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Building the capacity of ACP Countries in Trade Policy Formulation, Negotiations and implementation ("Hub and Spokes") Project

WTO Talks to Resume Without New Offers

Although trade and agriculture ministers agreed to restart WTO talks on the technical level, but no breakthroughs are apparent

Trade and agriculture ministers from two dozen governments agreed over the weekend that stalled World Trade Organization talks should start again at the technical level, with political negotiations following if there is progress. But none of the officials attending a meeting in Davos, Switzerland over the weekend indicated that the ministers advanced new offers to break the impasse in agriculture. Talks have been stalled since July over subsidy and tariff cuts. Progress requires the resolution of that impasse. WTO Director General Pascal Lamy told reporters' new offers will soon be necessary on U.S. farm subsidies, EU tariff reductions and Indian and Brazilian manufactured goods. Other countries want the U.S. to drop subsidies beyond the \$22 billion it has so far offered. They also want the EU to slash subsidies beyond the 39% it has so far offered.

Despite rumours, there have not been major breakthroughs yet between global partners. "There have been no figures on the table there. The breakthrough that some had previewed, had forecast, obviously did not happen," EU Farm Commissioner Marian Fischer Boel said after she spoke to EU Agriculture Ministers yesterday, according to an AP release.

At France's request, the EU's 27 agriculture ministers are scheduled to discuss the state of the Doha round talks during their monthly agriculture council session today (Jan. 29) in Brussels, Belgium. Any improvement in the EU's tariff offer requires the support of a qualified majority of the ministers, some observers insist. Lamy has scheduled an informal meeting of ambassadors to the WTO for Wednesday to discuss the resumption in the talks. Brazil's top trade official Celso Amorin said he expected a breakthrough by late March or early April - around Easter. "But much also depends on how far EU and US move forward on subsidies," he added. Negotiators are working against the deadline imposed by the expiration of President George Bush's trade promotion authority at the end of June.

Source: Farm Futures News, US & Canada, 31 January 2007

Libya to join WTO

Libya is planning to join the World Trade Organization, it was reported here. The Director General of Planning Institute, chairman of the Preparation Committee for the scientific symposium on (Libyan economy and the World Trade Organization Opportunities and Challenges), pointed out that the aim of this symposium is to study the ways and means to orient and prepare the Libyan economy to the negotiation phase to join the WTO.

He indicated, in his speech at the opening session of this symposium in Tripoli that Libya enjoys an observer status since mid 2004. Now it is in the orientation stage of its economy to join the Organization that includes more than (150) member states and constitutes more than (90%) of the world trade.

Source: Libyan Jamahiriya Broadcasting Corporation, 31 January 2007.

Schwab Sees No Imminent WTO Deal

The U.S. Trade Representative says she doesn't expect any breakthrough on trade barriers any time soon.

Although trade representatives from many countries agree World Trade Organization talks should restart on a technical level, U.S. Trade Representative Susan Schwab does not expect any breakthroughs soon. "Just as the last several months have been months of very intensive, quiet consultations and discussions, I suspect the next several months will be characterized by much of the same," Susan Schwab told reporters at the World Trade Organization.

Schwab did not advance any proposals on agricultural issues, which were a large part of the reason talks collapsed in July. The European Union does not believe Washington's proposal to cut farm subsidies goes far enough, Washington wants the EU to make deeper cuts in farm import tariffs, and Schwab sees no breakthrough on lowering trade barriers in the near future. "Clearly we have a lot of work to do to find a landing zone where we have convergence because we haven't identified that," she says.

However, Schwab does say that trade negotiators at last week's World Economic Forum in Davos, Switzerland had "a new sense of optimism and a sense of momentum that had been sorely lacking since July."

Source: United Press International, Davos, 31 January 2007

US online gambling ban is protectionist, says EU official

The US is discriminating against foreign gambling companies by banning payments to betting Web sites, said Charlie McCreevy, commissioner for the European Union's internal market.

McCreevy told a panel of lawmakers on Tuesday that the EU should complain to the US over the October 13 bar to online gaming. McCreevy, who doesn't have authority over external trade, said he'll ask his staff to raise the issue with his colleague in charge of trade, Peter Mandelson. "In order to protect, I'd say, their own business, their industry there, they have de facto prevented foreigners from online betting into the United States," McCreevy said at the European Parliament in Brussels. To journalists afterward he labelled it "a protectionist measure."

