

ONE HUNDRED TWELFTH CONGRESS
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Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
“Made in America: Increasing Jobs through Exports and Trade”
Subcommittee on Commerce, Manufacturing, and Trade
March 16, 2011

Thank you Chairman Bono Mack and Ranking Member Butterfield for today’s hearing.

In a global economy, exports are a national imperative. They are a key indicator of our competitiveness, an important component of deficit reduction, and a gauge of our future economic health. I welcome President Obama’s goal of doubling U.S. exports within 5 years. It is a target that is not only bold, but attainable if we stay focused on the task.

It is notable, that even as our economy shrank in 2010 in the wake of the Wall Street collapse, U.S. exports grew by 17% – the largest year to year increase in history. Without a doubt, exports will continue to be an important part of our economic recovery. American companies will succeed not only by innovating how they make products, but also by expanding where they sell them.

Ensuring that our companies have an opportunity to succeed on a level playing field is a responsibility that only government can shoulder. Too often, American exports are undermined by unfair trade practices, and even blatant criminal acts such as intellectual property piracy.

IP sensitive industries are among our most internationally competitive. Today, nearly half of the motion picture industry’s revenues are generated overseas. The software industry estimates that 60% of its sales originate outside the United States. Our success in eliminating trade barriers in this arena and stepping up international enforcement efforts against piracy will be essential for achieving the goal of doubling exports.

But the question remains – once we reach the goal of doubling exports, will it make a dent in our trade deficit. Today, I worry that the answer is no. Because today, over 50% of our trade deficit can be attributed to our dependence on foreign oil.

As unrest unfolds in the Middle East and fuel prices once again rise here at home, the moral, economic, and national security consequences of our dependence on fossil fuels are as

clear as ever. Although we do not buy from Iran or Libya, our appetite for oil bolsters the international crude prices that are subsidizing these dangerous regimes.

We can do better. We need to do better. Building stronger clean energy and energy efficiency markets here at home and abroad is critical. It is not only critical for reducing the staggering \$366 billion worth of foreign oil we import. It is critical for advancing U.S. leadership in the emerging and lucrative field of clean-tech.

This morning we will have the opportunity to hear from Capstone Turbine Corporation. The company is a leading manufacturer of microturbines, or localized generators that boost efficient energy usage with cost-savings, energy-savings, and overall emissions reductions. More than 70% of the company's products are manufactured for export and 100% of its products are made in America. And, I am proud to say, Capstone is headquartered in the 30th Congressional District of California, which I represent.

Small- to medium-size firms like Capstone are a cornerstone of the President's National Export Initiative.

I look forward to hearing from all of our witness about what it will take to make the President's vision a reality.