Negative Brief: Abolish the Export-Import Bank

By Kathryn Sumner

***Resolved: The United States federal government should substantially reform its foreign aid.***

The Affirmative team says that we should abolish the Export-Import Bank. The Export-Import Bank helps American companies to compete in foreign markets or where countries require government guarantees that the bank's loans provide. The bank is an important element in boosting the economy and in the US manufacturing sector. The Ex-Im Bank guarantees loans for foreign companies interested in buying U.S. exports, and runs programs such as providing insurance and credit to help small businesses secure new customers and working capital. The Affirmative team will say that the Ex-Im Bank costs taxpayers, distorts the free market, and only helps big companies.

This Negative brief shows how the Ex-Im Bank doesn’t cost taxpayers. The Ex-Im Bank actually *earns* money for the Treasury. Instead of hurting the free market, the bank helps level the playing field. Plus, it helps countless small businesses. The Ex-Im Bank expired a few years ago and some of the evidence in this brief talks about how a lot of American companies struggled without the loans.

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NEGATIVE PHILOSOPHY / OPENING QUOTES

Ex-Im helps US companies

Robert J. Rebori 2014. (president of Bio-Microbics, a water, wastewater and stormwater equipment manufacturer in Shawnee, and he is a member of the Mid-America District Export Council.) 8 August 2014 “Open Mike: Keep the Export-Import Bank” https://ithinkbigger.com/open-mike-keep-export-import-bank/

Some of the most powerful organizations in America—from Congress to the U.S. Chamber of Commerce—have been arguing over whether the Ex-Im Bank should continue to exist. Unfortunately, many of the people involved in the debate are unfamiliar with the program and don’t understand how it helps U.S. companies, especially small and medium-size enterprises, compete internationally.

US businesses need the Ex-Im Bank

Steven Wilburn 2017. (Chief Executive Officer of FirmGreen, Inc.) 27 September 2017 “Get the facts right about the Export-Import Bank” http://exportersforexim.org/wp-content/uploads/sites/15/2015/10/Wilburn.LTERevised.pdf

In late June, a few powerful Members of Congress blocked a fair up or down vote on reauthorizing Ex-Im – forcing it to lapse. Since that time, American companies have been playing second fiddle to international competitors. Take my company for instance – we make turnkey renewable energy installations for developing countries. For many of the projects we work on, financing from an official export credit agency – like Ex-Im – is a requirement to even bid on a project. Without Ex-Im, we've been forced to source supplies for our projects from countries that still have export credit agencies. I'm an American who has fought and bled for my country. If I have a choice – I would much rather we are sourcing our materials from U.S. companies and supporting Made-In-America products. But without the Ex-Im Bank, I am forced to either go abroad for my material or lose business. As a business owner, I have to think about my own employees, so reluctantly until we have Ex-Im back, I am having to source goods from abroad for some of these projects. It's time to end this madness. The Bank supports American jobs and products, pays for itself, and has a history of strong, bipartisan support.

TOPICALITY

1. Not foreign aid

US State Department says Ex-Im bank is not foreign aid

US State Department, last updated November 2018. “Export Import Bank of the United States” last updated 9 Nov 2018 <https://www.foreignassistance.gov/agencies/EXIM>

[IS THE U.S. EXPORT SUPPORT THAT EXIM PROVIDES CONSIDERED FOREIGN ASSISTANCE?](https://www.foreignassistance.gov/agencies/EXIM) No, the export credits (loans, guarantees, and insurance) that EXIM provides to facilitate U.S. exports are not foreign assistance, foreign aid or grants.

International trade expert says: EXIM Bank is “NOT” a foreign aid agency

Joseph A. Robinson 2016 (43 years experience in global commerce; traveled to 81 countries and exported to 105 countries in both private corporations and in government positions; currently a consultant to companies, government agencies and universities providing guidance in export procedures, regulatory control and compliance; graduated from Virginia Tech with a BS in Economics and Master of International Management from the Thunderbird School of Global Management) [Introducing the Export-Import Bank of the United States](https://www.shippingsolutions.com/blog/introducing-the-export-import-bank-of-the-united-states) 21 Oct 2016 https://www.shippingsolutions.com/blog/introducing-the-export-import-bank-of-the-united-states

The U.S. EXIM Bank is not a foreign aid or development agency; however, its programs often help U.S. exporters participate in development projects. EXIM Bank has co-financed projects with the U.S. Agency for International Development, the World Bank, and other multi-lateral development banks.

Why does Ex-Im bank appear on the “foreign assistance” web page even though it’s not foreign aid?

US State Department, last updated November 2018. “Export Import Bank of the United States” last updated 9 Nov 2018 <https://www.foreignassistance.gov/agencies/EXIM>

EXIM provides official export credits through its loan, guarantee and insurance programs that are consistent with the Organization for Economic Cooperation and Development’s Arrangement on Officially Supported Export Credits. **As such, EXIM’s export credit programs are not foreign assistance, foreign aid or grants.** In rare instances, the United States government may agree to forgive foreign country debt through the Paris Club process. If debt owed to EXIM Bank is forgiven, it may be considered foreign assistance and, as a result, is reported by EXIM on foreignassistance.gov. **During the applicable reporting period, the United States government did not agree to forgive foreign country debt owed to EXIM through the Paris Club process and, as such, EXIM does not have any foreign assistance data to report.**

EXTRA-TOPICALITY – Even if you believe some of what Ex-Im Bank does is “foreign aid”, some of it is domestic

1. Money to US businesses

A. Link: AFF abolishes the ENTIRE Export-Import Bank, not just the parts of it that spend money in foreign countries

B. Link: Export-Import Bank loans money to US businesses

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The U.S. EXIM Bank's mission is to create jobs through exports. It provides guarantees of working capital loans for U.S. exporters, and it guarantees the repayment of loans or makes loans to foreign purchasers of U.S. goods and services. The EXIM Bank also provides export credit insurance that protects U.S. exporters against the risks of non-payment by foreign buyers for political or commercial reasons.

C. Violation: US aid is not “foreign” aid

“Foreign” has to be outside the US. Loaning money to a US owned, US based company is not “foreign” anything, least of all “foreign aid.”

D. Impact: Plan solvency fails

All parts of the plan relating to aid to US companies must be dropped from the plan, since AFF has no power to enact mandates that go outside the resolution. That means their solvency fails, because none of their solvency evidence is talking about doing some of their plan but not all of it. If they insist on doing all of their plan, then it’s abusive to the Negative, because there’s no way we should be expected to prepare to debate federal subsidies to US companies when researching for a resolution on “foreign aid.”