The legislation seeks to close the business to people in the US, representing half of the world's Internet gaming market. Its backers argued that a past ban on online gaming in the US had just pushed the business offshore. A spokesman for the US in Brussels declined to comment, saying it was premature to respond to remarks by a commissioner where no action has been taken.

To crimp the flow of funds to betting sites, Congress passed the bill September 30 to bar credit card companies from processing payments to such businesses. Bush signed the measure into law on October 13. Online gaming shares plunged and companies including Sportingbet Plc, Leisure & Gaming Plc, Partygaming Plc and Empire Online Ltd. ceased US operations or sold them for nominal amounts. "It is probably a restrictive practice and we might take it up in another forum," McCreevy said at the EU Parliament's Economic and Monetary Affairs Committee.

Asked by journalists afterward if that referred to a World Trade Organization complaint, McCreevy said, "The WTO talks have enough to be going on with at the present time without adding this in. It's not something that has major momentum." The US is contesting a WTO decision from 2004, based on a complaint brought by Antigua and Barbuda, that the ban on Internet gaming is illegal.

A group representing US casino operators such as Harrah's Entertainment Inc. and MGM Mirage has pushed Congress to fund a study of whether online gambling could be regulated, as a possible way to get into the business themselves.

Source: Caribbean News, 31 January 2007

Levin fires a salvo on fast track

House Democrats should not hold serious talks on extending fast-track negotiating authority with the Bush administration until it agrees on changes to the labor provisions of three pending free-trade agreements, a senior House Democrat told *The Hill* yesterday. "I think we need a breakthrough in those areas before there can be meaningful discussions about renewal of fast track," said Rep. Sandy Levin (D-Mich.), who chairs the trade subcommittee of House Ways and Means.

Levin's statement, which was made outside a Ways and Means Committee hearing on trade and globalization, is the latest indication of how contentious trade legislation will be during the 110th Congress. Levin said the free-trade deals the administration has already negotiated with Colombia, Peru and Panama will have to be renegotiated. The lawmaker said that getting those countries to make commitments in so-called side letters would not be sufficient because the only way to ensure that changes to the deals are enforceable is to make changes to the text. "I think we're going to have to renegotiate and put new provisions in those agreements, because I don't see how else you do it in a way that's fully enforceable," Levin said.

If this is done before the end of March, Levin said the three trade agreements, which are opposed by organized labour, could still be submitted under the current fast track authority, which expires at the end of June. Levin suggested these changes would build confidence with Congress that the administration will use fast track in the right way. Fast track requires that Congress be given 90 days' advance notice of the administration's intent to sign a free-trade agreement. The administration has already signed the deals with Peru and Colombia, but would have to renegotiate those deals and sign new ones to meet the demands of Levin and other House Democrats. The administration has completed talks with Panama and announced its intention to sign that deal.

President Bush is expected to ask for an extension of fast track this week. Without fast track, also known as trade promotion authority, the administration could not send deals to Congress for up or down votes. As a result, other WTO members would be unlikely to negotiate with a U.S. administration that lacks fast track.

If Democrats refuse to grant Bush a fast-track extension, the U.S. risks being blamed for killing the WTO negotiations, according to Gene Sperling, a former economic adviser to President Clinton, who testified at the Ways and Means hearing. In response to a question from Ways and Means Committee Chairman Charles Rangel (D-N.Y.), Sperling said he

thought it was possible for the administration and Congress to agree to an extension of fast track limited to allowing the administration to conclude the current round of WTO talks.

In exchange, Sperling said Democrats should get a commitment that the administration will press for stronger environmental and labour language not only in bilateral agreements, but in the ongoing WTO round. He acknowledged it is probably not possible to win labour concessions in the current WTO discussions, but said stronger environmental provisions were possible. "I think that if the administration comes forward with a good-faith down-payment on the type of things that the Democrats are concerned with, the Democrats should at least be willing to consider a temporary extension of [fast track]," Sperling told The Hill after the hearing.

Rangel told reporters after the hearing that U.S. Trade Representative Susan Schwab has warned him that the U.S. would be blamed for the failure of the WTO talks if fast track is not extended by Congress. Rangel said Schwab spoke to him from Geneva, where she is discussing the Doha round with her counterparts. Some lobbyists have argued that requesting an extension of fast track is a win-win situation for the administration, since if Democrats refuse to grant the extension, the administration could blame them for the failure of the WTO talks.

