.S. sovereignty and WTO dispute resolution panels.

* Jim Kolbe currently serves as a Senior Transatlantic Fellow for the German Marshall Fund United States. For twenty-two years, Jim Kolbe served in the U.S. House of Representatives, elected for eleven consecutive terms, from 1985 to 2007. He represented the Eighth (previously designated the Fifth) congressional district, comprising the southeastern part of Arizona with Tucson as the main population area.

Remarks published here are as delivered on September 29, 2005, at the ABA Section of International Law Conference of Georgetown University Law Center in Washington, D.C. While written in the trade policy context leading up to the Hong Kong Ministerial, key components and themes remain as relevant today as when the remarks were delivered.

Conservatives in the United States—be it on domestic or international issues—recoil at the concept of judicial activism. As a free trader, I can understand the frustration of dispute resolution panels over the ambiguities that lie in international trade agreements. However, it is inappropriate for WTO panels to use authority and exercise discretion in such a way that is interpreted by Members of the WTO as expansive and beyond the terms of what sovereign governments actually negotiated as outcomes.

I worry about an accumulation of cases where it can be easily demonstrated to American audiences that the WTO panel has made determinations beyond what U.S. negotiators agreed. I foresee what will be an eventual weakening of congressional support—particularly Republican support. I know this will be the topic of many of your panels so I will not dwell on this subject. I will await more input from your discussions.

III. THE ROAD TO HONG KONG

Now, let me address the topic of the second half of your Symposium title. Over the last several years, many have questioned the U.S. commitment to the multilateral trading system. All too often I think this criticism of U.S. trade policy is unjustified given the political will for further trade liberalization that the United States finds among many of the WTO Members.

I think it is time for the WTO Members to rise to the challenge of becoming an effective organization for negotiation of free trade. Without a doubt, success or failure in Hong Kong will have a tremendous impact on U.S. perceptions of the value of the WTO as a mechanism for *prospective* trade liberalization.

In the coming months, I think you will see Ambassador Portman and the Congress catapult the Doha Round to the top of the trade agenda every day now up to the Hong Kong Ministerial. The stakes are simply too high. The Hong Kong meeting in December is a once-in-a-generation opportunity to keep the global trading system on the right track.

This fall, Congress may consider some other bilateral FTAs [free trade agreements]—like with Bahrain or perhaps even Panama, but those efforts at parallel liberalization will not undermine what will be the overriding priority of supporting a successful Hong Kong Ministerial.

IV. THE URGENCY OF THE HONG KONG MINISTERIAL

From a U.S. perspective, I would argue that there is a sense of urgency for success in Hong Kong. *The President's ability to negotiate under TPA expires in mid-year 2007.* Many in this audience are familiar with the term TPA. It stands for trade promotion authority. Congress can empower the President with

special powers to negotiate agreements. Accompanying these powers are special rules for legislative consideration—a single up or down vote on the entire package.

At the end of June 2007, there is a “bewitching hour.” Those special powers and, more importantly, those special procedural considerations in a legislative sense, expire. Consequently, so does the ability of a U.S. President to negotiate.

The period of eighteen months after a Hong Kong Ministerial may seem like a long way away (or a long period of time), but in the context of global trade talks it is right around the corner and very short. Simply put, *there is not enough time for us to have a failure in Hong Kong and to pick up the pieces in time before TPA expires.*

Now some might think that trade promotion authority can be extended. Congress extended fast track a couple of times for the Uruguay Round. All I would say is, “That was then and this is now.” I would not place any bets in Las Vegas on the President getting more negotiating authority in 2007. Why?

For a period of ten years the United States did not have real negotiating authority. For all practical purposes it expired with NAFTA back in 1993 and it took the Trade Act of 2002 to get it back—and that passed by one vote! In the 1990s, during President Clinton’s tenure, proponents of trade liberalization tried twice to give President Clinton the authority. And twice we failed.

Even if Congress were to extend fast track, an important thing to keep in mind is that Congress can change the terms of that authority. There is always a risk for international negotiations to fall into a tailspin if an extension means that U.S. positions have to be calibrated to a new legal statute.