INHERENCY

1. Mostly stopped already under Status Quo policy

80-90% of Ex-Im Bank has already been stopped

Kristen Hopewell 2017. (journalist) Why the U.S. Needs the ExIm Bank, FOREIGN AFFAIRS 30 Aug 2017 <https://www.foreignaffairs.com/articles/united-states/2017-08-30/why-us-needs-exim-bank>

Financed by the billionaire Koch brothers, a collection of ultra-free-market advocacy organizations, such as Americans for Prosperity, the Cato Institute, and the Mercatus Center, have made the ExIm Bank a prime target in their campaign to dramatically reduce the size of the U.S. government and its role in the economy. By urging congressional Republicans to block the bank’s reauthorization, they successfully shut down ExIm and halted its lending operations for five months in 2015. At that time, approximately 200 transactions worth over $9 billion were stopped in the pipeline. Although ExIm was subsequently reopened, most of its lending activity remains blocked. Free-market conservatives in the Senate have barred appointments to the bank’s board, leaving it without the quorum required to finance transactions over $10 million, which typically constitute 80–90 percent of its loans.

Senate refuses to confirm appointments to fill vacancies. Ex-Im Bank’s board hasn’t had a quorum for 3 years, so it mostly can’t do anything

*Fred P. Hochberg 2018. (was chairman and president of the Export-Import Bank of the United States from 2009 to 2017)* The Senate is making a big mistake as it drags its feet over EXIM Bank confirmations  *18 July 2018* <https://www.cnbc.com/2018/07/17/ex-im-bank-needs-senate-support-to-save-us-jobs.html>

Three years ago in July, the U.S. Senate began sending American jobs overseas; and it continues to this day. That’s the upshot of the Senate’s ongoing refusal to confirm nominees for the board of the U.S. Export-Import Bank (EXIM), which provides critical financing for American companies selling goods and services abroad. Because the bank has lacked a board quorum since July 2015, it can’t approve any transaction over $10 million, causing U.S. companies large and small to forfeit sales to foreign competitors.

Over 90% of Ex-Im Bank transactions have stopped

*Fred P. Hochberg 2018. (was chairman and president of the Export-Import Bank of the United States from 2009 to 2017)* The Senate is making a big mistake as it drags its feet over EXIM Bank confirmations  *18 July 2018* <https://www.cnbc.com/2018/07/17/ex-im-bank-needs-senate-support-to-save-us-jobs.html>

At the peak of EXIM’s activity in 2012, the bank financed $35.8 billion in transactions, [supporting thousands of small business customers and 255,000 U.S. jobs](https://www.exim.gov/sites/default/files/reports/annual/exim_2012annualreport.pdf). Last year, EXIM did just $3.4 billion in transactions, less than 10 percent of what it did [five years earlier.](https://www.exim.gov/sites/default/files/reports/annual/2017/EXIM2017Annual-Report508-2-8-18_Spreads-1.pdf)

SIGNIFICANCE

1. No harm to taxpayers

Turn: Ex-Im Bank made a profit of $3.8 billion to US taxpayers over the last 10 years

US State Department, last updated November 2018. “Export Import Bank of the United States” last updated 9 Nov 2018 <https://www.foreignassistance.gov/agencies/EXIM>

The Bank’s Charter requires that all transactions it authorizes demonstrate a reasonable assurance of repayment. The Bank consistently maintains a low default rate and closely monitors credit and other risks in its portfolio, and charges fees for these risks. A self-financing agency, EXIM operates at no cost to taxpayers. Since 2009, EXIM has contributed nearly $3.8 billion to American taxpayers.

Ex-Im doesn’t just give money away

Brendan P. Bechtel 2018. (chairman and CEO of Bechtel Corporation, an engineering, procurement, construction and project management company.) 8 May 2018 “Without EXIM Bank, US companies fight with a hand tied behind their backs” http://thehill.com/opinion/finance/386730-us-companies-fighting-with-a-hand-tied-behind-their-backs-without-exim-bank

First, EXIM does not give money to companies. It makes loans to creditworthy buyers. These loans are repaid and (through interest fees) earn a fair return for U.S. taxpayers — about $2 billion over the past decade. While being a net contributor to the U.S. Treasury is a nice benefit, EXIM’s primary mission is to create and sustain U.S. jobs, and every EXIM loan helps to keep high-value manufacturing and services jobs in the U.S.

Ex-Im returns money to the Treasury – Doesn’t cost taxpayers a dime

Michael C. McSweeney 2014. (managing partner at Trussville-based McSweeney Holdings.) 28 December 2014 “You've not heard much about Export-Import Bank, but Gary Palmer needs to protect it” https://www.al.com/opinion/index.ssf/2014/12/export-import\_bank\_reauthoriza.html

What's even better is that Ex-Im Bank doesn't cost taxpayers a dime. Because all bank users pay fees to use the bank's services, just like they would for a private bank, Ex-Im actually returns money to the Treasury. Last year Ex-Im generated $675 million for the Treasury, and in 2013 it returned more than $1 billion.

Ex-Im earns money for the Treasury

Robert J. Rebori 2014. (president of Bio-Microbics, a water, wastewater and stormwater equipment manufacturer in Shawnee, and he is a member of the Mid-America District Export Council.) 8 August 2014 “Open Mike: Keep the Export-Import Bank” https://ithinkbigger.com/open-mike-keep-export-import-bank/

Ex-Im actually *earns money* for the U.S. Treasury. Last year, Ex-Im returned more than $1 billion to Treasury. That’s because these are not charitable or risky loans. The borrowers are vetted as tightly as—or, in some cases, more strictly than—normal circumstances through regular banks.

The Ex-Im Bank is self-funded

John Brinkley 2015. (writes about international trade and investment for Forbes. He was speechwriter for U.S. Trade Representative Michael Froman and for Korean Ambasador Han Duk-soo during the Korean government's quest for ratification of the Korea-US Free Trade Agreement.) 16 September 2015 “Ex-Im Bank's Closure Is Sending Jobs Overseas, Hurting Small Firms” https://www.forbes.com/sites/johnbrinkley/2015/09/16/ex-im-bank-closure/#c5e5abe3a3aa

The Ex-Im Bank is self-funded. It receives no money from taxpayers. In fact, it gives them money. In 2014, “due to fees and interest paid to us, we generated $675 million for the taxpayers above and beyond all of our costs,” said Ex-Im Chairman Fred Hochberg in a recent speech. During the last five years, it has turned $5 billion over to the Treasury. Ex-Im’s detractors say the taxpayers are on the hook for any loans it makes that aren’t paid back, but its loan default rate is a small fraction of 1%.