Rangel said a fast-track extension would depend on what conditions are tied to the authority, and on how long of an extension is considered. In a joint press release with Senate Finance Committee Chairman Max Baucus (D-Mont.), Rangel said a reauthorization required a "great deal of trust," and that Congress would need certain assurances before being willing to extend fast track.

Source: Bloomberg, Washington, 31 January 2007.

Mandelson More Confident of a Breakthrough.

European Union trade chief Peter Mandelson said on Monday he was more confident of a breakthrough in long-stalled global free trade talks and that a consensus was emerging with leading developing countries on how to achieve it.

Mandelson, his US counterpart Susan Schwab and Brazil's Foreign Minister Celso Amorim are in Geneva for more talks after trade ministers from some 30 countries agreed at the weekend that negotiations in the so-called Doha round should resume.

The World Trade Organisation (WTO) talks were officially suspended six months ago because of deep differences, particularly over the politically sensitive issue of farm trade. "We are now embarking on a long series of meetings and intensive discussions that I am now more confident will lead us to a breakthrough," Mandelson told journalists after meeting ambassadors from the G20 group of developing countries. "The EU and the G20 as well as the other developing country groups present have a clear idea about the emerging consensus for this breakthrough," he said. The WTO aim is to lower trade barriers across the global economy and in the process help lift millions from poverty.

The key to a deal lies in getting deeper US cuts in farm subsidies, which developing countries say give its farmers an unfair market advantage, and in securing similar reforms from the EU, Japan and other big importers on farm tariffs.

Big developing countries such as Brazil and India would have to agree to open up their markets, mainly to industrial goods and services, but also, in the case of India, to farm goods. Asked whether the United States, which says any concessions will need others to move too, was part of the emerging consensus, Mandelson replied: "It is an emerging consensus, we are not yet at the finishing line ... I am not going to give a running commentary, nor am I going to speculate about numbers," he added. Time is running out for the trade round, launched in 2001 in the Qatari capital, because at the end of June the US administration will lose its special powers to negotiate trade deals with little Congressional interference.

Without those powers, trade deals are all but impossible. US negotiators argue that they need to show Congress that significant progress, with gains for US exporters, is being made in the round for there to be any chance of renewal.

WTO chief Pascal Lamy has said a breakthrough is needed by March or April. But Mandelson also faces resistance from within the EU to giving more ground on farm tariffs. Josef Proell, Austria's agriculture minister, told journalists in Brussels that the EU should first demand more from its negotiating partners. "I am very surprised by the discussions by Mr Mandelson," Proell said. "It's too early for Mandelson to give informal signs to our partners. It's the wrong way to hold a negotiation."

Source: Reuters, Davos, 31 January 2007

Africa leads world tourism growth - UN

African tourist arrivals grew at twice the global growth rate in 2006, driven by visitors to sub-Saharan countries such as South Africa and Kenya, the World Tourism Organisation (WTO) said yesterday. Africa outpaced all other regions last year in tourism, with visitor numbers growing by 8.1 per cent compared with a global growth rate of 4.5 per cent, the Madrid-based UN agency reported. The results showed global tourism had seen off risks such as terrorism, health threats and rising oil prices, the agency said in its annual review. While sub-Saharan Africa saw growth of nearly 10 per cent, arrivals to North Africa increased 5.8 per cent, with Morocco as the lead destination.

Other emerging regions also showed strong expansion, such as Asia and the Pacific, which were up 7.6 per cent after the recovery of Thailand following the December 2004 tsunami.

International tourist arrivals were seen up around 4 per cent in 2007, in line with forecast long-term annual growth of 4.1 per cent to 2020, the U.N. agency said.

The WTO had said in November it expected tourism demand to grow at 4.6 per cent in 2006 and 4.0 per cent in 2007, led by the emerging markets of Africa and Asia and the Pacific.

Source: Jamaican Gleaner, Kingston 30 January 2007

India to work for a successful Trade Talks.

India has said it is committed to working for a successful conclusion of Doha round of WTO talks despite the setbacks witnessed in the recent months. "We remain focused on the larger goal of having a multi-lateral trade agreement under the WTO," Finance Minister P Chidambaram said delivering a talk on "India: The Land of Growth Opportunities" at London School of Economics in London last night.

Ministers from key WTO member-countries had agreed in Davos last week to resume the Doha round of trade negotiations and would be meeting again within the next few days in Geneva. The talks were suspended in July last year after developing countries led by India and Brazil rejected US' offer for cutting its agriculture subsidy. "Despite the setbacks witnessed in recent months, we are committed to working for a successful conclusion of the Doha round," Chidambaram said.