V. WHAT IS SUCCESS IN HONG KONG?

In my opinion, it is important to keep in mind that the WTO Ministerial in Hong Kong *is not the end point of the negotiation.* It is a milestone. Absolutely, it is important. However, it is another point *in a continuum* to closure at the end of 2006. Keep in mind that what the WTO membership agreed to was a framework for negotiations at the last ministerial meeting or the one in Geneva.

Ten weeks from now in Hong Kong, the decisions facing negotiators will be how to put more flesh on the skeletal framework. Success should be defined in terms of meaningful progress, not the end of the negotiations. *Personally, I would define success in Hong Kong as significant new offers for trade liberalization in agriculture, in services, and in manufacturing coupled with a commitment to make those offers more specific as modalities in further negotiations over 2006.*

Of key note: It would be wrong to assume that Hong Kong can only focus on agriculture subsidies. Both the EU and the United States need to show important progress in the area of services and manufacturing market access. We must remember: the Doha negotiation is *a comprehensive one* that encompasses

all sectors. Therefore, at the negotiating table, all countries must move together in all sectors. This December, every country must “sweeten its offer.” Every country will have to go to Hong Kong with a willingness to deal that we have so far not seen.

That means developing countries, too.

VI. RISING TO THE CHALLENGE OF AGRICULTURE NEGOTIATIONS

Now, there is a great degree of emphasis on the outcome of agriculture negotiations in Hong Kong. In my opinion, two key “meetings of the minds” need to happen.

First, there is no doubt that the United States and Europe have to come to an agreement on reducing subsidies and affording each other market access. Specifically, I think the United States and the EU cannot simply agree to shift subsidies among amber, green, and blue boxes of subsidies. A shell game of shifting subsidies from the amber box to the green or blue boxes will not be sufficient to win the confidence of countries such as those in the G-20. If the EU and the United States fail to come to an agreement, there is no hope for an agreement among the broader WTO membership.

Second, other key Members like Japan, South Korea, and India need also to sweeten their market access offers in the area of agriculture. This second “consensus” is an essential compliment to the first. Cancun failed in part because the G-20 and others felt that the United States and EU got together and announced a *fait accompli*.

It is obvious that this go-around, both the United States and the EU need to work interactively with representatives of the G-20 so that what is worked out is mutually re-enforcing to a global deal on agriculture.

Farmers in both the EU and the United States need to know that the Doha agreement ultimately is not just about more market access to each other. Farmers *everywhere* need to be persuaded that the entire world can be their market again.

At this point in my remarks, I have to underscore the connection of the Hong Kong Ministerial to the broader issues of the U.S. budget deficit and reform of America’s agricultural policies. The U.S. Congress is on the cusp of another debate on agricultural subsidies in the form of a five-year authorization for American farmers. Many around the world were disappointed with the U.S. embrace of domestic price supports in the last farm bill reauthorization in 2001.

If we are to be successful in Hong Kong, then the United States needs the prospect of an ambitious agreement to solidify domestic political support for reform of American agricultural policies. It is true that American farmers will not be able to expect any more generous handouts in times of soaring budget deficits. When the last farm bill was written by Congress, the congressional committees

catering to agricultural interests took advantage of unrealistic expectations of budget surpluses.

American farm interests will not be able to leverage any rosy budget projections this time to yet again increase amber box subsidies. However, they will fight “tooth and nail” to hold on to every subsidy they have—whatever color that subsidy may be.

So while budget pressures are a useful impetus to reduce subsidies, they must be coupled with meaningful global opportunities for American agriculture. American agricultural interests will not unilaterally give up farm subsidies without the prospects for greater trade around the world.

A broader dynamic is necessary for reform in the United States: *one that is a confluence of pressures* and opportunities, including pressures to reduce spending, pressures to help developing countries, opportunities for U.S. exporters in manufacturing and services—and yes, even new opportunities for some U.S. farmers. Politically, the Hong Kong Ministerial has to combine with other synergistic pressures reaffirming domestic reasons to reform developed-country agricultural policies. Unfortunately, I do not foresee any other way to successfully reduce subsidies without a successful Hong Kong Ministerial.

