

Response to Written Questions Submitted by Hon. Maria Cantwell to Ian Paul Steff

Overseas Export. The President has called himself the “Tariff Man” and has taken steps that can be seen as hostile to international cooperation, such as the President’s travel ban.

Question 1. Are you concerned that these policies will negatively impact our ability to export overseas?

Answer. My concern is with the pervasive and long-standing challenges our U.S. exporters face doing business overseas, including arbitrary foreign standards, burdensome regulations, insufficient intellectual property protection, and other non-tariff barriers that stand in the way of their ability to gain market access and/or grow their exports within a market. If not identified and tackled aggressively, these barriers will continue to negatively impact American exports, particularly to potential growth markets.

The Agency Priority Goal (APG) for the International Trade Administration (ITA) for the past two years has been to reduce, remove, and prevent non-tariff barriers to U.S. exports worldwide, to help our companies gain access and market share for their exports. The U.S. and Foreign Commercial Service teams on the ground in over 70 markets around the world have been instrumental to surpassing our APG for the past two years, resulting in significant economic impact for U.S. exporters in FY 2018.

Collectively, the team’s measurable impact exceeded \$120 billion in FY 2018 with nearly 40,000 clients served – a record year for GM.

Question 2. Is your job harder if the United States is perceived as hostile to foreigners and foreign businesses?

Answer. I do not believe that the U.S. market is perceived as hostile to foreigners and foreign businesses. Given the strength of the U.S. economy, as well as the Administration’s pro-growth policies, foreign companies continue to invest in the United States. According to published reports, we remain the number one investment destination in the world, with more than \$4 trillion in foreign investment stock. This past June, SelectUSA conducted its annual global investment summit, which is designed to attract foreign investors to the United States. Data collected from that event shows that foreign investors are more interested in the U.S. market than ever before. More than 1,200 global business representatives from a record 79 international markets – as well as 700 economic development professionals and service providers from 49 states and territories – attended the 2019 SelectUSA Investment Summit.

I often convey that the U.S. is open for business. Likewise, I recognize and value the many contributions foreign investors and entrepreneurs have contributed to the U.S. economy, manufacturing, and innovation. I look forward to continuing to work with both domestic and foreign companies looking to grow their business and create jobs in America, and engage with international markets looking to increase their purchases of U.S. goods and services.

Response to Written Questions Submitted by Hon. Amy Klobuchar to Ian Paul Steff

Question. While small and medium-sized enterprises account for 98 percent of U.S. exporters, rural businesses are often located far from transportation hubs, making it difficult for them to access international markets. I introduced the Promoting Rural Exports Act with Senator Hoeven to establish a Rural Export Center at the U.S. Commercial Service to help rural businesses access foreign markets and increase exports.

Do you agree that it is important to help our rural businesses access foreign markets, and can you speak to the impact of increasing exports on our economy?

Answer. Yes, I agree completely. This issue is very important to me given my upbringing in rural America and the incredible businesses I have met operating in areas far removed from transportation hubs. In fact, shortly after I joined the Global Markets (GM) team and in my present capacity as the Deputy Assistant Secretary of Commerce for Manufacturing, the first location I visited was Fargo, North Dakota. In Fargo, I saw firsthand the outstanding export promotion work done by our U.S. Commercial Service staff who serve large rural territories. I also met with the District Export Council that has private sector participation from entrepreneurs in rural areas in Minnesota. If confirmed, I look forward to working with you and your colleagues to continue to address foreign market access challenges and opportunities facing our rural communities.

The International Trade Administration (ITA) is the only federal trade agency with a strong presence in rural America, including a network of 106 offices throughout the United States. ITA trade specialists help rural companies access not only our services, but export assistance from a wide range of private, state and federal assistance providers. In addition, many of our industry-focused teams cater to activities very commonly associated with rural America, such as our Agribusiness Team and our Energy Team. Our Rural Team consists of approximately 100 of our staff from around the United States that develop programs and best practices to better support rural companies with their exporting needs.

Additionally, supporting exports from rural locations across the U.S. is also linked to GM's foreign direct investment (FDI) attraction mission as well. FDI in the U.S. is incredibly trade intensive and nationally is responsible for a quarter of all U.S. goods exports. Like exports, investment in rural locations can be key to supporting a resilient local economy. GM recently examined greenfield FDI destined for rural locations and found that the average investment project size and jobs created in a rural area is higher than that of a metro area – 89% larger in value and over 25% more in jobs. In rural areas where the population is smaller than that of an urban area, the impact of the jobs created figures are more strongly felt.