

United States Senate

WASHINGTON, DC 20510

July 21, 2008

The Honorable Susan Schwab
United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Ambassador Schwab:

As you prepare for the World Trade Organization's (WTO) mini-ministerial in Geneva, we urge you to maintain the current U.S. positions on certain critical issues, including the rules negotiations. While agriculture and non-agricultural market access (NAMA) are expected to be the focus of talks this week, if American trade remedy laws arise, we expect an aggressive defense from our U.S. negotiators.

As you know, public support of multilateral and bilateral trade expansion in the United States is plummeting and a WTO deal harmful to U.S. farming and manufacturing will only accelerate that trend. While there may be temptation to show false forward momentum this week in Geneva, any WTO deal that fails to advance U.S. national interests would face difficulty obtaining Congressional approval.

We are troubled that certain nations are making a concerted effort to weaken American trade remedy laws. These laws provide critical redress to U.S. companies and workers against unfairly dumped and subsidized product from abroad and affect only about one percent of overall trade. Unlike those of most other nations, our trade remedy laws are transparent and based on established legal precedent.

In particular, we are frustrated with the WTO's propensity to overreach into areas beyond its jurisdiction into issues like "zeroing" (which allows a government to capture 100 percent of the dumping that occurs), and the Continued Dumping Subsidy and Offset Act (CDSOA) (which provides compensation to U.S. companies facing illegal dumping or subsidies from abroad after an order is imposed). American companies and workers are watching closely these two issues to see if the WTO dispute settlement panel and appellate body overreach into internal U.S. trade remedy laws will be corrected. We appreciate all the efforts of both Commerce and USTR to correct WTO expansion of its jurisdiction in the zeroing case. We request that you stand firm on this point in discussions next week and into the fall. Additionally, we hope you will offer a more vigorous defense of CDSOA in the weeks ahead.

Thank you for allowing us to share our concerns.

JD Burns

Sincerely,

Alvin J. Smith

Em Bayh

Debbie Stabenow

Jay Byrnes