Giving a graphic picture of the rapid economic strides made by the country during the last three to four years, he said: "India is poised to witness an investment boom that will take the Indian economy to an even higher growth path." The current year, 2006-07, has been good so far. The first half has registered a growth rate of 9.1 per cent, with the second quarter registering 9.2 per cent. "I am reassured by the indicators available to us that growth in the second half of the current fiscal will also be close to 9 per cent. If these indicators turn out to be correct, the GDP growth rate for the current year will be the highest since reforms were initiated in 1991. The International Monetary Fund (IMF) seems to share this assessment," he said.

Chidambaram said the government had taken a number of steps to maintain the growth momentum. Foremost among them was the need to observe fiscal prudence and discipline. Conceding that the most formidable challenge was in the agriculture sector, which witnessed an average growth of 2.17 per cent in the six years since 1999-2000, the FM said, "this is a deceleration from the average rate of 4.68 per cent witnessed in the 80s and 3.16 per cent witnessed in the last three years."

To salvage the situation, a multi-pronged strategy has been devised that includes rapid expansion of irrigation facilities, extension of credit, introduction of new technologies,

offering remunerative prices for farm produce and supplementing farm income with incomes from allied activities such as dairy, inland fisheries, poultry and animal husbandry.

Another important challenge, he said, was in human resources. "No doubt, the size of our working age population will continue to grow until the year 2040 and we will enjoy a demographic advantage until that year. Nevertheless, it has been estimated that we will face a severe shortage of skilled workers unless we expand capacity and improve quality in our schools, colleges and vocational training institutions," he said. Therefore, the government was in the process of expanding capacity in all institutions of higher education by 50 per cent over the next three years.

Chidambaram noted that the fiscal side too had witnessed many reforms. "Tax rates are stable and moderate. Customs duties have been brought down to nearly ASEAN levels. In 2005-06, state governments were persuaded to switch over to the value added tax (VAT). "Buoyed by its success, we have announced our intention to introduce a nation-wide goods and services tax (GST) with effect from April 1, 2010," the Finance Minister said. Conceding that the Achilles heel of India's growth story was physical infrastructure Chidambaram said, "We recognize the need to provide world class infrastructure in order to meet the requirements of a fast growing economy. We are therefore employing more than one model to build infrastructure on an ambitious scale." Chidambaram urged young NRIs to invest and come back and work in India and become part of the development of the country.

Later, speaking at the Golden Jubilee celebration of the UK Operations of Bank of Baroda at the Grosvenor House, the Minister said "In the current year the growth rate is nearing 9 per cent. We must maintain and improve upon it and I have no doubt about it in my mind."

The Governor of Bank of England Mervyn King and Deputy High commissioner, Ashok Mukherjee were the Guests of Honour at the function. The function was also attended by British Ambassador for Overseas Business Lord Swraj Paul, Labour MP Pyara Singh Khabra and a large number of leading NRI and British businessmen and industrialists.

Source: India Press Trust, London 31 January 2007

Thailand Invokes WTO Rule To Sell Generics For HIV And Heart Disease Drugs

Thailand has invoked a World Trade Organization (WTO) agreement on intellectual property rights to allow the manufacture, purchase and sale of generic versions of two drugs for heart disease and HIV/AIDS in the country. The WTO agreement, which was negotiated as the Doha Declaration in 2001, allows governments to circumvent patent licences in the event of national health emergencies and to issue generic licences for the manufacture and sale of cheaper versions of essential drugs. The two drugs in question are Plavix and Kaletra. Plavix (chemical name clopidogrel) is made by the US pharmaceutical company Bristol-Myers Squibb and the French pharmaceutical company Sanofi-Aventis, while Kaletra (chemical name lopinavir) is made by the US company Abbott Laboratories. Plavix (clopidogrel) is an oral antiplatelet drug used to treat a range of heart and cardiovascular diseases. In 2006, Apotex, a Canadian generic drug manufacturer started selling clopidogrel but was stopped last month when a Canadian court rejected its right to do so. In 2005, Plavix was the world's second biggest selling pharmaceutical product with annual sales approaching 6 billion US dollars.

