

## My Turn: It's time to shut down the Export-Import Bank

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If you learned that your tax dollars were being used to skew the playing field against New Hampshire businesses, potentially costing you your job and propping up foreign companies, would you be surprised?

You should be. In fact, your taxes pay for all of those things through the federal Export-Import Bank. Fortunately, that bank is up for elimination – its charter expires this summer. Congress must decide by June whether to keep the bank running or end it for good. Sen. Jeanne Shaheen and South Carolina Sen. Lindsey Graham recently toured New Hampshire and expressed their support for the bank's operations.

But senators like Shaheen and Graham have been misled. The bank claims to support jobs and turn a profit for the treasury, but it does just the opposite.

Rep. Frank Guinta hasn't taken a stance on the Export-Import Bank. The bank's supporters and beneficiaries will swarm over him, using the bank's inaccurate claims to persuade him to support keeping it running. Before Guinta makes his decision, we encourage him to consider the facts about how the Ex-Im Bank affects his constituents.

The bank provides what President Obama has described as "corporate welfare" – taxpayer support for big businesses. It gives loans to foreign companies that buy American products and provides insurance to American companies in case these sales don't go through. Its current exposure totals \$112 billion.

Rather than cut our deficit, the bank will actually add \$2 billion to it over the next decade. According to the nonpartisan Congressional Budget Office, the bank is only profitable for taxpayers if it uses a less-accurate accounting method.

And far from supporting jobs, the Government Accountability Office says the bank has no accurate way of estimating the jobs its supporters claim it creates. Businesses and unions across the country complain that the bank's policies have cost them thousands of jobs.

Worse yet, New Hampshire businesses are directly losing as a result of Ex-Im's activity. Why? Because the bank helps some international companies that compete with American ones.

Our state in particular is getting hurt. New Hampshire's chief exports are telecommunications equipment such as cellular phones. But Ex-Im's transaction list reveals that the bank supports foreign businesses that compete with our telecom producers.

Research from the Cato Institute explains why this is a game breaker for many New Hampshire businesses. Foreign companies using Ex-Im financing get preferential financing rates on parts and materials compared to local producers in New Hampshire.

According to Cato, New Hampshire's critical telephone part manufacturing sector "incurred the greatest net cost among all manufacturers" impacted by Ex-Im. This costs the industry more than \$125 billion a year. Ironically, this hurts, rather than supports, New Hampshire's exports; telecom manufacturing alone comprises 11 percent of the state's exports. The manufacturing sector in general provides more than 65,000 jobs for Granite Staters – we can't afford to lose these jobs because of subsidies to the competition.

The bank doesn't talk about that harmful effect. Sen. Graham, during his visit, insisted that getting rid of Ex-Im would "allow China and Europe to have an economic advantage over people in the United States."

The senator takes Ex-Im at its word when it says its main purpose is protecting American exports from unfair foreign trade subsidies. But less than one-third of the bank's agreements actually protect against such trade practices. All but 2 percent of American exports are unconnected to Ex-Im backing, and they function just fine without it.

The bank also wants to seem like a champion for small businesses. The fact is that the vast majority of its activities support huge corporations. Over 90 percent of Ex-Im's loan guarantees in 2013 benefited just five companies. And that's the American side of the equation. The foreign firms that Ex-Im subsidizes include state-owned companies in places like Saudi Arabia. You as a taxpayer don't have a choice about supporting subsidies to companies in countries with poor human rights records.

So why do we need to keep the bank around? Any government institution that cuts into the bottom line for hard-working New Hampshire taxpayers and threatens their jobs should be eliminated. Our representatives in Washington, including Rep. Guinta, have a chance to shut it down this summer when the Export-Import Bank comes up for reauthorization. Hopefully, they'll put New Hampshire first.