Sadly, it is not as simple as pointing out the fact that developed countries spend \$320 billion a year on farm subsidies, an amount six times as much as what they spend on foreign aid.

VII. CHALLENGE OF THE U.S. TRADE REPRESENTATIVE

In light of this dynamic, you might wonder what the U.S. Trade Representative must have in mind as he or she negotiates the Doha Round and aims to secure congressional support for the final outcome.

Traditionally, there are three pillars essential to the trade coalitions that pass trade agreements in the Congress. All of these pillars are united under an umbrella view that connects trade liberalization with a net benefit to the U.S. economy and U.S. national security interests around the world. Each pillar brings congressional votes and is united with the glue that American consumerism and free trade support U.S. economic and strategic interests around the world.

The *first pillar* I would point out has to do with U.S. agriculture interests. No future trade agreement will pass the U.S. Congress if it does not carefully balance agriculture interests in favor of free trade. Agricultural interests have traditionally been the backbone of coalitions passing trade agreements.

The *second pillar* involves U.S. manufacturing interests. Despite the decline in manufacturing employment in the United States, manufacturing as a percentage of U.S. GDP is still very important. Manufacturing interests will have to be recognized with significant, if not zero, tariffs on many manufactured goods.

Support will also be essential from the services sector that stands to reap significant gains in the new global round. Services represent 80% of economic

output in the United States, and the sector employs 87 million Americans. That is *the third and final traditional pillar* of support.

VIII. THE OPPORTUNITY FOR A FOURTH PILLAR

Naturally, because this round of global trade is called “the Doha Development Round,” you might wonder how important is the development theme. I would say that it is critically important. In so many respects, the development theme, and its flipside, “American consumerism,” is an opportunity for a fourth pillar of congressional support in the American political process.

More consumer choice at lower prices has the potential to more fully integrate the world’s poorest countries in the global economy in a way that provides *independence through markets rather than dependence on foreign aid*. Economic growth and poverty reduction through trade can help achieve U.S. strategic interests for a more stable and prosperous global trading system.

Now the “alliance” of development and American consumerism as a pillar of support for trade liberalization is not a strong one within the conduct of U.S. trade policy. Some development advocates might point to passage of AGOA [African Growth and Opportunity Act] as a measure of legislative strength. Sadly, I fear AGOA—as a trade preference measure—is more a reflection of our limitation of helping developing countries than truly embracing free trade with them. One has to look no further than the highly restrictive rules of origin provisions in it and other trade preference deals such as the Andean Trade Preference Agreement. In the context of free trade agreements (separate from trade preference arrangements), most members of Congress coalesce around mercantile interests, not consumer interests.

For a long time, I have been a free trade advocate in support of U.S. consumers. In recent years, I have been actively trying to nurture this among development advocates, specifically think tanks, NGOs, and members of the Democratic Party who support development and developing countries. It is an uphill battle but one I think we have to essentially win. Members of Congress who want to see development in poor countries cannot expect to do it through foreign aid alone.

Over the next year, Congress has to increasingly see the wisdom of pairing U.S. consumer interests with that of reducing poverty and generating economic growth around the world. I firmly believe that congressional excitement and approval will occur only if the final outcome is a comprehensive one. That also means benefiting U.S. consumers and developing countries alike.

For that reason, let me explicitly urge opposition to what I consider a counterproductive idea. The suggestion by some European interests that the Doha Round would be more doable if it was a mini-round is a recipe for disaster when it comes to U.S. congressional consideration. I do not think it is appropriate to scale back our ambitions for the Doha Round simply to make it more convenient for a

country or two of the European Union that might be struggling with the aftermath of a failed constitutional referendum.

IX. THE IMPERATIVE OF REBUILDING BIPARTISANSHIP IN U.S. TRADE POLICY

Moving forward towards Hong Kong, I think it is important to start a process of rebuilding the bipartisan coalitions that have supported U.S. global leadership in support of the WTO. In my view, the partisan polarization over trade is unsustainable and unproductive to our long-term cause of a global trading system that is secure, stable, and beneficial to all participants.

The promise of Doha—market access for the developing world—simply will not be possible if congressional passage is necessary with supra-majorities of Republican votes. All of you recall the famous election-year map of the United States: blue states for Al Gore and John Kerry and red states for George Bush.