Kaletra (lopinavir) is a protease inhibitor antiretroviral drug and is given in combination with ritonavir as a multi-drug capsule to treat HIV/AIDS. Kaletra (lopinavir) was developed to enhance the HIV resistance of ritonavir, and when given alone it does not have enough bioavailability. The patent for the drug lapses in the US in 2016. Other countries such as Brazil and India have already used the WTO national emergency exception rule to circumvent patent licences to make HIV drugs more accessible. Thailand's Public Health Minister, Mongkol na Songkhla, said the decision is justified because the high cost of the patented versions of the drugs has made the health crisis worse in his country. Human rights agencies and aid organizations such as Médecins Sans Frontiers are said to have applauded Thailand's actions. This is the second move by Thailand to issue compulsory generic licences for patented drugs under the WTO regulation. Last November it issued generic licences for the anti-AIDS drug efavirenz.

The Thai government will first import some of the generic drugs from India while it sets up its own production. They estimate that by using generics treatment costs will reduce by up to 90 per cent, making it possible to treat the 500,000 people with HIV/AIDS and 200,000 people with heart disease in the country. The pharmaceutical companies are said to be displeased with the move as they were not expecting it and are "concerned about continuing to invest in a country where the government cannot provide a basic guarantee for the safety of their assets," according to the Pharmaceutical Research and Manufacturers' Association.

The Thai Health Ministry said it would be willing to discuss imports at cheaper prices with the pharmaceutical companies, but felt this was the only way they would be able to deal with their public health crisis.

Source: Media News Today, 30 January 2007.

Ecuador: banana sector expects beginning of WTO arbitration

Tholen - The Ecuadorian WTO complaint against the European banana import tariff of 176 euro per MT has led to the beginning of a 60 day consultation period in which both parties, the EU and Ecuador, can come to a solution through negotiations. This round began on December 14 last year, but according to the banana sector in the country the Ecuadorian government has time until today to initiate the mediation of a WTO arbitration panel. When the government decides to initiate the arbitration, the process will continue through different phases, which may cover 12 to 15 months in total, after the complaint is formally accepted.

Source: Fresh Plaza News, Tholen, 29 January 2007.

EU farm chief says no breakthrough on WTO talks

EU Farm Commissioner Mariann Fischer Boel has said that there was no breakthrough at a weekend meeting between global trade partners despite "lots of rumours going round." "There have been no figures on the table there. The breakthrough that some had previewed, had forecast, obviously did not happen," she said after she spoke to EU Agriculture Ministers yesterday.

World Trade Organization negotiations for a new global deal to open up trade, intended to lift millions out of poverty, stalled last July as the US and the EU rowed over subsidies they give their farmers. Representatives of the United States, the European Union, India, Brazil and almost two dozen other countries met at Davos, Switzerland on Saturday for the first time since talks were suspended.

In a statement they "expressed a strong wish for a quick resumption of full-scale activity." But it is unclear how far they will actually go to restart talks. Fischer Boel said she sees a "small window of opportunity." "I would think that within the next two months it would be crucial that we could agree on a breakthrough of negotiations," she told reporters. Another six months would be needed to work out the details, she said. She reiterated that the EU was willing to improve its offer on cutting farm tariffs, but only if reciprocal moves were made by others in return.

Source: Associated Press, Brussels, 30 January 2007.

India: Warwick Commission into the Future of the Global Trade Regime

Pradeep S. Mehta, Secretary General of CUTS International has been invited to be a member of the "Warwick Commission into the Future of the Global Trade Regime".

It is hosted at the Centre for the Study of Globalisation and Regionalisation at the University of Warwick, UK. Mr. Pierre Pettigrew, former Canadian Minister for Trade and Foreign Affairs is the Chairman of this Commission.

Five broad questions will drive the work of the Commission: What is the future role of the WTO as an institution? Can it continue to be a vehicle for trade liberalisation in an increasingly complex and economically inter-dependent world?

Should its remit extend to the non-multilateral forms of trade liberalisation? How extensive should dispute settlement and surveillance be? Should development be a legitimate part of the WTO's mandate?

How salient are alternative (regional and bilateral) trade arrangements for the future of the international trade system overall? Are regional trading arrangements inimical to, and sub-optimal to multilateral arrangements? Is a world of regional trading blocs becoming more likely?

How salient are the policies of the other international economic institutions (IMF and World Bank) in determining the direction of trade policy in developing countries: a) to what extent are the evolving arrangements driven more by political considerations than economic theory?

This is not only an issue in the national capitals of the major players, it is also increasingly an issue for developing countries, entering into asymmetrical trading relationships with more powerful states; and b) what global constitutional status should the WTO have in the management of these relationships?

