



## Don't excise the Ex-Im Bank: Former US trade rep

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September 18, 2014

The Export-Import Bank plays an integral role in helping small and large U.S. companies to compete in the global economy-and it's a key lifeline for a nuclear energy sector facing "economic headwinds," a former U.S. trade representative told CNBC.

The export credit agency's authorization is set to lapse this year, making it a political football during a highly charged election cycle. Yet Ron Kirk, former Democratic mayor of Houston and once America's chief trade negotiator, said the Ex-Im Bank plays a crucial role for the United States, especially in a global environment where other countries heavily subsidize key industries.

"It is such a needed tool to help American exporters maintain their competitiveness," said Kirk, who added that Ex-Im Bank is especially important for companies that are feeding an international boom in demand for atomic energy.

"'Made in America' is one of the best value propositions in the world, whether it's a nuclear reactor or a car," said Kirk, who is now co-chair of the Clean and Safe Energy Coalition, a nuclear energy advocacy group.

Ex-Im Bank feeds credit to a host of U.S. companies, some of which are involved in energy-related projects abroad. Last month, the agency [financed \\$65 million in direct loans](#) to two wind turbine projects being constructed in Peru by the U.S. arm of Siemens (**National Stock Exchange of India: SIEMENS-IN**) Energy.

Kirk, however, emphasized that the agency's reach was most apparent in the nuclear sector, where exports are projected to top \$700 billion in the next decade. Companies like Westinghouse (**Tokyo Stock Exchange: 6502.T-JP**) have obtained [billions in Ex-Im Bank financing](#), a fact that has led the company to campaign publicly for the bank's reauthorization.

Because countries like China, Russia and France provide lavish subsidies to their nuclear export sector (and other sectors), a failure to reauthorize the Ex-Im Bank "would ... require U.S. businesses to go into the ring with one hand tied behind their back," Kirk said. He cited data from the Nuclear Energy Institute, which estimates that every \$1 billion of exports by U.S. companies supports between 5,000 and 10,000 jobs.

Critics, however, denounce the Ex-Im Bank as "corporate welfare" that distorts market forces and subsidizes companies that should be able to compete independently.

Although Ex-Im Bank is self-financed-having returned nearly \$2 billion to the Treasury since 2008-its opponents say multinational giants like Boeing (BA) are the ones that benefit the most from the agency.