



Committee On Finance

Max Baucus, Ranking Member

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McCain and Baucus Introduce Middle East Trade Initiative

Senators Working Together to Provide Opportunities Abroad, Strengthen Economies

(WASHINGTON, D.C.) U.S. Senators Max Baucus (D-Mont.) and John McCain (R-Ariz.) joined together today to introduce legislation that will create a trade preference program for the countries of the Middle East.

The trade program would be modeled on successful existing trade programs for sub-Saharan Africa and the Andean region and could take effect immediately. Under the program, countries that meet certain criteria, such as having a market-based economy, supporting the U.S. war on terrorism, and undertaking fundamental reforms would be able to export certain goods to the United States tariff free.

"Free trade is a powerful tool for opening up closed societies, if leaders in the greater Middle East are willing to make necessary and overdue political and economic reforms," McCain said. "It's past time for nations of the Middle East to join the global economy, and for rulers to lead increasingly restive populations in the direction of democracy and free markets."

"In the aftermath of the conflict in Iraq, it is more important than ever that the U.S. looks for opportunities to build bridges and help strengthen the economies of the Middle East," Baucus said. "I'm pleased to be working with Senator McCain to move forward this important legislation that will be a building block for increased trade now and in the years to come."

The trade preference legislation introduced today is intended to help diversify and improve the economies of the Middle East and provide jobs for the rapidly growing population in those countries. In addition, Baucus added that increased trade will also provide jobs and opportunities for American workers and businesses.

"Not only will we extend our trust and goodwill by opening our markets, but by helping to strengthen economies throughout the Middle East, we will also increase the number of people who can afford to purchase American products and services," Baucus said. "That means increased export opportunities for American businesses and more jobs for American farmers and workers."

"Our legislation also calls on the countries of the region to fully cooperate in the war on terrorism, observe international human rights standards, move decisively towards democracy, and support a peaceful resolution of the Israeli-Palestinian conflict," McCain said. "Reform in the Arab and Muslim worlds requires not just greater trade but accelerated political and economic liberalization, including respect for fundamental human freedom."

Earlier this month, President Bush announced a long-term plan to create a U.S.-Middle East free trade area by 2013.

Baucus and McCain today stated their approval of the President's trade proposal, but emphasized the need to put in place a more immediate trade preference program, which will help those countries make the significant economic reforms that can lead to free trade agreements.