

April 21, 2021

The Honorable Katherine Tai
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

Re: Maintaining green job creation intensity on par with climate goals

Dear Ambassador Tai:

We appreciate your recent remarks at an event titled “Greening U.S. Trade Policy” that outlined your vision for how U.S. trade policy can be used to address climate change. We also appreciate your past comments prioritizing trade policy that is worker-centric.

We write today to urge that you and the Office of the U.S. Trade Representative emphasize the transition to and growth of domestic “green” industrial production with the same intensity and dedication that is given to achieving climate goals. The continued risk of substantial American job losses from our nation consuming green goods without producing them here is severe. To combat this risk, U.S. trade policy must align both efforts to address climate change and to ensure the future prosperity of American workers.

The Coalition for a Prosperous America is the only national, bipartisan organization representing exclusively domestic producers across many sectors of the U.S. economy. Our members include companies that supply conventional industry, advanced technology, and renewable energy goods production.

You are fully aware that the original promoters of the existing global trading system promised that placing trade facilitation as the “super-priority” in the global trading system, and subordinating scores of competing public policy goals in the process, would create jobs and prosperity that is broadly shared among Americans. Under the current globalist system, trade agreements delivered immediate tariff reduction, increased trade volume among foreign countries, and created substantial profits for multinationals that seek the cheapest places in the world to produce — often in heavy carbon polluting nations like China — because they only care about quarterly earnings and share price.

However, the resulting deindustrialization of these disastrous trade policies meant that promises of domestic job creation, industry growth, and rising incomes across the U.S. failed to

materialize. Instead, communities across our nation, including areas with predominantly minority populations, suffered as our industrial base was hollowed out and jobs were offshored.

The Biden-Harris administration's focus on climate change has been paired with talk of green job creation, including a promise by candidate Biden to create [10 million clean energy jobs](#). However, we are not certain that the concrete goals and programs dedicated to transitioning our domestic industries and jobs to building green goods here in America will be pursued as aggressively as the ones dedicated to procuring and installing green production sourced elsewhere in the world.

The Chinese Communist Party (CCP) has long prioritized building renewable energy and electric vehicle jobs and industries over emissions reduction. Their strategy achieved dominance in several related industries even as carbon emissions grew. For example, our recent report titled, "[Reclaiming the US Solar Supply Chain from China](#)," documents the Chinese chokehold on the solar supply chain. Meanwhile, China built [three times more coal fired power capacity](#) last year than the rest of the world combined.

In other words, Beijing builds the jobs and industries first, and makes mere promises of emission reduction later. Whether that future emissions reduction becomes a reality remains to be seen. If China's previous actions are indicative of future outcomes, we would be naive to think the CCP will begin to fulfill their empty promises.

The U.S. should not, in our view, pursue the inverse: emission reduction now with mere promises of future jobs that may materialize later. Instead, highly-focused programs, including aggressive trade-related policies, that achieve key metrics for transitioning our industries and workforce to manufacturing the green goods that we consume must be implemented.

This industry building program may require re-examining previously rejected trade policies like tariffs and quotas to provide domestic companies with confidence that they can supply our market if they make long-term investments, without being overwhelmed by Asian, European (wind power), or other countries' production. For example, Section 201 solar tariffs resulted in an explosion of domestic solar module production far quicker than any past pro-renewable government program. Past tax incentives and grants for renewable energy production have, in contrast, a poor track record of domestic job and industry growth in comparison.

We support President Biden's Executive Order expanding "Buy American" policies and the goals of the new "American Jobs Plan," including the proposal to convert the federal vehicle fleet to American-made electric vehicles. However, China dominates electric vehicle (EV) production now, and U.S. automakers are moving electric vehicle production to other countries.

Our automotive supply chain members are seeing their orders from automakers dwindle rather than shift to EV production.

Environmental advocates often promise that their policies will create millions of green jobs for U.S. workers. Unfortunately, when it is time to implement programs to achieve those goals, the environmental objectives too often predominate while the jobs objectives remain aspirational.

We commend you for recognizing that U.S. trade policy “can create enormous new economic opportunities and good paying jobs for all Americans while building the industries of the future.” Additionally, we agree that a “chronic lack of enforcement” on climate issues has revealed past promises as mere lip service to the problem.

The extraction of environmental commitments and the later enforcement of those standards in a few future trade cases is a worthy pursuit. But as you know, enforcement cannot be the center of the strategy to create the jobs and industries needed for a net positive jobs result here and now.

As you and the Biden-Harris administration look for strong tools to achieve your climate goals, even in the face of opposition, we urge you to consider using the strongest tools in the trade toolbox. If millions of green jobs are to be created to match new production with new consumption, an examination of past evidence makes it hard to avoid the conclusion that tariffs and quotas are needed to make this a reality.

Sincerely,



Zach Mottl, Chairman
Coalition for a Prosperous America



Michael Stumo, CEO
Coalition for a Prosperous America