

(Washington, DC) - {Congressman Wally Herger (R-CA), Ranking Member of the Trade Subcommittee, issued the following statement in anticipation of British Prime Minister Gordon Brown's expected comments (as referenced in the article below from today's Financial Times) that the world must increase fair trade to deal with the ongoing economic crisis. Prime Minister Brown is expected to warn against the crippling effects of isolationism on the global economy. Herger's remarks follow below:

"Now, more than ever, open and fair trade is essential to bolstering the U.S. economy and creating new jobs for American workers. As the world faces an economic crisis, it would be deeply irresponsible to walk away from our commitment to greater trade liberalization. Let us remember how the isolationist Smoot-Hawley Tariff Act of 1930 deepened and prolonged the Great Depression worldwide. If we succumb to protectionist pressures now, it would similarly worsen our economic woes.

"Fair trade agreements have provided a tremendous benefit to our nation's economy and American workers, resulting in record exports, the major bright spot in our economy this year. I strongly believe that we need to move forward with the Doha Round with renewed energy and urgency, and pass the fair trade agreements with Colombia, Panama, and South Korea to ensure that American businesses and workers have a level playing field in the global marketplace. While we must continue to enforce our rights if our trading partners are not living up to their commitments, it would be self-defeating to walk away from these agreements, which provide access to foreign markets for our goods and services."

***Financial Times*: □ Brown warns Obama on trade protection**

By George Parker, Political Editor - Financial Times.

Gordon Brown will tonight deliver a warning to Barack Obama and his Democratic party that they risk turning the economic crisis into a "deep recession" if they use their new supremacy in Washington to pursue protectionist policies.

Mr. Brown will use his annual Mansion House foreign policy address to argue that the financial

crisis has unexpectedly fashioned a new sense of global co-operation, but that an agreement on a world trade deal is vital.

The prime minister does not mention the US president-elect by name, but Peter Mandelson, business secretary, has spoken of the need to make progress on the Doha trade round before Mr. Obama takes office on January 20.

Leading Democrats, including Mr. Obama, have criticised American companies for "exporting" jobs and have sounded protectionist noises during the recent election campaign.

Mr. Brown will say there is a need for "an urgent agreement on a trade deal and a rejection of beggar-thy-neighbour protectionism that has been a feature in transforming past crises into deep recessions".

The prime minister will again make the case for a conclusion of the Doha trade round when he travels to Washington next weekend for a G20 summit of leading industrial and developing nations.

Mr. Brown hopes to persuade the British people that he is a leading force in fashioning a response to the global economic crisis and that he can turn the attention of a "truly global society" to new challenges on the environment, development and peacekeeping.

He spoke yesterday in The Observer of being "from a generation which faced the economic storm head on and built the fairer society in its wake".

Mr. Brown's growing self-confidence in the wake of the financial crisis was reflected last week in Labour's surprise victory in the Glenrothes by-election, a result which halted the Scottish National party's momentum.

David Miliband, foreign secretary, told the BBC there was "a sense that it is game on" and that

the Conservative opposition were "falling apart". But William Hague, shadow foreign secretary, said Labour were "kidding themselves" if they thought Glenrothes signaled "some great change of mood".

The Tories were buoyed by an ICM poll for The Sunday Telegraph which suggested Mr. Brown's solid handling of the economic crisis had failed to impress voters and that Labour was still trailing badly. The poll put support for the Conservatives at 43 per cent, unchanged from September, with Labour on 30 and the Liberal Democrats on 18.