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"Thank you all for having me this morning. Thank you in particular to Congressman Levin and Congressman Brady and to Kurt Tong from the State Department for all of their participation in this event, and to Karan Bhatia for that introduction.

Just a few weeks ago, I joined President Obama in Singapore for a meeting of Asia–Pacific trading partners. I am excited to talk to you about our work at the APEC ministerial and about the future of our Asia–Pacific trade relations.

For as long as America has existed, American pioneers and entrepreneurs have been drawn to opportunities in the Asia–Pacific. Even before the United States acquired its first Pacific port, ships sailed constantly between the United States and Far East.

By the mid–nineteenth century those ships supplied American factories with raw materials from Asia and filled American pantries with sugar and rice from the Pacific. Trade was booming, and American leaders began to take notice.

From Congress to the White House, American officials were compelled by the potential of trans–Pacific trade. The United States encouraged Asia–Pacific leaders to expand their commerce with America and welcomed new trading partners across the region.

In fact, the first–ever State Dinner was held in honor of an Asia–Pacific economic partner. In 1874, President Ulysses Grant invited the King of

Hawaii to the White House gala, where the two leaders talked about the possibility of tariff-free trade in Hawaiian goods.

Now, a lot has changed in the past 200 years – today Hawaii is an American state, not a foreign nation. But it is still a critical link to the Pacific. And in 2011, the United States will host the APEC Leaders Meeting in Hawaii.

Since its inception 20 years ago, APEC has provided a critical forum for economic collaboration in the Asia-Pacific and a model for global trade done right. And over the last two decades, GDP growth in the Asia-Pacific has beat the global average and citizens in every APEC economy have benefitted.

95 percent of the world's consumers live outside America's borders and over 2 billion of them call APEC economies home. Many of the world's fastest-growing markets are located in the Asia-Pacific. And right now, trade among APEC members represents nearly 45 percent of global trade.

That's one reason why the Asia-Pacific region is a top destination for U.S. goods. In 2006, nearly two-thirds of American manufacturing exports were bound for APEC markets. And those exports supported 3.7 million high-quality American jobs.

In Los Angeles, where I met with community and business leaders last week, so many goods move through the Port that more than 6,000 hard-working men and women are employed to keep the flow of trade moving. And the vast majority of those goods are either from Asia or bound for it – looking out over the harbor there were Cosco shipping containers from China, Mitsui containers from Japan. Evergreen containers bound for Taiwan, and Hansin containers ready to sail to Korea.

Almost every day, American resin producers, cotton growers, and paper manufacturers are busy loading their goods for sale to customers in the Asia-Pacific, and port workers are unloading furniture, shoes, and clothes destined for American households. And, although it wasn't on display at

the LA Port, American service providers are selling tourism, logistics, and entertainment services to Asia-Pacific consumers, creating even more of the high-quality jobs Americans want here at home.

Now, all that is good news. And over the last decade, U.S. exports to Asia have grown steadily. But, unfortunately, they haven't grown as rapidly as exports from some other regions – in dollar terms the growth of European Union exports to the Pacific since 2000 has been more than double U.S. growth in the same region. And the number of trade agreements in the Asia-Pacific that exclude the United States has proliferated, shutting American businesses and workers out of valuable opportunities.

That is that state of Asia-Pacific trade today. But we're not just here to talk about the status quo. We want to focus on the Asia-Pacific of the future. We want to discuss how we can use APEC to make it possible for more Americans to sell their goods and services to Asia-Pacific markets and consumers.

I know you have a vision for the future of the Asia-Pacific. And I have one too.

The Asia-Pacific I envision is one where more American manufacturers, producers, service providers, innovators, and companies do business across the region – where fewer barriers stand in their way and more job-creating export opportunities are at their calling

I envision an Asia-Pacific where consumers enjoy the quality products of America's farms and ranches, certain in the knowledge that international sound science backs their health and safety.

I envision an Asia-Pacific that promotes small- and medium-sized businesses by reducing red tape and making rules and regulations more transparent.

And I envision an Asian–Pacific trade agenda that reflects our values. Values that compel us to pursue policies that will leave future generations with sustainable forests, clean water, and healthy air. Values that compel us to pursue labor policies which work as hard for our workers' health and safety, as our workers toil for our prosperity.

That is part of my vision and the vision of our President.

And this Administration is already working to fulfill that vision.

First, we are working to address outstanding concerns with the U.S.–Korea Free Trade Agreement – particularly with respect to autos and beef – so that this Administration can present the agreement to Congress.

Second, we are working with other APEC members to break down long–standing trade and investment barriers that are slowing economic integration in the Asia–Pacific.

At the APEC meetings this November, we made progress towards that goal by developing core principles to promote cross–border services trade and devising a strong action plan for future work on environmental goods and services to be carried out beginning in 2010.

