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Trade Briefs

Baucus Calls for Services Agreement with Japan

On Friday, September 5, while addressing the National Center for Asia-Pacific Economic Cooperation (NCAPEC), Senate Finance Committee Chairman Max Baucus (D-MT) called for a U.S.-Japan free trade agreement in services.

The NCAPEC is a representative of U.S. private sector business to APEC and seeks to expand trade and investment between countries in the Pacific Rim. NCAPEC serves as the secretariat for American members of the APEC advisory council, and hosts meetings between U.S. businesses and government officials to promote positive collaboration. It is an obvious place for Baucus to outline his thinking on U.S.-Asia trade policy.

As the Democratic Chairman of the Senate Finance Committee, Baucus is in a powerful position to affect U.S. trade policy. The House of Representatives and the Senate are expected to be controlled by an even greater Democratic majority in the 111th Congress, so the agenda will be set by leading members of that party. Baucus will likely temper some of the more extreme members of his party who would like to see more protectionism.

Baucus's speech to the NCAPEC reflected his positive views on trade liberalization. He said that it is important not to allow trade policy to be seen as just another political debate point. Baucus reiterated the fundamental arguments for free and open trade: an international framework brings stability to the global economy; engagement and open markets help all partners; strong economic relations can chasten aggressive or belligerent foreign policy; and free trade can help struggling nations compete alongside the world's most prosperous countries.

Baucus then outlined four specific actions that he would like to see the U.S. take going forward in an assertive trade policy toward the Asia-Pacific region:

- First, the U.S. should not focus solely on China when thinking about its trade policy with Asia. While China is obviously a major player in the region, Baucus said that other nations deserve attention. Baucus said that APEC should be used to demonstrate the power of trade liberalization through its diverse membership.
- Second, the U.S. should reassess the way that it views trade agreements. An invigorated strategy, according to Baucus, should have higher standards while not demanding an artificial uniformity in trade deals. Baucus suggested that a free trade agreement in services with Japan could be a starting point. He said that the U.S.-Japan services trade is enormous, with the U.S. exporting \$7 billion in services to Japan every year. U.S. service providers, and the greater U.S. economy, would immediately benefit from a service agreement.
- Over the long term, Baucus would suggest working with many Asia-Pacific partners on a variety of trade agreements which can be stitched together after the fact. With this in

mind, he said, it is better to make progress in small increments than to take an all-or-nothing approach.

- Third, U.S. policy should be fair to Asia-Pacific's poorest countries. Baucus pointed to the prohibitive tariffs on Cambodian goods entering the American market, calling them unfair when compared to the very low tariffs on goods from prosperous nations like the United Kingdom.
- Fourth, trade policy should be respectful to shared environmental concerns by addressing the value of environmentally friendly business practices and also accounting for government environmental policies.

With Baucus's call for a U.S.-Japan agreement relating to services, advocates of a strong U.S.-Japanese trade relationship can take comfort in having a moderate voice in favor of economic cooperation as the Finance Committee Chairman.

Dumping Watch

ITC Votes to Issue AD Order on Steel Wire Garment Hangers from China

On Thursday, September 11, the International Trade Commission voted unanimously in the affirmative on the question of whether U.S. industry was materially injured or threatened with material injury from the importation of Chinese steel wire garment hangers. The 6-0 vote will result in an antidumping order being issued on imports of these products from China. The ITC's report, scheduled to be released October 13, 2008, will contain the views of the ITC along with the information gathered during the investigation.

ITC Initiates 337 Investigation into Steel Railway Wheels from China

On Thursday, September 11, the International Trade Commission (ITC) announced that it was initiating an investigation into the possible violation of Section 337 of the Tariff Act of 1930 due to the importation of certain cast steel railway wheels. On August 4, 2008, Amsted Industries of Chicago, IL, filed a complaint with the ITC alleging that certain imported steel railway wheels misappropriated Amsted trade secrets. The following companies are listed as respondents: Tianrui Group Company Limited of China; Tianrui Group Foundry Company Limited of China; Standard Car Truck Company, Inc., of Park Ridge, IL; and Barber Tianrui Railway Supply, LLC, of Park Ridge, IL. Now that this investigation has been initiated, it will be assigned to one of five administrative law judges. Within 45 days, the ITC will set a target date for completion of this investigation.