To pass a Doha agreement in the U.S. Congress, there will not be as many red-state Republicans who will vote in favor. Red-state farmers who farm cotton, rice, sugar, and dairy may lose in an agreement. Textile workers in states throughout the South also will not look favorably on a WTO agreement. They never have. Therefore, significant numbers of those red-state Republican members—who recently have voted for free trade agreements like the CAFTA [Central America Free Trade Agreement]—will have to be replaced with blue-state Democrats.

In closing, I would say that effective, broad-based trade liberalization for the benefit of all parties to an agreement requires a bipartisan trade coalition. A balanced free trade coalition that draws strength from both sides of the aisle—Democrats and Republicans alike—is not only a legislative exercise in counting votes and achieving victory. It also is essential to the quality of that victory.

Thank you.



TRIBUTE TO CONGRESSMAN ROBERT T. MATSUI

Timothy M. Reif*

Many of us who work in international trade can be accused with some justification of a sense of exceptionalism—a sense that the field of international trade is special somehow.

This is perhaps because this profession calls upon so many skills: an *intellectual grasp* of policy and politics, economics and business and law, and often additional disciplines from medicine to finance to the arts; understanding and applying the often complex dynamics of *negotiating*, each negotiation different from the next; and, the importance of international trade regulation to a number of key facets of our domestic and international environments, including improving standards of living in the United States and around the world, creating new opportunities for people in every country and in every part of society, integrating the poorest countries to a much greater extent into the trading system and helping to set them on a course of sustained development.

One key constant for me over the last eighteen years since I first walked through the doors of the old Tariff Commission building at 7th and E Streets in Washington—now a swanky hotel—to start a job at the U.S. International Trade Commission [ITC], has been the people who work in this field. I think virtually daily of the outstanding and extraordinary people with whom I have had and continue to have the good fortune to work.

For each of the four symposiums that the other co-chairs and I have organized, we have chosen to honor someone whose integrity, knowledge, judgment, courage, and other personal qualities (usually including their sense of humor) stand as guiding lights for all of us—and to dedicate to that person the symposium and the law review volume containing its proceedings. Previous honorees have included Walter Hollis, Jules Katz, and Bill Hart.

In my case, I am lucky enough to know or to have known each up close and personal, serving with Bill Hart at the ITC, and under Jules Katz at USTR [the office of the U.S. Trade Representative]. In the case of Walter Hollis, he was still volunteering at USTR following his retirement from the State Department when I started there. Although I did not know him well, I have learned about his extraordinary contributions to the field of trade thanks to Warren Maruyama.

Tonight's honoree, Congressman Robert T. Matsui, is no exception. I'm sure that every person in this room had the privilege to work with him or for him, and has strong and fond memories of those experiences.

In my case, I was privileged to work for Congressman Matsui when he served as a senior member of the Trade Subcommittee and then as its Chairman

* Staff Director, House Ways and Means Trade Subcommittee. This tribute was offered on September 29, 2005, at the ABA Section of International Law Conference, Georgetown University Law Center, Washington, D.C.

during NAFTA [North American Free Trade Agreement] and the Uruguay Round bills in late 1993-1994, and then to be re-hired by Congressman Rangel and Congressman Matsui when I returned to the Committee seven years ago this month.

Now, many of you recognize that I am a fool—but may still be thinking, I did not think he was fool enough to attempt to offer a few words of tribute to Congressman Matsui, alongside the many more eloquent ones that friends and colleagues of Mr. Matsui have offered in the last nine months, including those at the memorial services in Washington and Sacramento in January, and later ones such as Congressman Kolbe's moving tribute at the WITA [Washington International Trade Association] dinner this summer.

In that regard, I offer the brief comments that follow, not so much to recall Bob Matsui's extraordinary accomplishments in the trade field, among others—those are amply known and will be appropriately recorded in the history of this time—but to recall an individual who combined the finest qualities of a human being alongside the most exceptional qualities of a politician and policy-maker.

Bob was a mentor who *inspired* all those with whom he came into contact (and, I would say, continues to), challenged them (and continues to), and whose presence and example, I believe, also remain a great reassurance to us.