Third, in the Asia–Pacific I envision, it should be cheaper and easier for businesses of all kinds to conduct trade throughout the region. USTR is making this so. We are working with APEC economies to eliminate obstacles to the flow of goods through supply chains. We simplified rules of origin documentation and procedures to make it easier to take advantage of preferential trade deals in the region. And we improved the transparency and accessibility of APEC economies' customs information and regulations.

Fourth, we are continuing APEC's work to promote environmentally sustainable growth in the region. This year we agreed on an ambitious plan to address barriers to trade and investment in environmental goods and services in APEC. We also launched an unprecedented new tool that

will help facilitate new economic cooperation and development in the environmental sector. The Environmental Goods and Services Information Exchange will promote collaboration on cutting-edge environmental technologies in the Asia-Pacific region. The EGSIE is a demonstrable step forward for trade in environmental goods and services, and it is an unprecedented resource for American workers and businesses. These initiatives together will provide American exporters with the tools to succeed in the Asia-Pacific region and facilitate green growth worldwide.

Fifth, the United States plans to make the most of our 2011 host year. This will be a rare and important opportunity to push forward a bolder vision for APEC. As the 2011 host, we will promote an agenda of economic integration and we will work to create a trade-facilitating environment in the Asia-Pacific region. And as we do so, we will be making the case for Asia-Pacific trade to American workers, families, and businesses, because that trade is critically important to American economic growth.

And that brings me to the sixth and most exciting step on the path to fulfilling our vision – the Trans Pacific Partnership Agreement. Because the Asia-Pacific is so vital to America's economic future, we have also decided to participate in the Trans-Pacific Partnership. Because my vision for America's Asia-Pacific trade is not limited to one organization, but will embrace every opportunity for growth.

Through the Trans-Pacific Partnership, we have the opportunity to expand U.S. trade in the Asia-Pacific by negotiating and shaping a high-standard trade agreement with key Asia-Pacific economic partners. Right now, the TPP includes Australia, Brunei, Chile, New Zealand, Peru, Singapore, and Vietnam – partners that are geographically and developmentally diverse, but are of one mind in their ambition. Our participation is based on the shared objective of expanding this group to include additional Asia-Pacific economies in what will become the largest, most dynamic trade collaboration of our time.

Of course, negotiating a high standard agreement among such a geographically diverse group will not be easy.

We will have to confront big challenges, from rationalizing rules of origin amongst our current FTA partners to addressing agricultural, developmental, and labor challenges elsewhere to adding additional countries in ways that ensure that we maintain a comprehensive, high standard agreement. But with our initial group of partners, we expect to break new ground, to create a true 21st century trade agreement. The TPP I intend to negotiate and conclude will reflect U.S. priorities and values, enhance American competitiveness, and generate job-creating opportunities for American businesses and workers.

In short, we expect the TPP agreement to serve as a model for the future of American trade. We recognize that today's workers, businesses, and farmers have different concerns than they did a generation ago, and we intend to update our approach to trade in keeping with a changing world. In these negotiations, we will talk about new technologies, emerging business sectors, and the needs of small businesses alongside labor, environmental, and more traditional trade concerns in the context of a regional approach to trade.

Already, USTR staff have begun meeting with their counterparts from Trans-Pacific Partnership nations. And we are initiating a new partnership with Congress and with domestic stakeholders to determine how best to engage with the TPP.

You have heard our vision, and now we want to hear yours. Yesterday, we sent a letter to Congress announcing our intent to pursue trade-creating opportunities through the TPP and asking for their input. In the coming months, we expect to work hand in hand with Congress to develop priorities for these critical negotiations.

And today, a notice in the Federal Register seeking comments from farmers, ranchers, workers, businesses, and all of you is up on the web.

This is your chance to tell us your thoughts on Asia-Pacific trade generally and the TPP specifically.

I welcome all of you here today to share those thoughts with us. We want to hear your best ideas to jump-start growth by linking American businesses and workers to customers across the Asia-Pacific.

Americans can expect that USTR will work to shape a stronger, more open rules-based system that will create high-quality jobs. And as we move forward with the TPP and work toward the 2011 Hawaii APEC Leaders meeting, we will do so with the objective of generating economic opportunities for American businesses and workers alike.

At the same time, our partners in the Asia-Pacific can trust that we will remain committed to further strengthening economic integration in the Asia-Pacific. Because that integration will help businesses of every size, workers of every kind, and consumers from every nation.

As the Asia-Pacific rises economically, the actions we take in that region will make a real difference in the flow of trade and investment. The choices we make now are critical not only to the future of American exports, but also to the future of American jobs. Because if we can boost our exports to APEC countries by just 5%, we can create hundreds of thousands of new U.S. jobs. This isn't just academic; this is about creating a brighter future for American families.

We have come a long way since President Grant's meeting with the King of Hawaii. We are more interconnected with the Asia-Pacific region than at any time in history. It is up to us to translate that engagement into tangible gains for American businesses and workers: more trade opportunities, more jobs, higher wages, and a better quality of life.

Thank you all. I look forward to working with you."