2. No harm to “not” following “free market” principles

US and world history shows great economic powers benefit from government intervention. Just ask Alexander Hamilton

Pankaj Mishra 2018. (Bachelor of Commerce from the Allahabad University before completing his MA in English Literature at the Jawaharlal Nehru University) NEW YORK TIMES 7 Feb 2018 “The Rise of China and the Fall of the ‘Free Trade’ Myth” <https://www.nytimes.com/2018/02/07/magazine/the-rise-of-china-and-the-fall-of-the-free-trade-myth.html>

Indeed, economic history reveals that great economic powers have always become great because of activist states. Regardless of the mystical properties claimed for it, the invisible hand of self-interest depends on the visible and often heavy hand of government. To take only one instance, British gunboats helped impose free trade on 19th-century China — a lesson not lost on the Chinese. Britain was protectionist before it was a free-trading nation. The United States itself was, while industrializing, the “mother country,” as the economic historian Paul Bairoch wrote, “and bastion of modern protectionism.” Its average tariffs in the late 19th century were nearly as high — 45 percent — as the steepest ones Trump has slapped on imports of washing machines. The philosophical father of economic protectionism is, in fact, Alexander Hamilton, the founder of the American financial system, whose pupils included the Germans, the Japanese and, indirectly, the Chinese.

SOLVENCY

1. “Free Markets” won’t solve. #1 – Can’t solve for Credibility

It isn’t about companies getting money they should get from markets. It’s about CREDIBILITY, which isn’t available in the market

John Brinkley 2015. (writes about international trade and investment for Forbes. He was speechwriter for U.S. Trade Representative Michael Froman and for Korean Ambasador Han Duk-soo during the Korean government's quest for ratification of the Korea-US Free Trade Agreement.) 16 September 2015 “Ex-Im Bank's Closure Is Sending Jobs Overseas, Hurting Small Firms” https://www.forbes.com/sites/johnbrinkley/2015/09/16/ex-im-bank-closure/#c5e5abe3a3aa

Sixty other countries have an ex-im bank or something like it. If you wanted to import frozen yogurt or lumber, would you try to work with an exporter in a country whose government was willing to help with financing, or one whose government told you and the exporter to go jump in a lake?

2. “Free Markets” won’t solve. #2 – Can’t solve for specialized services

Ex-Im Bank provides services not found in the private market. Example: CECA Supply & Services selling to Algeria

Victoria Guida 2015. (financial services reporter covering banking regulations and monetary policy for POLITICO Pro;graduated from Univ of Missouri with a double major in journalism and political science.) 30 July 2015 “Businesses fume at Congress over death of Ex-Im Bank” https://www.politico.com/story/2015/07/businesses-fume-as-congress-lets-ex-im-stay-dead-120798

But Rami Touma, president of Houston-based oil equipment exporter CECA Supply & Services, said Ex-Im’s services are critical to his business’s ability to sell products to Algeria, its major source of income. The national Algerian oil company requires exporters to post a 10 percent performance bond, which is held until the job is done. And in the past year, Touma’s 30-employee company had its best year ever, with $60 million in sales. “We do not have the ability to just not have $6 million accessible to us,” Touma said. “So Ex-Im, they put the money in for us, and we pay a fee.” He said Ex-Im can facilitate this because it has the expertise and access to State Department information to allow it to judge the reliability of a foreign buyer, something a traditional bank might not be able to do.

Private banks won’t lend against a promise of money by a foreign buyer. Example: BCH Trading

Victoria Guida 2015. (financial services reporter covering banking regulations and monetary policy for POLITICO Pro;graduated from Univ of Missouri with a double major in journalism and political science.) 30 July 2015 “Businesses fume at Congress over death of Ex-Im Bank” https://www.politico.com/story/2015/07/businesses-fume-as-congress-lets-ex-im-stay-dead-120798

BCH Trading, a lumber shipper from Arkansas whose working capital guarantee with Ex-Im expires in April, would have to find an investor to help it access money needed as collateral for business deals, President Randy Barsalou told POLITICO. Private banks won’t lend against the promise of money by a foreign buyer, which leaves small businesses with few options, such as putting up their own assets as collateral. “It’s almost like going out on the street and finding someone [to invest in us],” he said. “I’ve been an Ex-Im user since 2002, and when we first started it was ’98. … We met with people to look at the possibilities of what would be available, and that issue was always there. ‘Oh, you’re an exporter.’”

Private sector banks will not adequately replace Ex-Im

Brendan P. Bechtel 2018. (chairman and CEO of Bechtel Corporation, an engineering, procurement, construction and project management company.) 8 May 2018 “Without EXIM Bank, US companies fight with a hand tied behind their backs” http://thehill.com/opinion/finance/386730-us-companies-fighting-with-a-hand-tied-behind-their-backs-without-exim-bank

Second, commercial banks will not fill the space vacated by EXIM. Commercial banks will not commit the dollars required for many of these long-term international projects because today’s financial regulations force banks to make difficult trade-off decisions about where to allocate constrained credit capacity.

Ex-Im helps businesses when private banks won’t

Randy Zook 2015. (President and Chief Executive Officer for the Arkansas State Chamber of Commerce.) 6 November 2015 “Leading From The Front On Ex-Im Bank” http://exportersforexim.org/loss-of-ex-im-hurting-us-companies/

The bank is also a careful, prudent lender, with decades of experience in international markets that many private lenders simply cannot match. That is why Ex-Im can handle deals involving far-flung nations with minimal risk–and a default rate that is just one fifth of most commercial banks. As BCH Trading, a Hot Springs lumber exporter, explained, the company’s private bank simply ‘will not make the loan guarantees that enable it to ship American lumber to countries like Greece and Egypt.'

Small companies don’t have any private sector options for replacing Ex-Im’s services

Victoria Guida 2015. (financial services reporter covering banking regulations and monetary policy for POLITICO Pro;graduated from Univ of Missouri with a double major in journalism and political science.) 30 July 2015 “Businesses fume at Congress over death of Ex-Im Bank” (brackets added) https://www.politico.com/story/2015/07/businesses-fume-as-congress-lets-ex-im-stay-dead-120798

[president of trade financier Meridian Finance Group, Gary] Mendell said small companies looking to export don’t have other options for replacing many of Ex-Im’s services. That’s because the volume of their exports is too small or the market risk is too great for so meager a transaction. “We don’t have any alternative in the private sector to bring them to,” said Mendell, whose company provides export credit insurance for around 1,000 companies, of which 550 have insurance policies through Ex-Im. “It doesn’t exist.”

Private Banks won’t want to make loans to the same companies Ex-Im does

John Brinkley 2015. (writes about international trade and investment for Forbes. He was speechwriter for U.S. Trade Representative Michael Froman and for Korean Ambasador Han Duk-soo during the Korean government's quest for ratification of the Korea-US Free Trade Agreement.) 16 September 2015 “Ex-Im Bank's Closure Is Sending Jobs Overseas, Hurting Small Firms” https://www.forbes.com/sites/johnbrinkley/2015/09/16/ex-im-bank-closure/#c5e5abe3a3aa

[John Wudel CEO of Wudel International of Gilbert, Arizona] Wudel said he had attended a recent business roundtable with the heads of about 50 businesses in the Phoenix area. Someone suggested that private banks would pick up Ex-Im’s loan portfolio. “But there were some bankers in the room and they said that’s not going to happen. . . No bankers are going to take that kind of risk.”