He was an *inspiration*, because of his rock-solid belief that through hard work and honest policy and political effort, people could accomplish worthwhile goals in life. Bob, of course, used words to inspire, but oftentimes, at least for his staff, his mere presence was inspiration enough. When he strode into the office that Mary Jane Wignot and I shared seeking an update on one or another aspect of the draft Uruguay Round implementing bill, the mere kinetic energy emanating from his dynamic presence was inspiration enough to raise our adrenaline in advance of briefing him on the subject at hand.

He was a *challenge*, because his intellect was the most restless and rigorous I have ever known. To work for him was to know that whatever answer I had for him was either incomplete (although I did not exactly know how), or would provide fodder for additional questions, whose answers in turn would also be incomplete or fodder for yet more questions. His aim for perfection arose, I believe, because he sought to accomplish the most difficult goals in his life, and the only way to do that was for the quality of his work product to be better than everyone else's. He demanded that of his staff, just as he did of himself, and just as he did of all those who sought to lobby him or those who appeared before him in a hearing. The admonition—spoken or unspoken—was that you can do better. Today, Bob's challenge is as timely and important as ever.

Finally, Bob's presence and example were and are tremendous. It is the reassurance of having on my side, or being on the side, of a winner. Once again, not winning for the sake of winning, but winning because he understood the issue better than anyone else, went the extra mile that others would or could not to work out an agreement or, when that was not possible, win a fight, winning a public

policy argument just by the overpowering combination of his strong will and his articulateness and his exceptional intellect. It is a comfort to work with someone who has certainties—certainties not borne of ignorance and arrogance, but of learning life's lessons and being prepared.

Finally, more important even than those exceptional qualities was that Bob was a very rare human being. For me, these qualities are captured in two short anecdotes.

There were many episodes of this kind for me, but I will share only two with you so as not to carry on too long. The first was in the late spring, 2002. It was just after my wife and I had gotten engaged. Now, as backdrop, you should understand that I had known my wife since the early Pleistocene era—and Bob knew this. I was waiting with other staff and some members in a conference room for a members' meeting to start late one afternoon. Bob strode in in his crisp, determined way, made his way around the end of the table, greeting the other members and staff with a smile or a friendly nod, or a pat on the back, or the way he would grab someone on the upper arm.

When he said hello to me, I mentioned that Des and I had just gotten engaged that week. Immediately, that big smile of his came onto his face, clearly delighted to hear our news. When I mentioned that Desiree and I would be sending an invitation shortly for him and Mrs. Matsui to attend and that we would be honored if they could attend, he responded that *he* would be honored to attend.

It was just two or three months later, and it was late one night, past midnight if I remember correctly, and Bob, along with Congressman Rangel and Congressman Levin had summoned us to meet them in the Rayburn Room to discuss a pressing legislative matter. As I walked beside Bob toward some chairs and a couch situated by the fireplace on the far side of the room, he asked lightly how things were going for Des and me. I was all wrapped up in thought about how to present an issue to the three of them and what to recommend, and was sleep-deprived (albeit probably not any more than he was). So, on autopilot, I mumbled something about how things were "O.K." There was a complete absence of any emotion or enthusiasm in my voice.

He stopped dead in his tracks, turned to me, his eyes lit up and he looked at me and said, "O.K.?! Just O.K.?!". He said in a loud voice, "What do you mean, 'O.K.?'". We both broke out laughing.

Bob knew and understood the human side of people. He was that very rare combination of a person who demonstrated the finest in a politician, knew humanity and also knew policy—an extraordinary combination in a person.

This is an extraordinary man we honor tonight and with this Symposium. The other co-chairs and I are grateful to all of you who have agreed to participate—the speakers and moderators who have spent so much time and effort, some traveling a long distance to do so, to offer their insights with us, and also to those of you who are attending who, I hope, will engage actively with your own questions and comments, and will leave the program enriched.

Bob's leadership in the trade field will be missed.

As I often say, the work we have before us today—as was the case ten years ago and will be the case ten or twenty years from now—requires that all the minds in this room be actively engaged.

And, as each of us engages, I hope that we will feel a firm hand grab us just above the elbow, offering challenge and reassurance and saying, “Come on, we can do better.”

