

(Washington, DC) - Representative Wally Herger (CA-2), Ranking Member of the House Ways and Means Subcommittee on Trade, today spoke at an event led by the Club for Growth highlighting a petition that urges Congress to reject retaliatory and protectionist policies against China. The petition was signed by 1,028 economists, the same number who in 1930 warned against enactment of the Smoot-Hawley Tariff Act. The following are Herger's remarks delivered at the event:

"Pat (Toomey), I'd like to thank you for your efforts and those of the economists who signed the Club for Growth petition. This morning you wrote in the Wall Street Journal that 'tariffs are simply a tax on American consumers.' I agree.

"America is the number one trading nation in the world. And our number one priority should be to do what is best for our entire globally-integrated economy. If we change our trade remedy laws, we need to keep an eye to balance and reason. While many manufacturers rely on our trade remedy laws to guard against unfair trade, others rely on imports of raw materials to compete with producers in other countries. For example, for every job in the steel producing sector of our economy, there are 40 jobs in the steel consuming sector. Job creation, economic growth and our competitiveness would be harmed by unbalanced action.

"I believe that some of the bills out there are economically unsound and would raise serious WTO concerns, such as legislation to apply our countervailing duty laws to exchange rate behavior, and use our antidumping laws to address currency. As the Administration said in a letter yesterday, such legislation would 'undermine the U.S. position' and 'create risks of broad trade disruption.'

"Why should we be concerned about the WTO? Because un-balanced action on our part would allow China and others to retaliate against the U.S. by raising tariffs on our exports or circumventing our intellectual property rights protections. This is exactly the kind of trade fight we want to avoid by inserting balance in this debate and not hastily passing legislation that could significantly harm the U.S. economy and workers."