Some businesses won’t have any way to get a loan without Ex-Im. Private sector won’t solve

J.D. Harrison 2015. (Executive Director for Strategic Communications at the U.S. Chamber of Commerce, where he leads a team that specializes in marketing, advertising, digital content, social media and overall communications strategy.) 29 August 2015 “Her Small Business was Ready to Hire 100 More People. Then, Ex-Im Expired” http://www.scpr.org/news/2015/07/07/52909/how-export-import-bank-shutdown-could-affect-socal/ (brackets added; Kusum Kavia is the president of the California-based company Combustion Associates, Inc)

Critics have suggested that companies that previously relied on Ex-Im’s services can simply find comparable alternatives in the private sector. However, like many other small business owners, [Kusum] Kavia says those critics are mistaken. In the month since Ex-Im went dark, she has started searching for insurance and loan alternatives that could save the projects. So have her clients in Nigeria. “There’s not much out there, at least not for a small business like ours,” Kavia said. “We’re praying at this point that the Ex-Im Bank comes back.”

A list of Ex-Im’s services

Robert J. Rebori 2014. (president of Bio-Microbics, a water, wastewater and stormwater equipment manufacturer in Shawnee, and he is a member of the Mid-America District Export Council.) 8 August 2014 “Open Mike: Keep the Export-Import Bank” https://ithinkbigger.com/open-mike-keep-export-import-bank/

Ex-Im provides four levels of export assistance to American companies through the banking industry. They are:

» Low-cost, market-based loans to foreign buyers so they can purchase U.S.-made equipment and services.  
» Insurance for U.S. exporters’ receivables to ensure they get paid.  
» Short-term loans for small and medium-size companies so they can purchase inventory and service large purchase orders from overseas clients.  
» Lines of credit to small and medium-size companies so they can purchase raw materials for export sales.

Ex-Im is the only bank that helps certain businesses

Ben Bergman 2015. (senior reporter for KPCC-FM in Pasadena, CA. He has also contributed to NPR, KQED-TV (San Francisco, CA), WNYC-FM (New York, NY), Columbia Journalism Review, KPBS-TV (San Diego, CA), KUOW-FM (Seattle, WA), KWMU-FM (St. Louis, MO), WLRN-FM (Miami, FL), WABE-FM (Atlanta, GA), and WESA-FM (Pittsburgh, PA).) 7 July 2015 “How Export-Import Bank shutdown could affect SoCal businesses” http://www.scpr.org/news/2015/07/07/52909/how-export-import-bank-shutdown-could-affect-socal/ (brackets added)

There are other banks – but they have higher interest rates and a lower tolerance for risk, which is inherent in the sort of capital-intensive projects Combustion Associates builds in developing countries. That’s why most of their projects are backed by Ex-Im Bank, which [Kusum Kavia, president of Combustion Associates Inc., which designs and manufactures power plants all over the world] Kavia doesn’t even want to think about losing permanently.

DISADVANTAGES

1. Lost jobs

The Ex-Im bank’s sales in 2014 supported 164,000 US jobs

Jim Puzzanghera 2015. (writes about business and economic issues from the Times’ Washington, D.C., bureau. He joined The Times in 2006 and won the paper’s Editor’s Award in 2009 for coverage of the financial crisis. He has worked in the nation’s capital since 1998 and is a two-time National Press Club award winner for Washington coverage. A Northwestern University graduate, he previously worked for the San Jose Mercury News, Newsday and the St. Petersburg Times.) 26 June 2015 “Export-Import Bank's cloudy future raises worries of job losses” http://www.latimes.com/business/la-fi-export-import-bank-20150626-story.html#page=1

Conservatives have criticized the Export-Import Bank as Boeing's Bank because the aerospace giant and other big firms are the largest recipients of its assistance, which includes loans to foreign buyers of U.S. goods and various guarantee programs for U.S. exporters. The bank is funded through interest and fees on its aid. Last year, it provided $20.5 billion in assistance that financed $27.5 billion in exports. The bank said those sales supported 164,000 U.S. jobs.

Ex-Im supported over 5,000 jobs in Arizona from 2007-2014

Lea Marquez Peterson 2015. (President of Tucson Hispanic Chamber of Commerce.) 27 November 2015 “Right Vote By McSally To Renew Ex-Im Bank” https://tucson.com/news/opinion/mailbag/letters-to-the-editor/article\_8d06be30-54dc-564c-b28f-a89cedf6c7c5.html

Our U.S. Rep. Martha McSally was one of the 313 members who voted to reauthorize Ex-Im and for that she should be applauded. Rep. McSally understands that increased trade means jobs and Ex-Im is a vital tool for businesses to hire more workers. It has supported over 5,000 jobs in Arizona between 2007-2014. And several of the 1,300 companies the Tucson Hispanic Chamber of Commerce represents have used it as a way to create high-paying jobs. Some in Congress claim that Ex-Im chooses winners and losers; however, the only winners are U.S. companies at the expense of foreign competitors.

Ex-Im has helped support 5,502 jobs in Alabama from 2007-2014

Michael C. McSweeney 2014. (managing partner at Trussville-based McSweeney Holdings.) 28 December 2014 “You've not heard much about Export-Import Bank, but Gary Palmer needs to protect it” https://www.al.com/opinion/index.ssf/2014/12/export-import\_bank\_reauthoriza.html

McSweeney is far from the only Alabama business to use Ex-Im financing to support jobs and compete internationally. Eighty-three Alabama exporters, both large and small, have sold more than $794 million worth goods abroad since 2007. Those exports have supported 5,502 jobs in Alabama and more than 1.5 million across America over that same time period.

Example: Without Ex-Im Bank financing, businesses (like CAI) would have to cut staff and projects

Ben Bergman 2015. (senior reporter for KPCC-FM in Pasadena, CA. He has also contributed to NPR, KQED-TV (San Francisco, CA), WNYC-FM (New York, NY), Columbia Journalism Review, KPBS-TV (San Diego, CA), KUOW-FM (Seattle, WA), KWMU-FM (St. Louis, MO), WLRN-FM (Miami, FL), WABE-FM (Atlanta, GA), and WESA-FM (Pittsburgh, PA).) 7 July 2015 “How Export-Import Bank shutdown could affect SoCal businesses” http://www.scpr.org/news/2015/07/07/52909/how-export-import-bank-shutdown-could-affect-socal/

One Southern California business that is already feeling the impact is the Corona-based Combustion Associates Inc., which designs and manufactures power plants all over the world. "I think we would seriously be in jeopardy of cutting down on our staff and projects" without Ex-Im Bank financing, said company president Kusum Kavia, who added that many of the manufacturer's materials come from other companies in Riverside County, so there would be a ripple effect. "We are just shocked that this could ever happen to the United States, where small businesses like myself are not able to compete in the global economy."