Source: Times News Network, New Delhi, 30 January 2007.

France launches fresh attack on EU's WTO tactics

France launched a fresh attack on the European Commission's tactics in tough WTO talks, but Brussels fired back that it had not overstepped its negotiating mandate.

Agriculture Minister Dominique Bussereau laid into EU Trade Commissioner Peter Mandelson for using "unacceptable working methods" during weekend efforts to revive stalled World Trade Organisation talks in Davos, Switzerland. France, Europe's biggest agriculture power, deeply opposes offering bigger concessions in the talks than proposals the European Commission already put on the table in October 2005.

Speaking in Brussels to journalists on the sidelines of meeting with counterparts, Bussereau said Mandelson had "circulated texts" and made confidential information "public or semi-public" without informing member states during the talks in Swiss ski resort. "It's a totally unacceptable working method," the French minister added. "He conducted himself in an agitated manner to say the least."

After the meeting of EU farm ministers, European Agriculture Commissioner Mariann Fischer Boel said: "There have been lots of rumours going around but I must say that there have been no figures on the table." The European Commission proposed in October 2005 to reduce average EU tariffs on agricultural products by 39 percent, although Mandelson has said the EU could go father if its moves were matched by the United States. France resisted the 39 percent cut when Mandelson first proposed it and Bussereau said that "any other offer is outside the mandate" of the European Commission negotiate on member states' behalf. Rallying to Mandelson's defence, Fischer Boel said that there was room to make bigger concessions under the commission's negotiating mandate, saying "we have flexibility on the October 2005 offer." "Peter Mandelson and myself are always discussing and we are of the clear opinion that we have never been outside the mandate in the discussions we've had up to now," she said.

Bussereau denied that France's hardline was the result of political posturing ahead of a spring presidential election. "We are not defending this position because we are in a pre-electoral period, but because we always defend it," he said, adding that France is the biggest European agricultural power and the second biggest farm product exporter in the world and that "14 percent of French workers depend on the agricultural sector." After WTO talks ground to a halt in July, negotiations are entering a crucial make-or-break stage with many participants forecasting that a breakthrough is needed within the next couple months because the US administration's trade negotiating powers expire afterwards. "As far as I can see we have a small window of opportunity and I would think that in the next two months it would be crucial to agree on a breakthrough," Fischer Boel said, adding that it would take another six months to hammer out the details.

The Doha round WTO negotiations was launched by the global trade body's members in the Qatari capital Doha in 2001 with the aim of reducing trade barriers for the benefit of poor countries.

The EU and United States have been unable to agree on the size of cuts to subsidies and tariffs protecting their farm industries, while rich and poor countries are at loggerheads over trade in industrial goods and services.

Developed countries are demanding developing countries reduce tariffs on industrial goods and services in exchange for more open markets for farm products.

Source: AFP, Brussels, 30 January 2007.

Rockefeller Bill Aims to “level field” on trade.

Sen. Jay Rockefeller, D-W.Va., recently introduced legislation that he says will protect American jobs from imported products subsidized by foreign governments. Rockefeller believes his bill would help let American manufacturers compete with imports. "Our domestic and international trade laws were set up to establish a level playing field," Rockefeller said. "But unfortunately some of our trading partners have repeatedly found ways to circumvent these laws in order to gain an unfair advantage in trade with the United States."

West Virginia has lost more than 10,000 manufacturing jobs since 2001, many of them in the steel and chemical industries. Rockefeller believes his legislation - called the Strengthening America's Trade Laws Act - will close some existing loopholes in trade laws.

If passed, the bill would:

- Strengthen the power of the United States within the World Trade Organization, giving Congress greater authority to respond to negative WTO decisions.

- Tighten restrictions on unfair trade practices, including "dumping" exported goods at below-market prices on U.S. markets and foreign governments subsidizing steel and other exports to the U.S.

- Expand U.S. ability to counter "currency manipulation" by foreign nations, including China.

- Make International Trade Commission recommendations the "final word in cases regarding surges of imports from China," stopping White House discretion to ignore those recommendations, as President Bush recently did in a steel import case.

Recently, U.S. manufacturers have found it increasingly difficult to compete with Chinese imports, including clothing, shoes, electronic goods and steel. Chinese producers routinely pay most workers far less than \$1 an hour, and face few, if any, environmental, health and safety regulations.

Source: Trade Observatory, 30 January 2007.