We miss you, Bob, and always will. We are grateful for the many ways that you enriched this profession and our lives.



**REMARKS HONORING CONGRESSMAN ROBERT MATSUI,
LIFETIME ACHIEVEMENT AWARD**

Congressman Jim Kolbe*

Tonight we honor two distinguished individuals for their service in U.S. trade policy.

It is my honor to present the award to the late Robert Matsui. His wife Doris, my colleague, is here on his behalf to accept this award.

In so many ways, Bob was a cut above the average member of Congress. His intellect, influence, and position spanned from powerful jurisdictions like the Ways and Means Committee to his heading up of the DCCC [Democratic Congressional Campaign Committee]. He was a policy wonk as well as a power broker.

When legislative battles had to be fought, Bob knew how to draw the lines of engagement and devise a plan for victory. He was a legislator you wanted in your fox hole—not someone you wanted to face across the battle line as an adversary. Behind that soft-spoken manner, he was a fierce competitor.

I know by experience. In the legislative arena, Bob and I were both friend and foe. Sometimes we covered each other's back—working together on a bipartisan basis. Other times, we were like boxers touching gloves just before a match.

Those of you who knew Bob well remember that he was an avid baseball fan. If you visited his office, you found it full of baseball memorabilia. He was devoted to the game. This evening we honor Bob for his “inside baseball” game—his contribution to U.S. trade policy over the course of his legislative career. Bob left his imprint on every major trade battle in the decade of the 1990s. All of us today operate in the framework of a debate which he helped construct on the Democratic side.

Tonight, the trade policy community draws together as a family—a family of professionals—but a family nonetheless. Certainly, I look around and I see a lot of young faces. However, I also see the gray hairs and wrinkled brows of many veterans of U.S. trade policy debates. So for those new to these battles, I thought I would revisit some of the ones of yesteryear. Those battles seem so long ago, but they are worth revisiting in light of Bob's contribution.

* Jim Kolbe currently serves as a Senior Transatlantic Fellow for the German Marshall Fund United States. For twenty-two years, Jim Kolbe served in the U.S. House of Representatives, elected for eleven consecutive terms, from 1985 to 2007. He represented the Eighth (previously designated the Fifth) congressional district, comprising the southeastern part of Arizona with Tucson as the main population area. Remarks published here are as delivered at the 11th Annual Awards Dinner, Washington International Trade Association, on July 20, 2005.

Like Hollywood movies, today's trade policy debates are, depending on your point of view, either remakes of the old classics or simply sequels to a never-ending saga. The plots are largely the same.

There is a President fighting for liberalization and a Congress that has to be brought along. There are a host of antagonists and protagonists in both political parties. And finally, there is a supporting cast of advocates and dissidents for business, labor, the environment, and even isolation if one counts stakeholders reflecting U.S. sovereignty or anti-globalization concerns.

As we all know, CAFTA [Central America Free Trade Agreement] is just the latest episode of a trade film first screened in the early 90s. Certainly, some of you might think of NAFTA [North American Free Trade Agreement] as the first blockbuster legislative effort in U.S. trade policy. However, before that there were other episodes, perhaps in black-and-white or even in storyboard format.

Because before NAFTA, there were the annual China MFN [most-favored-nation] debates. Bob's first great contributions in U.S. trade policy are found in that era. Post-Tiananmen Square and the 1992 election cycle, President Clinton embarked on a policy of conditioning normal trade relations with China on progress in the human rights dimension. It was a policy seemingly destined for failure. After only a short period, members of the Clinton Administration were desperately searching for an exit strategy.

The mood of Congress, of course, was very different then. Only a small minority of members in the House of Representatives supported engagement with China in the wake of Tiananmen Square. Time and again, both the House and Senate voted with large majorities to cut off trade relations with China. It was only a Presidential veto, frequently exercised by the former President Bush and sustained by the Senate, that maintained U.S. trade relations.

Bob played a crucial role in charting a new course in U.S.-China relations. His vision was pivotal in reversing a failed direction in U.S. foreign and trade policy. In early 1993, he helped form a legislative working group dedicated to reversing the prevailing congressional policy on China. Lee Hamilton, David Dreier, and I joined him in this ambitious undertaking.

