

THE PRESIDENT'S EXPORT COUNCIL  
WASHINGTON, D.C. 20230  
December 9, 2010

President of the United States of America  
The White House  
Washington, DC 20500

Dear Mr. President:

Many countries around the globe have shown great success in growing exports over the past decade. Apart from some World Bank initiatives, little research has been done to analyze the changing nature, size and effectiveness of government export policies including export promotion and advocacy programs by foreign countries.

The President's Export Council (PEC) believes that the Administration and Congress would benefit from a fresh perspective on key factors driving export success in jurisdictions outside the U.S. The PEC recommends the Administration undertake a comprehensive benchmarking study to determine those factors that differentiate U.S. export performance versus other major exporting nations. Out of the review could emerge best-in-class export policy enablers that could be implemented in the U.S. to help achieve the National Export Initiative's goal of doubling exports in five years. Such a study should focus on a group of countries that have demonstrated recent success in exporting such as Germany, South Korea, and Singapore.

The proposed study could include the following topics:

- Analysis of exporting landscape and trends;
- Evaluation of industrial and economic policies utilized by the most successful exporters, including relative levels of R&D spending;
- Comparison of successful exporter nation policies to those employed by the United States, including government resources dedicated to export promotion;
- Assessment of risks and constraints associated with potential changes to U.S. export promotion policies (e.g., political considerations, current trade agreements);
- Overview of regulatory transparency in exporter nations;
- Recommendations on potential changes to U.S. export policy and associated benefits/risks; and
- Outline and discussion of potential approaches to enact recommended changes to policy across the areas of government.

Such a study could rely on a broad range of information sources, including:

- Analysis of reported economic data;
- Review of stated government policies and established export-supporting organizations of successful exporting countries;

- Input from U.S. export officials and trade representatives; and
- Discussions with officials of exporting countries and both U.S. and non- U.S. corporations.

Having greater insight into how other nations are assisting their businesses reach global markets, would enable the Administration, Congress and the general public to better understand the competitive pressures U.S. companies and workers are facing. Aggressive advocacy programs abroad, for example, may run afoul of existing international agreements. U.S. companies may be competing not with other private companies, but with state-owned enterprises or government entities that have greater access to government financing and subsidies. Such a study should explore how other jurisdictions coordinate export promotion and advocacy, whether through one strong agency rather than being spread out over several agencies as is the case with the U.S. Trade Promotion Coordinating Committee.

By better understanding what other countries are doing to promote exports, Congress and Government agencies tasked with export promotion and advocacy can better develop appropriate policies and programs that support growth objectives and defend against unfair practices abroad.

Furthermore, if additional commitment by the U.S. is necessary to upgrade our pro-export institutions, investments and policies to match rapidly changing developments in the global marketplace, public support will be necessary. Yet, without an understanding by the public of the need for such upgrades or modernizations – informed by knowledge of what others are doing – it may be difficult to obtain the necessary political support for legislative or regulatory change determined to be warranted based on the analysis.

The Council believes a benchmarking study such as that described is fundamental and overdue given the rapid and continuing changes in a global marketplace with many new and major players. The study should be made publicly available and include cost analysis of all recommendations. We advocate such a study be conducted within the next six months and seek to work with you and your Administration to further refine its design and objectives.<sup>1</sup>

Sincerely,



Jim McNerney

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<sup>1</sup> Please note that this letter has been prepared by the private-sector appointed members of the PEC.