





[SITE SEARCH](#)
[CLASSIFIEDS](#) | [ARCHIVES](#) | [SUBSCRIBE](#) | [CONTACT US](#) | [ABOUT TWT](#)
[AP BRE](#)

May 10, 2002

DAILY

[Front Page](#)
[Nation/Politics](#)
[World](#)
[Commentary](#)
[Opinion/Editorial](#)
[Metropolitan](#)
[Sports](#)
[Business](#)
[Technology](#)
[Entertainment](#)
[Culture](#)
[Weather](#)

WEEKLY

[Business Times](#)
[Family Times](#)
[Auto Weekend](#)
[Wash. Weekend](#)
[Books](#)
[Home Guide](#)
[Arts](#)
[Nat'l Weekly Edition](#)

MARKETPLACE

[Classifieds](#)
[Gift Guide](#)
[Tourist Guide](#)
[Int'l Special Reports](#)
[Employment Extra](#)

Risky amendments threaten fast track

Brink Lindsey/Dan Ikenson

The keystone of the Bush administration's trade policy from Day One has been renewal of "trade promotion authority" — also known as TPA and fast track. With TPA in hand, the president can go out and negotiate major new market-opening deals that benefit U.S. businesses, workers and consumers, and promote growth and security around the world.

But the effort to renew TPA has been anything but easy. Opposition from Democrats in Congress has been a major obstacle. Only 21 House Democrats voted for TPA last December (the measure squeaked through by one vote). And in the Senate Tom Daschle, South Dakota Democrat, is holding the bill hostage to demands over health-care benefits for displaced workers.

It gets worse. Now members of the president's own party are threatening to wreck TPA with a killer amendment. If this "poison pill" is included in the bill, there is no point in passing it. Negotiating major trade deals will be impossible.

Under the amendment, provisions of trade agreements that make any changes to U.S. trade remedy laws — in particular, the antidumping law — would be stripped out and denied fast-track procedures. While the rest of the agreement would be voted on up-or-down in one package, the provisions on trade laws would be considered separately and subject to line-by-line tinkering from 535 U.S. trade representatives, i.e., Congress. The sponsors of this amendment are Sen. Larry Craig, Idaho Republican, and Sen. Mark Dayton, Minnesota Democrat; a number of Republican senators have joined Mr. Craig as co-sponsors.

The amendment is a deal killer. Whatever you think of U.S. trade remedy laws, the fact is that we won't be

[Updated at](#)

- Standoff i Church E
- FBI Spy I Sentence
- Cardinal I Day of De
- Mailbox E Be Sent t
- FAA Inve in 2001

[UPI BRE](#)
[Updated at](#)

- UN spotli Palestinie
- Analysis: ambitious
- Alabama woman ir
- 26 from C reach Ga
- Mortgage
- PPI decli
- Skakel al

able to get new market-opening agreements in either the World Trade Organization or the Free Trade Area of the Americas without some changes in current antidumping rules. Dozens of countries are demanding those changes, and they won't sign any deal if U.S. negotiators aren't in a position to offer them.

Consequently, voting for this amendment is indistinguishable from voting against TPA. The effect is the same: no progress in knocking down trade barriers around the world.

Opponents of antidumping reform argue that any changes to current rules would expose U.S. industries to devastation by "unfair" competition. This is a myth. Many improvements in antidumping rules are needed not to open loopholes for unfair trade but to ensure that normal, healthy competition isn't inadvertently stifled. And on this point, senators should bear in mind the extent to which U.S. exporters are now increasingly victimized by antidumping abuses.

Unbeknownst, apparently, to Mr. Craig and his cosponsors, antidumping isn't the exclusive prerogative of the United States. During the past decade, dozens of countries have enacted antidumping laws. And by the second half of the 1990s the United States became the world's third-largest target of world antidumping actions, trailing only China and Japan. U.S. companies targeted so far make up a Who's Who of corporate America: Amana, Bristol-Myers Squibb, ConAgra, Dow Chemical, DuPont, ExxonMobil, Gerber, International Paper, Monsanto, Owens Corning, Union Carbide, Weyerhaeuser and Whirlpool. In Mr. Dayton's state of Minnesota, export giants 3M and Cargill have been on the receiving end of foreign antidumping actions.

Lax rules on antidumping have been of great comfort to protectionist interests in countries like India, South Africa and Argentina, which until recently maintained extremely high tariffs and quotas. As those barriers have begun to fall in compliance with WTO obligations, antidumping has emerged to fill the vacuum.

In the first half of the 1990s, South Africa initiated 16 antidumping investigations; in the second half, it initiated 129. India's 15 antidumping investigations in the first half of the 1990s exploded to 140 during the second half. In 2001, India surpassed the U.S. and initiated more cases than any other country in the world.

China, which just recently joined the WTO, has been the world's leading target of antidumping measures for the past decade. To win entry into the WTO, China agreed to sweeping market-opening commitments. As



those commitments begin to squeeze local industries, expect China to start evening the antidumping score. In the past few months, China completed an overhaul of its antidumping regulations and ramped up substantially the number of employees in its antidumping administration. And earlier this month, China informed WTO officials that it does not expect or intend to meet certain requirements with respect to its antidumping reporting mechanisms.

The United States thus has a strong national interest in better antidumping rules. It has an even stronger interest in trade liberalization generally. New trade agreements promise expanded business opportunities for U.S. manufacturers and service industries; perhaps more important, they will promote economic growth and pro-market reforms in underdeveloped regions that otherwise might become seedbeds of terrorism. But no agreements are possible unless TPA is passed first — and passed without foolish killer amendments.

•*Brink Lindsey is director of the Cato Institute's Center for Trade Policy Studies and author of "Against the Dead Hand: The Uncertain Struggle for Global Capitalism."* *Dan Ikenson is a trade policy analyst at Cato.*

◀ [Back to Commentary](#)



All site contents copyright © 2002 News World Communications, Inc.
[Privacy Policy](#)