Impact: Tens of thousands of jobs would be eliminated

Jim Puzzanghera 2015. (writes about business and economic issues from the Times’ Washington, D.C., bureau. He joined The Times in 2006 and won the paper’s Editor’s Award in 2009 for coverage of the financial crisis. He has worked in the nation’s capital since 1998 and is a two-time National Press Club award winner for Washington coverage. A Northwestern University graduate, he previously worked for the San Jose Mercury News, Newsday and the St. Petersburg Times.) 26 June 2015 “Export-Import Bank's cloudy future raises worries of job losses” http://www.latimes.com/business/la-fi-export-import-bank-20150626-story.html#page=1

To kill the Export-Import Bank, all that House Republican leaders opposing it have to do is let the bank's charter expire Tuesday — and they are leaving Friday for the Fourth of July recess without even holding a vote to reauthorize it. The 81-year-old federal agency that helps companies sell their products abroad has been a prime target of conservatives, who want to reduce the size of government and eliminate what they call crony capitalism. Shutting the bank's tap, though, also would eliminate tens of thousands of jobs, say business executives, trade groups and the Obama administration. "It's going to be devastating for us," said Don Nelson, chief executive of ProGauge Technologies Inc., a Bakersfield manufacturer of oil industry equipment. "Basically, we just won't be able to export anymore."

Impact: Domestic jobs would have to be cut. Here is the example of Patton Electronics Co.

Jim Puzzanghera 2015. (writes about business and economic issues from the Times’ Washington, D.C., bureau. He joined The Times in 2006 and won the paper’s Editor’s Award in 2009 for coverage of the financial crisis. He has worked in the nation’s capital since 1998 and is a two-time National Press Club award winner for Washington coverage. A Northwestern University graduate, he previously worked for the San Jose Mercury News, Newsday and the St. Petersburg Times.) 26 June 2015 “Export-Import Bank's cloudy future raises worries of job losses” http://www.latimes.com/business/la-fi-export-import-bank-20150626-story.html#page=1 (brackets in original)

"It will definitely slow my growth to near zero. I'll have to cut domestic jobs for sure," said Robert Patton, chief executive of Patton Electronics Co., a communications equipment manufacturer in Gaithersburg, Md. "There [are] definitely deals that we've already lost." Patton said he depends on the Export-Import Bank to help provide financing until payments are received from foreign sales, which make up about 70% of the company's revenue.

Impact: Workers will have to be laid off. Here is the example of Combustion Associates, Inc. (CAI)

J.D. Harrison 2015. (Executive Director for Strategic Communications at the U.S. Chamber of Commerce, where he leads a team that specializes in marketing, advertising, digital content, social media and overall communications strategy. The Strategic Communications team works with our partners throughout the organization to plan and execute an array of communications projects and campaigns. He previously covered small business, entrepreneurship and public policy for The Washington Post, where he helped launch and later ran the Post's On Small Business Blog. OSB was later ranked by Forbes as one of the nation's must-read publications for small business owners.) 29 August 2015 “Her Small Business was Ready to Hire 100 More People. Then, Ex-Im Expired” http://www.scpr.org/news/2015/07/07/52909/how-export-import-bank-shutdown-could-affect-socal/ (brackets added)

“There’s definitely a threat to our current employees, too,” [Kusum Kavia, the president of the small company California-based Combustion Associates, Inc] Kavia said. “If we don’t finalize these contracts, and if we are held back from winning more in the months ahead, and next year starts to look too sparse, we’ll be forced to consider layoffs. I would have to let some of these highly skilled, highly trained individuals go, because there just won’t be enough work.” It’s hard to believe, she added, that Congress would make such a damaging decision in the first place. It’s even harder to believe that lawmakers still haven’t gone back and reopened the bank. “I wish Congress members would come to my office and see what it’s like to have these contracts depending on Ex-Im, to have our employees depending on Ex-Im,” she said. “Ex-Im is extremely important for our growth, and really, for our survival, and I wish they could see that.”

Impact Example: When Ex-Im expired in 2015, there were many companies that had jobs in jeopardy

J.D. Harrison 2015. (Executive Director for Strategic Communications at the U.S. Chamber of Commerce, where he leads a team that specializes in marketing, advertising, digital content, social media and overall communications strategy. The Strategic Communications team works with our partners throughout the organization to plan and execute an array of communications projects and campaigns. He previously covered small business, entrepreneurship and public policy for The Washington Post, where he helped launch and later ran the Post's On Small Business Blog. OSB was later ranked by Forbes as one of the nation's must-read publications for small business owners.) 29 August 2015 “Her Small Business was Ready to Hire 100 More People. Then, Ex-Im Expired” http://www.scpr.org/news/2015/07/07/52909/how-export-import-bank-shutdown-could-affect-socal/

[Kusum Kavia’s small company – California-based Combustion Associates, Inc] Kavia’s firm is one of 3,000 U.S. small businesses that depended on Ex-Im’s services to support [more than 150,000 jobs](https://www.uschamber.com/above-the-fold/one-week-later-ex-im-s-expiration-devastating-small-exporters-and-entrepreneurs) for Americans. Many of those jobs are now in jeopardy. In fact, CAI is in the late stages of planning two other power plant deals in Nigeria, both of which were nearly finalized but are now on hold without Ex-Im. All told, the three projects in Nigeria are worth upwards of $50 million in revenue and would prompt Kavia to hire more than 100 workers.

McSweeney Holdings

Michael C. McSweeney 2014. (managing partner at Trussville-based McSweeney Holdings.) 28 December 2014 “You've not heard much about Export-Import Bank, but Gary Palmer needs to protect it” https://www.al.com/opinion/index.ssf/2014/12/export-import\_bank\_reauthoriza.html

Exporting has been and continues to be an important job-creator for my company, McSweeney Holdings. Since my father, Rod McSweeney, started the business in 1979, we have put more than 100,000 custom, luxury vehicles on the road. Our customers don't just live in the U.S.; about 40 percent of the jobs at our flagship company, MCM Custom Vehicles, are dependent on international sales. All the sales for one of our new ventures, McSweeney Designs, are international. Without international trade, those jobs go away. The Export-Import (Ex-Im) Bank, the official export credit agency of the United States, has played a key role in facilitating these international sales for McSweeney Holdings and consequently our ability to create jobs. Ex-Im works with private banks to let us compete internationally on the quality and pricing of our cars, not financing.

