

**U.S. Senator Maria Cantwell**

**Senate Finance Hearing to Consider the Nomination of Katherine C. Tai to be United States Trade Representative, with the rank of Ambassador Extraordinary and Plenipotentiary**

**February 25, 2021**

CANTWELL: Thank you, Mr. Chairman. I just want to say again to Betty Tai, congratulations on your daughter's nomination. We so appreciate you being here today. You've raised a very smart and talented daughter and she's going to be very busy. At least I hope that she's going to be very busy.

I'd like to follow on the point that Senator Cornyn was making. I'm done with the Trump administration's approach to trade. I feel like when I look at the analytics there – Moody's Analytics estimated that the trade war with China cost us nearly 300,000 American jobs. U.S. companies lost 1.7 trillion in the price of their stocks as a result. JP Morgan estimates the trade war cost American households between \$600 and \$1,000 per year. I'm hoping that you in the Biden administration are going to embrace a new a new trade regime. And while I mentioned to you, I'm all for enforcement. I'm all for capacity building. I've spent many, many hours of my time getting those into aspects of the USMCA and other agreements. We cannot just be about those aspects. We have to be for opening up new markets and I hope that you will take that back to the Biden team and answer some questions today about what we can do to open up those markets.

Particularly, my colleague, just mentioned India. What can we do to open up the Indian market to U.S. apples and reduce the horrific tariffs that are on those apples, particularly with the Trump administration terminating the GSP program? When would the Biden administration restore India's GSP status and help us with apple exports?

TAI: Senator Cantwell, it's great to see you today. I really enjoyed our conversation earlier and I've taken away from it your interest in apples and aircrafts and for the U.S. to be at the top rung of the ladder, which my interpretation means your interest in the U.S. leading on trade around the world. On your question on GSP in India, let me just say that if confirmed, this is very high on my radar. Coming from the Hill as I will be, to USTR, I don't have a good answer for you right now for lack of having good briefing, just by virtue of being on the outside but it's something that I look forward to engaging with you on robustly.

CANTWELL: When China joined the WTO in 2001, it agreed to a tariff rate on wheat, so it committed to imports of up to 9.64 million metric tons of wheat and as a result they definitely haven't made that. There are other markets in Southeast Asia like Vietnam and Indonesia that also offer great potential. So, what will the Biden administration do to help us increase wheat exports in Asia overall?

TAI: So I know that wheat is a particularly interest for Washington state as well. Part of the agricultural and agricultural trade agenda for the Biden administration will be to help American

agriculture and American farmers build back better as well and trade will be a tool in that, I'm quite confident.

I did want to take the opportunity to address something that you had said earlier about concerns that the Biden administration will stand still on trade and I just want to take this opportunity to share with you that to the extent that I have been privy to conversations or have been made aware of the Biden administration's outlook, I don't expect, if confirmed, to be put on the back burner at all.

CANTWELL: Great, well I'll tell your mom right now that I'll be right behind you, pushing you, okay? Because, I come from a trading state and I believe that we live in a global economy. I want to talk to you about digital trade but the notion that the last four years is a way to approach this, it's not. I believe that trade changes culture, so I'm with Senator Cornyn, we should be engaging, as I said to you. I'm glad you remembered that we should be on the top rung of the ladder discussing what a trade regime when 95% of consumers live outside of the United States.

Can I just ask you one last thing about the European issue on Airbus? Will you prioritize reaching an agreement on commercial aircraft subsidies to end European subsidies and tariffs?

TAI: Senator Cantwell, this dispute has been going on since I believe, 2005, 2006. It is arguably one of the disputes that started to break the WTO dispute settlement system. I think that between the U.S. and the EU, if confirmed, I would very much be interested in figuring out if, pardon the pun, how to land this particular plane because it has been going on for a very long time.

CANTWELL: Well I think, leaning in to the regimes that we do have and making them work seems like a really positive thing to be doing, to me. And then again, going back and opening up markets to U.S. products. I think this is what you'll hear from all my colleagues today because we do believe, as my colleague from Michigan said, we do make and grow things and we'd like them to reach new opportunities. Thank you.