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Global trade key for Puget Sound region, officials say

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EVERETT -- International trade is more important to the Seattle area than to any other region of the country. And we need to push for more of it if we want our economy to grow.

That was the message Monday from a program on trade and transportation at the Everett Holiday Inn offered by a partnership of the U.S. and Everett chambers of commerce, the Trade Development Alliance of Greater Seattle, and the Washington Council on International Trade.

"In Washington state, trade and transportation investments create jobs," said Rep. Rick Larsen, D-Wash., the keynote speaker.

Larsen noted that one in every three jobs in the area is related to trade.

He noted that three free-trade agreements are waiting for congressional approval.

Of the three -- Colombia, Panama and South Korea -- the Korea pact is the most important for Washington state, he said.* He also noted that trade with China is also very important.

"Our relationship is a long and prosperous one," he said, noting the Washington state is the only one in the U.S. that sells more goods to China than it imports.

As for transportation, Larsen noted that we learned the importance of transportation corridors this winter when I-90 was shut down by bad weather and trucks were routed to the north along U.S. 2.

"It wasn't built to take I-90 traffic loads," he said.

Larsen, a member of the House Transportation Committee, said the state will likely not make any short-term improvements on the highway. To get more federal money, the state needs to decide what it wants to do.

"I need a plan," he said.

Larsen was one of a host of speakers during the program, which was filled with a number of panel discussions.

Discussing the importance of free trade was Leslie Sweitzer, the senior trade adviser for the U.S. chamber. Pulling a banana out of a grocery sack, she noted that most bananas come from Colombia or a neighboring country, already duty-free.

That's because the U.S. is trying to convince Colombian growers to produce bananas or coffee, rather than cocaine.

A Walla Walla onion sent to Colombia, however, has a 15 percent tariff, she said. Approval of a free-trade agreement would stop that, she said.

Joining a different panel was Mike Nunes, director of international trade policy for the Boeing Co., which he said was "extremely pro-trade." He noted that 81 percent of the company's backlog of orders right now is for sales outside the U.S. About 70 percent of future sales should be international, he added.

Nunes was asked to explain why he can say that at a time when Boeing is complaining about Northrop Grumman and its French partner, Airbus, winning a competition to build the next Air Force refueling tanker.

Boeing successfully protested the decision and has won a rebid.

"Boeing has been criticized about being in a protectionist position," he acknowledged. "We think competition is good for the company."

He compared the previous tanker competition to a football game "where the ref gets to change the rules and is moving their goals closer and closer and ours further away."

"We embrace competition," he added. "We just want a fair competition."

Nunes noted that the Everett plant now has about 32,000 workers. The new 787 program alone has 1,500 to 1,600 suppliers, he added.

Bill Stafford of the Trade Development Alliance said global trade is "not going to stop" and that the Seattle region benefitted greatly from it. He noted that many of the corporations in this area benefit from it.

"Microsoft says what they're doing is about 60 percent overseas now," he said, noting the Paccar, Nordstrom and many other firms are part of the international economy.

"We're in a unique situation here," he said.

It isn't enough to promote trade with other countries, many speakers said. Making the area's highways, airports and rail lines efficient for the movement of freight is also a key.

"American's infrastructure is showing its age," said Renee Sinclair, a regional chamber official who earlier was a state representative. "It's not a very pretty picture."

She called for new ways to pay for improvements since the old ones aren't working.

*Correction, July 22, 2008: Rep. Rick Larsen, D.-Wash., supports approval of the free trade agreement for South Korea. He hasn't made a decision on similar agreements for Panama and Colombia. This story originally mischaracterized his position on the pacts with Panama and Colombia.