Together, the four of us formed a bipartisan partnership that reached outside the Congress. We combined our effort with those of the business and agriculture communities. We created a whip structure—independent of the congressional leaderships—and developed an information campaign to frame the issues. We coalesced with key opinion leaders and think tanks along the trade and foreign policy spectrum. In short, we orchestrated a massive inside-the-beltway effort to change the course of U.S.-China relations.

The legislative history of U.S.-China relations stacked the odds against us. But we were successful. In 1993, we convinced a President to change his policy and we changed the position of the House of Representatives. Not only did we defeat a resolution aimed at cutting off trade with China, we drafted a new congressional resolution that became the framework for U.S.-China relations for years to come.

Those early China MFN battles set the stage for the now-famous sequel, “the fight for permanent normal trade relations for China.” It was another film Bob Matsui starred in. But Bob was always a star.

All of this early spade work in coalition-building was the precursor to the NAFTA. On NAFTA, Bob’s contribution to U.S. trade policy grew to greater heights. In the NAFTA fight, Bob’s “mettle” as a legislator truly shined. His story is a remarkable profile of courage.

In the ’92 presidential campaign, Bill Clinton announced his support for NAFTA. At the time, Bill Clinton was almost alone in the Democratic Party on this issue. And had it not been for the work of Bob Matsui, President Clinton would have remained alone.

At first, Bob was just a foot soldier in support of the agreement on the Ways and Means Committee. Then, Chairman Rostenkowski and Congressman Gibbons made him a General in the Democratic effort to secure passage. Like Bob, I was a foot soldier at first. Then, I assumed a larger role joining him in the effort.

Despite all of our work during the China MFN debate, the two of us—by Washington standards—were still a strange pairing. In fact, Bruce Stokes of the *National Journal* called us “the Odd Couple” in one of his stories covering the NAFTA debate. Bob was a member of the Ways and Means Committee. I was a member of the Appropriations Committee which had no jurisdiction over trade.

Even after a decade, NAFTA remains the big “enchilada” of all trade debates. It was the first of its kind. It redefined trade policymaking in the modern era of American politics. Like China MFN, it possessed the attributes of coalition building. But unlike China MFN, the NAFTA debate was truly national in scope. It involved grassroots campaigning, sophisticated polling, print, radio, and TV advertising.

Again, Bob Matsui and his staff were at the heart of this campaign. On the Hill, Bob directed the Democratic effort. The two of us worked together orchestrating the whip team. We organized member and staff working groups to wage the fight—sector by sector, issue by issue. As one lobbyist put it, “it was guerilla warfare, district by district, member by member.” In the end, all of you know that we were successful.

Without a doubt, Bob’s leadership helped solidify the now-historic bipartisan coalition that passed NAFTA. At its nucleus were members like David Dreier and Bill Richardson, Lee Hamilton and Pat Roberts, as well as John Boehner and Mike Kopetski. In the legislative process, it was the closest thing you got to what could be called a “band of brothers.” Bob was its founding member and essential leader. As with China, trade with Mexico and Canada would never be the same without the contribution of Bob Matsui.

Now, a decade later we face another critical debate and vote on trade. Next week, the House of Representatives will vote on the FTA [free trade agreement] with the Dominican Republic and five countries of Central America. Bob and I did not see eye to eye on that agreement. He opposed it. I support it.

And so tonight, in our tribute to Bob, a discussion of the pros and cons of this agreement is not in order. However, I do think it is appropriate to raise the sensitive topic of partisan polarization and its implications on U.S. trade policy.

Bob and I, and many in this audience, worked long and hard to build the bipartisan center for U.S. trade policy. Now on the eve of the CAFTA vote, it is clear that center is but a shadow of its former self. When this unraveling began, back in 1997 or 1998, on one of the previous efforts to support trade promotion authority [TPA], it was clear that Bob Matsui was pained. I think we all were.

As we thank Bob for his contribution to U.S. trade policy, it is appropriate to lament what has become the prevailing environment and resolve to do something about it. Over the years, for both Republicans and Democrats alike, there have been less and less incentives to work together and more and more incentives to work against each other—particularly in the area of trade policy.