Anglo-American Hardwoods

John Brinkley 2015. (writes about international trade and investment for Forbes. He was speechwriter for U.S. Trade Representative Michael Froman and for Korean Ambasador Han Duk-soo during the Korean government's quest for ratification of the Korea-US Free Trade Agreement.) 16 September 2015 “Ex-Im Bank's Closure Is Sending Jobs Overseas, Hurting Small Firms” https://www.forbes.com/sites/johnbrinkley/2015/09/16/ex-im-bank-closure/#c5e5abe3a3aa

Anglo-American Hardwoods of Mason, Ohio, exports lumber to countries “literally around the world,” said its president, Graham Hill. “We’re very dependent” on Ex-Im financing. Hill said he borrowed money from a private bank, which only agrees to lend it because the Ex-Im Bank underwrites the loans. “They (the private bank) would not extend the credit lines” without Ex-Im support, he said. “Without the line of credit, they (overseas customers) would look elsewhere” for lumber. Hill said he couldn’t understand why some accuse Ex-Im of extending “corporate welfare” only to the likes of Boeing, Caterpillar CAT -1.86% and GE when “there are literally thousands of small businesses that rely on Ex-Im.”

Wudel International

John Brinkley 2015. (writes about international trade and investment for Forbes. He was speechwriter for U.S. Trade Representative Michael Froman and for Korean Ambasador Han Duk-soo during the Korean government's quest for ratification of the Korea-US Free Trade Agreement.) 16 September 2015 “Ex-Im Bank's Closure Is Sending Jobs Overseas, Hurting Small Firms” https://www.forbes.com/sites/johnbrinkley/2015/09/16/ex-im-bank-closure/#c5e5abe3a3aa

But there are countless small to medium-sized American companies that export and that say they would suffer if the Ex-Im Bank went away for good. Wudel International of Gilbert, Ariz., makes Nanci’s Frozen Yogurt and exports it to 40 countries. Its CEO, John Wudel, said he had been approached recently by a company that owned 400 stores in China and wanted to sell Nanci’s Frozen Yogurt in them. He said the company asked for credit, but Wudel International was too small to offer it. Ordinarily, he would have referred the company to the Ex-Im Bank, but it’s shut down. “So, that ended the deal,” he said.

Bechtel

Brendan P. Bechtel 2018. (chairman and CEO of Bechtel Corporation, an engineering, procurement, construction and project management company.) 8 May 2018 “Without EXIM Bank, US companies fight with a hand tied behind their backs” http://thehill.com/opinion/finance/386730-us-companies-fighting-with-a-hand-tied-behind-their-backs-without-exim-bank

In 2014, the last year the U.S. EXIM bank was fully active, it provided more than $20 billion in export credit to U.S. firms, which supported [164,000 U.S. jobs and generated $675 million](https://obamawhitehouse.archives.gov/the-press-office/2015/06/30/fact-sheet-export-import-bank-supporting-american-exports-and-american) in returns for the U.S. Treasury. During its most recent years of activity, EXIM supported Bechtel in our bid to build two major LNG plants in Australia. This meant small, medium and large American firms from 29 states provided more than $630 million in U.S. products in support of the project.

2. Jobs outsourced

Link: Businesses won’t stay in the US because it would be too expensive

Ben Bergman 2015. (senior reporter for KPCC-FM in Pasadena, CA. He has also contributed to NPR, KQED-TV (San Francisco, CA), WNYC-FM (New York, NY), Columbia Journalism Review, KPBS-TV (San Diego, CA), KUOW-FM (Seattle, WA), KWMU-FM (St. Louis, MO), WLRN-FM (Miami, FL), WABE-FM (Atlanta, GA), and WESA-FM (Pittsburgh, PA).) 7 July 2015 “How Export-Import Bank shutdown could affect SoCal businesses” http://www.scpr.org/news/2015/07/07/52909/how-export-import-bank-shutdown-could-affect-socal/ (brackets added)

If Ex-Im Bank remains closed to new business, [Kusum Kavia, president of Combustion Associates Inc., which designs and manufactures power plants all over the world] Kavia said she would consider moving to a country where the cost of doing business is cheaper. "We get calls from Mexico all the time," she said. "But we would like to stay in California."

Historical example: When Ex-Im expired in 2015, many US jobs were outsourced

John Brinkley 2015. (writes about international trade and investment for Forbes. He was speechwriter for U.S. Trade Representative Michael Froman and for Korean Ambasador Han Duk-soo during the Korean government's quest for ratification of the Korea-US Free Trade Agreement.) 16 September 2015 “Ex-Im Bank's Closure Is Sending Jobs Overseas, Hurting Small Firms” https://www.forbes.com/sites/johnbrinkley/2015/09/16/ex-im-bank-closure/#c5e5abe3a3aa

GE announced on Tuesday that it would move about 500 power turbine manufacturing jobs from South Carolina, New York and Maine to France, because the company can get export financing there. It can’t get it here, because Congress shut down the Export-Import Bank. Boeing, the Ex-Im Bank’s largest beneficiary, has said it might move jobs overseas, too, if Congress doesn’t reauthorize the bank. The bank lends money to businesses overseas to help them buy and import American-made products and services. It also underwrites domestic loans for American exporters. It’s been around for 81 years with nary a peep of controversy – until the Tea Party reared its head. The bank’s congressional authorization expired on June 30. The Republican leadership in the House didn’t schedule a reauthorization vote.

Impact: Jobs will have to be outsourced

Jim Puzzanghera 2015. (writes about business and economic issues from the Los Angeles Times’ Washington, D.C., bureau. He joined The Times in 2006 and won the paper’s Editor’s Award in 2009 for coverage of the financial crisis. A Northwestern University graduate, he previously worked for the San Jose Mercury News.) 26 June 2015 “Export-Import Bank's cloudy future raises worries of job losses” http://www.latimes.com/business/la-fi-export-import-bank-20150626-story.html#page=1 (brackets added)

[chief executive of General Electric Co., Jeffrey] Immelt said that many countries will not even allow a company to bid on a major infrastructure project unless it has the backing of a government export-assistance agency. "In country after country, you find the same thing: Deals are structured around export credit financing. And without it, in many cases, you can say goodbye to those deals and the jobs that go with them," he told the Economic Club of Washington. GE won't give up those deals, Immelt said, echoing warnings from other executives that a bank shutdown will cost the U.S. jobs. "We will build these products in places where export credit financing is available because we have to," he said. "What happens then? Good jobs in the U.S. will become good jobs in Canada and Europe," Immelt said. "That's a mighty high price to pay for ideological purity, and it doesn't fit my idea of a national strategy for growth and jobs."

