Ron Kirk Talks About U.S. Trade Policy

America's Trade Representative on such issues as the Doha Round of talks, China's protectionism, and the future of bilateral trade pacts

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U.S. Trade Representative Ron Kirk gets clashing signals. President Barack Obama supports free trade, but many Democrats associate it with the loss of U.S. jobs.

Specific issues—confronting Chinese curbs on U.S. imports, reviving the Doha Round of trade talks, ratifying Bush-era free trade pacts with Panama and Colombia—also require a deft political touch. In a July 9 interview with BusinessWeek (MHP), Kirk, who developed his negotiating skills as a Texas lawyer and Dallas mayor, underscored the Administration's commitment to free trade, but also that he can be tough on enforcement. In a speech scheduled for July 16, Kirk planned to announce an investigation into possible labor law violations in 14 countries that have signed trade agreements with the U.S.

BusinessWeek

What are the government's priorities in trade? Critics think the commitment to a successful completion of the Doha Round isn't there.

Ron Kirk

We have been working with a number of our partners to make sure they understand that President Obama was sincere at the G-20 summit when he said we should all work toward a successful conclusion of the Doha Round. If we do Doha right, it can be a huge boost not only to our economies but [also] to countries that desperately need help. But the path we are on is insufficient to get us there. They've been at this seven years. Let's retain what has worked but commit ourselves to considering any and all means of discussions—multilaterally, bilaterally—to get to a successful conclusion.

China seems to be acting more protectionist—crafting Buy Chinese provisions, boosting aid to exporters....

There is a reason that two weeks ago we filed for consultations with the World Trade Organization on China's export restraints. One of the commitments President Obama and I have made is we are going to be more attentive to enforcing the rules. [But] I try to be realistic. It has been less than 10 years since China has been in the WTO, and if you are talking about reforming essentially a state-run

economy, that is a huge undertaking.

Are you moving ahead with bilateral trade agreements?

We are working with our partners in Panama, Colombia, and Korea to say: "Can we get these agreements in a manner that helps you, but also helps us?" In the case of Panama, there were a number of labor issues. Violence against labor leaders in Colombia has to be addressed. When we get these negotiations completed, then I'm in a position to make a more forceful case that we're ready to take these to Congress.

Do you have a sense these countries are committed to making changes?

I'm new enough at my job to allow myself the privilege of taking everyone at their word. I haven't looked across the table to anyone who has said "no." But I'm also prepared that if they say they don't want to [agree], fine.

Some in Congress advocate unilateral tariffs on countries such as China or India if we don't get a global climate agreement. Could that become a big trade issue?

We have made it plain that whatever we do should not imperil our standing with the world community or put us in jeopardy of violating our WTO commitments. It does not help me when I go to China, or Canada, or anywhere else, and say, "play by the rules," if they can turn around and say, "Hey look, you're not playing by the rules." So we're not asking our partners to do anything we aren't willing to do.