

US House approves bill to study how to cut trade gap

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A measure creating a bipartisan commission to recommend ways to eliminate the huge U.S. trade deficit with China and other countries cleared the U.S. House of Representatives on Wednesday.

Lawmakers approved the bill on a voice vote as part of a "Make it in America" agenda promoted by House Democrats ahead of the November congressional elections to address voters' concerns about persistently high U.S. unemployment.

The House also passed a bill to boost U.S. clean energy technology exports and was expected to vote later on Wednesday on a bill requiring President Barack Obama to develop a national strategy to promote U.S. manufacturing.

The Senate must approve all three measures and the president must sign them before they become law.

The U.S. trade deficit totaled \$375 billion in 2009, down sharply from \$699 billion in 2008 as result of the global financial crisis that badly damaged world trade. However, with U.S. economic growth on the rebound, the trade gap has started widening again and already reached nearly \$200 billion in the first five months of this year.

A big portion of the U.S. trade gap is with China, which many lawmakers blame for heavy U.S. manufacturing job losses over the past decade.

The bill crafted by Democratic Representative Peter DeFazio would establish a bipartisan commission to study the causes of the trade gap, with a particular focus on foreign currency and trade practices.

It would require the panel, within 16 months of enactment, to recommend to the White House and Congress specific strategies for reducing the gap with China and other countries such as Japan, Mexico and members of the 27-nation European Union, which run significant surpluses with the United States.

An earlier version of the bill would have barred the White House from submitting new trade deals to Congress until the trade deficit panel completed its work. That provision was dropped from the final measure.

(Reporting by Doug Palmer; Editing by Xavier Briand)