3. Rise of China

Link: Without Ex-Im Bank - US companies lose business to China, US loses political & economic influence

Brendan P. Bechtel 2018. (chairman and CEO of Bechtel Corporation, an engineering, procurement, construction and project management company.) 8 May 2018 “Without EXIM Bank, US companies fight with a hand tied behind their backs” http://thehill.com/opinion/finance/386730-us-companies-fighting-with-a-hand-tied-behind-their-backs-without-exim-bank

When it comes to picking winners and losers, opponents have one part of that argument correct: There are winners and losers, but it’s global competition in the international marketplace, not EXIM, that picks them. Unfortunately, that means thousands of American companies are losing out to their international competitors who enjoy strong national advocacy and aggressive export financing — increasingly from China. For example, Chinese construction contractors have grown from zero to four to [seven of the top 10 global construction contractors over the last two decades](https://www.enr.com/toplists/2017-Top-250-Global-Contractors-1), enabled in part by aggressive export support. This is the competitive reality for U.S. companies in the global marketplace. [In 2016, China provided a staggering $34 billion in export credit, the world's largest amount.](https://www.exim.gov/news/exim-bank-releases-2016-competitiveness-report) Over the coming decade, China is expected to invest $1 trillion in Africa alone, where export financing is a key requirement for international companies. Imagine the political and economic influence this kind of investment affords. Consider the negative consequences if U.S. goods and services can’t fairly compete for Africa’s business during this crucial decade of its economic growth and development.

Link: Dropping Ex-Im Bank = more growth for China

Kristen Hopewell 2017. (journalist) Why the U.S. Needs the ExIm Bank, FOREIGN AFFAIRS 30 Aug 2017 <https://www.foreignaffairs.com/articles/united-states/2017-08-30/why-us-needs-exim-bank>

Conservatives object to ExIm as a deviation from free markets, arguing that it represents crony capitalism and corporate welfare. The bank’s critics say that the government should not be intervening in the markets. By unilaterally constraining its use of export credit, however, the United States is relinquishing an important industrial policy tool, with significant implications for the competitiveness of U.S. manufacturing. In recent decades, the global landscape of export credit has changed dramatically thanks to a surge in export credit provision by [the BRIC countries](https://www.foreignaffairs.com/articles/2013-12-06/ever-emerging-markets)(Brazil, Russia, India, and China). Since 2000, the BRICs have increased their share of global export financing from less than three percent to 40 percent. The vast majority of this increase has come from China, which is now the world’s largest export credit provider. As seen in Figure 1, in 2014 China supplied its firms with $58 billion in export credit—far more than the $12 billion provided by the United States and, indeed, more than all the G–7 rich countries combined.

Impact: World peace & prosperity at risk without US influence. US hegemony is key to global peace & prosperity

Capt. M. V. Prato 2009 (United States Marine Corps,Command and Staff College, Marine Corps Combat Development Command,Marine Corps University) “The Need for American Hegemony” <http://www.dtic.mil/dtic/tr/fulltext/u2/a508040.pdf>

The world witnessed a vast shift in the polarity of geopolitics after the Cold War. The United States became the world’s greatest hegemon with an unequalled ability to globally project cultural, political, economic, and military power in a manner not seen since the days of the Roman Empire. Coined the “unipolar moment” by syndicated columnist Charles Krauthammer, the disparity of power between the U.S. and all other nations allows the U.S. to influence the world for the mutual benefit of all responsible states. Unfortunately, the United States is increasingly forced to act unilaterally as a result of both foreign and domestic resentment to U.S. dominance and the rise of liberal internationalism. The United States must exercise benevolent global hegemony, unilaterally if necessary, to ensure its security and maintain global peace and prosperity.

4. Hurt small businesses

Link: Over 3,000 small businesses rely on the Ex-Im Bank

J.D. Harrison 2015. (Executive Director for Strategic Communications at the U.S. Chamber of Commerce, where he leads a team that specializes in marketing, advertising, digital content, social media and overall communications strategy; previously covered small business, entrepreneurship and public policy for The Washington Post.) 16 July 2015 “Congress’ Ex-Im Mistake, in One Chart” https://www.uschamber.com/above-the-fold/congress-ex-im-mistake-one-chart

Indeed, companies in every other major trading nation have access to trade finance from an official export credit agency. Without Ex-Im, U.S. businesses find themselves at a distinct and [unique disadvantage](https://www.uschamber.com/blog/chamber-s-ex-im-message-hill-and-beyond-it-s-indispensable-small-businesses) when trying to sell goods and services abroad, prohibiting some of them from even bidding on overseas contracts that would help them create jobs back home. It isn’t merely large corporations that depend on Ex-Im, either. More than 3,000 small businesses – [like these](https://www.uschamber.com/blog/here-are-jobs-congress-just-put-jeopardy-nixing-ex-im-bank) – rely on the agency’s trade finance and insurance services to be able to sell their wares internationally.

Link: Ex-Im helps small businesses by authorizing working capital guarantees

Charles Hall 2017. (acting chairman and president of the Export-Import Bank of the United States.) 27 September 2017 “Get the facts right about the Export-Import Bank” https://www.washingtonexaminer.com/get-the-facts-right-about-the-export-import-bank

For example, Ex-Im authorizes working capital guarantees for small businesses, which help meet export orders and hire more workers. Seventy percent of the bank's working capital authorizations supported small businesses in fiscal 2016. Every dollar Ex-Im guarantees on working capital for small businesses generates nearly four dollars in supported exports, meaning on that particular product line, Ex-Im's impact is well beyond the reported dollars authorized.

Link: Ex-Im helps small businesses with export credit insurance products and guarantees

Charles Hall 2017. (acting chairman and president of the Export-Import Bank of the United States.) 27 September 2017 “Get the facts right about the Export-Import Bank” https://www.washingtonexaminer.com/get-the-facts-right-about-the-export-import-bank

In addition, Ex-Im supports small businesses through a range of export credit insurance products and medium-term loan guarantees for foreign buyers of U.S. exports. Carney conveniently omits mentioning these products because the numbers don't fit his narrative. Many of Ex-Im's insurance policies also typically support more exports than the authorized policy amounts because multiple shipments can be insured and paid for during the same policy period. Think of it like having a credit card limit of $5 million. That is just the total amount that you can have on the credit card at any given point in time. You pay the card off each month and then you can use it again up to the authorized amount. Ex-Im only reports the $5 million limit, but the small business may support tens of millions of dollars on that policy each year.

Example: Ex-Im Bank is crucial for small US businesses’ exports

Jim Puzzanghera 2015. (writes about business and economic issues from the Los Angeles Times’ Washington, D.C., bureau. He joined The Times in 2006 and won the paper’s Editor’s Award in 2009 for coverage of the financial crisis. A Northwestern University graduate, he previously worked for the San Jose Mercury News.) 26 June 2015 “Export-Import Bank's cloudy future raises worries of job losses” http://www.latimes.com/business/la-fi-export-import-bank-20150626-story.html#page=1 (brackets added)

U.S. banks won't lend [Robert Patton, chief executive of Patton Electronics Co., a communications equipment manufacturer in Maryland] Patton money on pending payments from abroad, which are viewed as riskier than those from domestic customers. The Export-Import Bank guarantees those foreign payments, enabling Patton to obtain loans that keep the company running until the customers' checks arrive, he said. Loans to foreign buyers of U.S. products are the most well-known export assistance. But other Export-Import Bank initiatives, such as the working capital loan guarantee program used by Patton and other small U.S. firms, also are crucial to selling products abroad, executives said. "I don't know of a domestic bank that will loan on international receivables without some sort of insurance," Patton said.

