

Outsourcing Trade Policy

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Recently, the World Trade Organization (WTO) ruled against the United States in a dispute over cotton subsidies. The week prior, the global trade czars ruled against the so-called Byrd Amendment and issued an ultimatum to Washington: either repeal this heinous provision of U.S. trade law, or face hundreds of millions of dollars in retaliatory fines and tariffs on American exports.

The WTO's diktat was aimed at the Continued Dumping and Subsidy Offset Act - the "Byrd Amendment" - for its sponsor, Senator Robert Byrd of West Virginia. The provision requires that fines collected from illegal dumping by foreign companies be given to the injured U.S. businesses instead of the U.S. Treasury. Having judged the Byrd Amendment in violation of international trade law, the WTO has authorized European Union (EU) countries to impose upwards of \$150 million of taxes on American exports.

EU Trade Commissioner Pascal Lamy delighted in the decision saying the Byrd Amendment is "WTO-incompatible" and therefore, "it must go." Daniel Ikenson of the CATO Institute agreed. He argued in the Wall Street Journal that "countries are expected to abide by the [WTO] rulings," and as long as Congress resists repeal of the Byrd Amendment, it is undermining the "legitimacy" of the World Trade Organization. The editors of the Orlando Sentinel went a step further. They called the Byrd Amendment "an illegal U.S. trade policy."

"Illegal?" The Byrd Amendment was attached to an appropriations bill in the Senate four years ago. That bill was passed by the House with 340 votes, it was passed by the Senate with 86 votes, and it was signed into law by the President of the United States, who at that time was Bill Clinton. That pretty much squares with what I was taught in 5th grade on "how a bill becomes a law." To boot, in February 2003, 70 popularly elected senators, representing 41 states, and hundreds of millions of American citizens, reiterated their support of the provision in a letter to President George W. Bush.

Question: how can that be "illegal?" Answer: because the World Trade Organization says so.

The Byrd Amendment has been hotly debated for over four years. Some say it's good policy because it allows injured companies to recoup their losses from dumping practices. Others argue it's bad policy because it invites trade wars and tariffs on American exports. Both miss the point. It really doesn't matter if Byrd is right or wrong, or if the policy is good or bad. The issue is who gets to decide.

The World Trade Organization was created on the theory that free trade is good for all parties involved, but it can't exist while "protectionists" roam the halls of Congress. It requires an "impartial," international adjudicator whose decisions must be abided. In short, the WTO was created to save us from ourselves. It is a global institution that will make the "right" decisions when elected representatives in Congress are either unwilling or incapable of making them.

But where does that logic end? The World Trade Organization is the prototype for global governing institutions. At the World Summit on Sustainable Development in Johannesburg in 2002, French

President Jacques Chirac called for the creation of a World Environmental Organization modeled after the WTO, with the authority to impose fines on nations and overturn national policy. Why not outsource our environmental policy to Jacques and Kofi? Surely if the UN can manage world commerce, it can protect the environment.

International institutions have been created or proposed, to referee the use of the oceans, manage outer space, collect global taxes, govern the Internet, and bring war criminals to justice. Those who created the World Trade Organization issued an indictment against representative democracy and endorsed the argument that the United Nations - not the American people - are more capable of deciding these issues.

Granted, the WTO was a bi-partisan mistake. But it was the methods of the Left that were adopted to bring it to fruition. Unable to convince "protectionist" politicians otherwise, "free traders" went judge shopping and found themselves in Geneva.

Make no mistake, I am not Robert Byrd's biggest fan. But he was elected by the people of West Virginia. His provision was an effort to help the West Virginia steel industry - workers and businesses alike. It was voted on, and passed, by the popularly elected representatives and senators of the American people. It was signed into law by an elected President. In spite of that, WTO demands its repeal.

President George W. Bush has assured us he will never seek a "permission slip" from the United Nations to defend the American people. But why should members of Congress be forced to seek permission slips from the World Trade Organization to represent their constituents?

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