



US Export-Import Bank supporters urge Congress to act

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US manufacturers and their supply chain partners are trying to persuade Congress to restore the Export-Import Bank's ability to finance large US project shipments they say have been lost to other countries that can provide export credit.

Captain William Schubert, an international trade consultant and Former US maritime administrator, urged attendees at the Breakbulk Americas conference to visit [a website](#) to sign a letter urging lawmakers to use this year's omnibus appropriations bill to break a logjam on Ex-Im Bank funding.

Congress reauthorized the Ex-Im Bank last December with bipartisan support after allowing its charter to lapse for five months. However, lawmakers who oppose the bank's existence have failed to confirm President Barack Obama's appointment of a Republican nominee, Mark McWatters, to one of three vacant seats on the bank's five-member board.

With no quorum, Ex-Im Bank cannot authorize loan guarantees for transactions exceeding \$10 million. That eliminates all large project cargoes such as US-made turbines, generators, aircraft, and other goods.

"Without capital, you can't have a capital project," Schubert said. He said export credit agencies provide up to 60 percent of financing needs, and that the United States is falling behind other nations' export credit agencies.

Scott Mogavero, the general manager of global fulfillment and logistics at General Electric, said that without US export financing, companies must shift manufacturing and other services to other countries that provide export credit services. "GE didn't lose any jobs, but America lost jobs," he said.

John F. Masterson, the director of financial derivatives at CB&I, agreed. "The project financing, the loan guarantees will be done in other countries — Japan, Italy, and particularly in China, and this is where the cargoes will be sourced from," he said.

The Ex-Im Bank has been caught up in ideological bickering in Congress as opponents, including the GOP Tea Party's House Freedom Caucus, contend the bank is corporate welfare. Sen. Richard Shelby, (R-Ala.), has blocked approval of the nominee needed to provide the bank's board with a quorum.

Two Ex-Im Bank supporters, Rep. Charlie Dent (R-Penn.) and Sen. Lindsey Graham (R-S.C.), have proposed allowing the board to act with a two-member quorum if the other seats are vacant. Ex-Im Bank supporters hope to persuade Congress to adopt the change in this year's omnibus appropriations bill.

Washington-based conservative groups such as the Heritage Foundation and Cato Institute argue that Ex-Im Bank's benefits go mainly to a handful of large companies such as Boeing and Caterpillar.

Schubert scoffed at that claim. "Most of these people in these think tanks have never had a job, never created a job, and don't understand our business," he said. "They are out there with mass mailings, trying to raise money off this issue."

"They've tried to make this into a big corporate welfare issue, and they forgot that people like Caterpillar and Boeing and GE and others have thousands of companies in their supply chain that are impacted," he said.