Trade, as a policy matter in American politics, has become a wedge issue being used by each political party against the other. Republicans and Democrats alike share blame for this sorry state of affairs. Both parties have used trade as a tool in the political battles for control of Congress. In the debate on granting President Bush trade-promotion authority, one senior Republican aide said Republicans should pass TPA with no more Democrats than are necessary in order to alienate Democrats from an economic dialogue. Democratic leaders, in turn, have said that no Democrat should vote for CAFTA because doing so would allow another vulnerable Republican to vote “no” on CAFTA.

In an earlier age, there was an agreement among senior leaders of each party not to use trade policy as a wedge issue for tactical party purposes. That agreement was supported by other stakeholders in the trade policy process. It was an age that Bob helped create. It is an age that is gone, but one that we ought to attempt to recreate.

That is not to say we avoided all party intrigue at the highest levels in those debates on MFN for China, NAFTA, and even the Uruguay Round. We had our fair share of temptations. But we were honest with each other and we managed the tension far better than we do today.

Tonight, in saluting Bob, it is important that we dedicate ourselves to reactivating that bipartisan center in American trade politics. I think he would want us to do that. It is a great honor to present this award to a man who did so much to build that center once before, our beloved friend and late colleague, Bob Matsui.

Thank you.



REMARKS IN TRIBUTE TO CONGRESSMAN ROBERT T. MATSUI

Congresswoman Doris Matsui

Thank you, Congressman Kolbe, for those warm remarks, and thank you to the Washington International Trade Association [WITA] for recognizing my husband tonight. Secretary Glickman, thank you so much for hosting us. And congratulations to Chairman Thomas on receiving this year's Distinguished Service Award.

I know Bob would have enjoyed being with you tonight. He loved his work on the Ways and Means Committee and I know he appreciated the constructive and dynamic debate that WITA has fostered over the past twenty-three years. He was deeply honored when WITA honored him and Jim Kolbe a decade ago for their work together on NAFTA and the Uruguay Round.

Like all of you in this room, Bob genuinely and deeply cared about trade policy. He firmly believed that, as a world leader, the United States has a crucial role to play; that we cannot withdraw or step back from the global community. And when necessary, we must harness the full force of the United States to ensure the adoption of sound trade policies both at home and abroad that lead to economic improvements for businesses and workers.

No matter what the issue on trade, Bob approached it with thoughtfulness and intensity. He had a mastery of both the substance and the domestic and international politics of trade. He embraced the details and dove into the minutia of the legislation and combined this with his understanding of his colleagues and the complex politics of the issue to fashion workable solutions.

It is not difficult to see why Bob was a natural leader on trade and why he served at a crucial time as acting Chairman of the Trade Subcommittee. Given this, it was understandable that President Clinton would ask him to lead on so many trade issues, and why he was instrumental in the hard-fought passage of legislation implementing NAFTA and the WTO. There are many in this room tonight with whom Bob worked to enact these historic agreements and he was so proud of those of you who worked with him in this regard.

But while Bob subscribed to the economic principles behind free trade, he also believed that free trade should be tempered with meaningful policy which acknowledges that each trade agreement produces winners and losers, and it is our responsibility to do right by those displaced in the process.

Moreover, he wanted trade agreements not only to encourage the flow of goods and services, but also to embody certain important values and principles. That's why he pushed to incorporate environmental and labor standards into the heart of trade agreements instead of tacking them on as afterthoughts.

I truly believe that Bob wanted the United States to approach the world the same way he interacted with his constituents and members of Congress. When you worked with Bob, whether you agreed with him or not, you knew he respected your views, understood the facts of issue, and was going to work as hard

as anyone to find the common ground that would leave everyone better off at the end of the day.

It was these characteristics that allowed Bob to assemble differing viewpoints into coalitions that ultimately crafted inclusive, constructive trade policy. I would say it is why he was as successful as he was and one of the reasons you have chosen to recognize him this evening. Again, thank you for your thoughtfulness in honoring Bob and his lifetime of work on trade policy. He would have been thrilled to have been so honored.

Good night.