Federal Register Notices

International Trade Administration

[A-821-819] Magnesium Metal from the Russian Federation: Final Results of Antidumping Duty Administrative Review *73 FR 52642-52644*, September 10, 2008

[A-570-898] Chlorinated Isocyanurates from the People's Republic of China: Final Results of Antidumping Duty Administrative Review *73 FR 52645-52646*, September 10, 2008

[A-428-602] Brass Sheet and Strip from Germany: Amended Notice of Rescission of Antidumping Duty Administrative Review *73 FR 52646*, September 10, 2008

Notice of 2nd Afghanistan International Carpet Fair *73 FR 52266-52267*, September 9, 2008.

[A-580-816] Certain Corrosion-Resistant Carbon Steel Flat Products From the Republic of Korea: Notice of Preliminary Results of the Antidumping Duty Administrative Review *73 FR 52267-52272*, September 9, 2008.

[A-552-802] Certain Frozen Warmwater Shrimp From the Socialist Republic of Vietnam: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review *73 FR 52273-52277*, September 9, 2008.

[A-570-888] Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review 73 FR 52277-52282, September 9, 2008.

[A-549-821] Polyethylene Retail Carrier Bags from Thailand: Preliminary Results of Antidumping Duty Administrative Review and Intent to Rescind in Part 73 FR 52288-52294, September 9, 2008.

[A-570-886] Polyethylene Retail Carrier Bags From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review 73 FR 52282-52288, September 9, 2008.

[A-533-810] Stainless Steel Bar From India: Notice of Final Results of Antidumping Duty Administrative Review 73 FR 52294-52296, September 9, 2008.

[A-570-890] Wooden Bedroom Furniture From the People's Republic of China: Initiation of New Shipper Review 73 FR 52296-52297, September 9, 2008.

Applications for Duty-Free Entry of Scientific Instruments 73 FR 52297, September 9, 2008.

[C-570-936] Circular Welded Carbon Quality Steel Line Pipe from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination 73 FR 52297-52315, September 9, 2008.

[C-580-818] Corrosion-Resistant Carbon Steel Flat Products From the Republic of Korea: Preliminary Results of Countervailing Duty Administrative Review 73 FR 52315-52326, September 9, 2008.

[A-533-838] Carbazole Violet Pigment 23 from India: Preliminary Results of Antidumping Duty Administrative Review 73 FR 52012-52015, September 8, 2008.

[A-570-892] Carbazole Violet Pigment 23 from the People's Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review 73 FR 52007-52012, September 8, 2008.

[A-570-827] Certain Cased Pencils from the People's Republic of China: Notice of Correction of Extension of Time Limit for Preliminary Results of the Antidumping Duty Administrative Review 73 FR 52015, September 8, 2008.

[A-552-801] Certain Frozen Fish Fillets From the Socialist Republic of Vietnam: Notice of Preliminary Results of the New Shipper Review and Fourth Antidumping Duty Administrative Review and Partial Rescission of the Fourth Administrative Review 73 FR 52015-52021, September 8, 2008.

[A-570-506] Porcelain-on-Steel Cooking Ware from the People's Republic of China: Notice of Preliminary Results of Antidumping Duty Administrative Review 73 FR 52021-52024, September 8, 2008.

North American Free-Trade Agreement, Article 1904 NAFTA Panel Reviews; Request for Panel Review 73 FR 52024-52025, September 8, 2008.

Notice and Call for Applications for the International Buyer Program for the Period January 1, 2010 through December 31, 2010 73 FR 52025-52027, September 8, 2008.

International Trade Commission

[Investigation No. 337-TA-648] In the Matter of Certain Semiconductor Integration Circuits Using Tungsten Metallization and Products Containing Same; Notice of Commission Decision Not To Review an Initial Determination Granting Motion To Amend the Complaint and Notice of Investigation 73 FR 52064-52065, September 8, 2008.

[USITC SE-08-026] Government in the Sunshine Act Meeting Notice 73 FR 52065, September 8, 2008.

[USITC SE-08-027] Government in the Sunshine Act Meeting Notice 73 FR 52065, September 8, 2008.

Federal Trade Commission

Information Collection Activities; Emergency Clearance Submission for Expedited OMB Review; Comment Request 73 FR 52049-52051, September 8, 2008.

Trade Representative, Office of United States

Generalized System of Preferences (GSP): Notice Regarding the 2008 Annual Review for Acceptance of Product and Country Practices Petitions. 73 FR 53054-53056. September 12, 2008.

The Week Ahead

- On Thursday, September 18, the ITC will hold a hearing to discuss final phase antidumping investigations into Polyethylene Terephthalate (PET) Film, Sheet, and Strip from Brazil, China, Thailand, and the United Arab Emirates.