

**AIADA SUPPORTS PRESIDENTIAL TRADE  
PROMOTION AUTHORITY**

***BACKGROUND***

Trade Promotion Authority (TPA), also known as fast track negotiating authority, is essential for successful trade agreements. TPA can only be granted by Congress and requires a vote in both chambers. TPA gives the President the authority to negotiate trade agreements and submit them to Congress for an up or down vote, without amendments or filibuster. Every President since Franklin Roosevelt has either requested or received trade negotiating authority. The last President to obtain TPA was George W. Bush, whose authority expired July 2007. Trade agreements, and FTAs in particular, have been instrumental in giving U.S. companies and workers improved access to rapidly-growing markets abroad. American economic and job growth will benefit if we complete more trade agreements.

***POSITION***

AIADA is dedicated to promoting and preserving free and open markets worldwide. AIADA has cooperated with both Republican and Democratic leaders to pursue the goal of liberalized trade, whether it is in opposing legislation that negatively impacts auto trade directly or in supporting the general principle of free international trade. AIADA support efforts to pass TPA for President Obama.

***MORE ABOUT THE ISSUE***

- TPA promotes freer trade by giving other countries confidence that the agreements they negotiate with the United States will not be subject to subsequent renegotiation.
- TPA ensures Congressional input on trade negotiations by defining the principal negotiating objectives that new agreements must pursue. It also protects Congress' oversight authority by mandating specific and extensive consultations with the Executive Branch before, during and after trade negotiations.
- Nearly half of all U.S. goods exports now go to the nation's Free Trade Agreement (FTA) partners. In 2012, the U.S. had a roughly \$58 billion manufactured goods trade surplus with its 20 FTA partner countries combined.
- Increased trade is a proven strategy for building global prosperity and economic growth.
- Total trade with the 14 FTA partners (representing 20 countries) boosted U.S. GDP by \$1.0 trillion. Total U.S. exports of goods and services to the world were \$462.7 billion higher than they otherwise would have been because we trade with these countries. Further, trade with the FTA partners supported 17.7 million U.S. jobs across the range of U.S. industries. (*Opening Markets, Creating Jobs: Estimated U.S. Employment Effects of Trade with FTA Partners, Study by U.S. Chamber*)
- The same study found nearly 38 million U.S. jobs depend on trade with America's free trade agreement (FTA) partners — 5.4 million of which were created by the increase in trade by recent agreements.
- America drives the world economy, but outside our borders are markets that represent 80% of the world's purchasing power, 92% of its economic growth, and 95% of its consumers.
- International Monetary Fund forecasts indicate that nearly 87 percent of world growth over the next 5 years will take place outside of the United States.
- U.S. merchandise exports to our FTA partners grew nearly three times as rapidly as did our exports to the rest of the world from 1998 to 2008.