Brink: Helping small businesses grows the US economy

Charles Hall 2017. (acting chairman and president of the Export-Import Bank of the United States.) 27 September 2017 “Get the facts right about the Export-Import Bank” https://www.washingtonexaminer.com/get-the-facts-right-about-the-export-import-bank

A significant part of Ex-Im's mission is to help American small business move into the world of exporting, so that the United States grows its economy, creates more good American jobs, and shows the world the quality and workmanship of goods and services made proudly in the USA. This is not a process that happens overnight with most companies. Offering small businesses a product that helps them expand beyond American borders is a powerful way to accomplish this part of Ex-Im's mission.

Impact: Hurt US economy

Robert J. Rebori 2014. (president of Bio-Microbics, a water, wastewater and stormwater equipment manufacturer in Shawnee, and he is a member of the Mid-America District Export Council.) 8 August 2014 “Open Mike: Keep the Export-Import Bank” https://ithinkbigger.com/open-mike-keep-export-import-bank/

Not having an Ex-Im program would undoubtedly damage our economy. Because Ex-Im is a performing asset that assists most American businesses, grows our economy and creates jobs, there should be only one outcome—the proper reauthorization and implementation by Congress of the Export-Import Bank.

5. Lost competitiveness

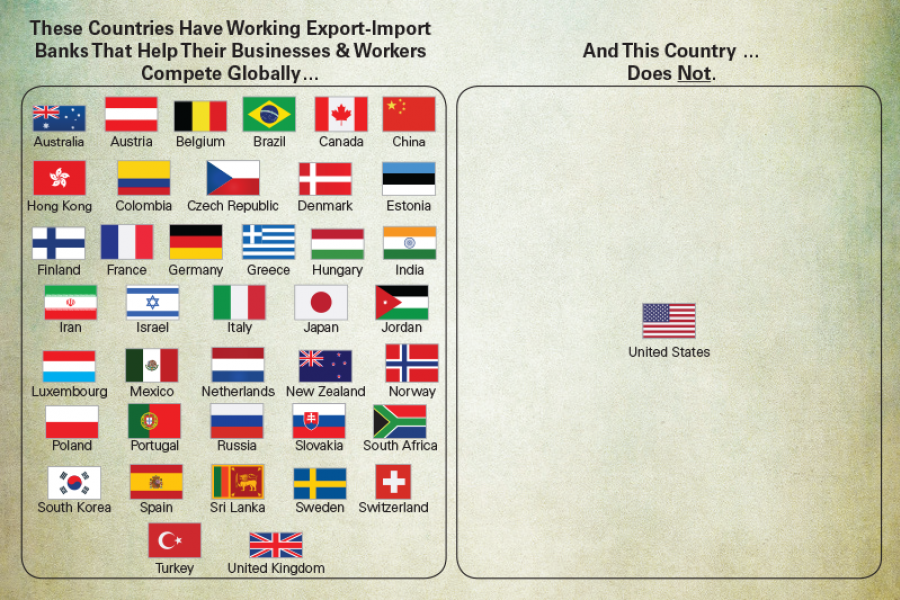
Link: More than 60 other countries have export credit banks

Michael C. McSweeney 2014. (managing partner at Trussville-based McSweeney Holdings.) 28 December 2014 “You've not heard much about Export-Import Bank, but Gary Palmer needs to protect it” https://www.al.com/opinion/index.ssf/2014/12/export-import\_bank\_reauthoriza.html

Many of our competitors are based in countries that provide aggressive export credit financing to their businesses (in fact more than 60 other countries have export credit agencies), meaning that if Ex-Im isn't around, we can't provide competitive financing on our exports and McSweeney Holdings will lose out to foreign companies in countries like China, Germany, and Brazil.

Every major trading nation has an Ex-Im Bank. The US would be the only country without an Ex-Im Bank

J.D. Harrison 2015. (Executive Director for Strategic Communications at the U.S. Chamber of Commerce, where he leads a team that specializes in marketing, advertising, digital content, social media and overall communications strategy; previously covered small business, entrepreneurship and public policy for The Washington Post.) 16 July 2015 “Congress’ Ex-Im Mistake, in One Chart” https://www.uschamber.com/above-the-fold/congress-ex-im-mistake-one-chart



*The United States finds itself on the wrong side of this illustration. Image by U.S. Chamber of Commerce Graphics.*

In some cases, there’s good reason to stand alone, to stray from the crowd, to zig when the rest of the world is zagging. In some instances, it could be considered courageous, even brilliant. In other cases, it’s downright foolish. Closing the Export-Import Bank fits squarely in the latter category. In the illustration above, you can see why Congress’ decision to let the Ex-Im Bank’s charter expire completely undermines American businesses. Indeed, companies in every other major trading nation have access to trade finance from an official export credit agency.

There are 96 other Export-Import Banks around the world

Charles Hall 2017. (acting chairman and president of the Export-Import Bank of the United States.) 27 September 2017 “Get the facts right about the Export-Import Bank” https://www.washingtonexaminer.com/get-the-facts-right-about-the-export-import-bank (brackets added for clarification)

[Timothy Carney, an opponent of the Export-Import bank,] He thinks the bank should not exist, despite the fact that there are 96 other Export-Import Banks around the world supporting their countries' exports. In fact, China financed more of their country's exports in two recent years than the U.S. Ex-Im has financed in its entire 83-year history.

Link: Ex-Im allows the US to compete globally

Jamie Moraga 2017. (president and CEO of IntelliSolutions. She is featured weekly in the Union-Tribune’s business column, the EconoMeter, and has been named as a Top Influential Leader in Military/Defense by the San Diego Business Journal, a Top Influential by the Daily Transcript, and a ‘Top 40 Under 40’ by San Diego Metro Magazine. She was quoted by Phillip Molnar, an award winning reporter for the San Diego Union-Tribune.) 21 April 2017 “Are Trump's plans to revive Export-Import Bank a good thing?” http://www.sandiegouniontribune.com/business/economy/sd-fi-export-import-bank-20170419-htmlstory.html

It may help increase U.S. manufacturing jobs and allow the U.S. to compete more globally with other countries. The Export-Import Bank is designed to help provide loan guarantees to foreign buyers that they can’t get from conventional lenders. Without it, business is likely to go to foreign suppliers. The Bank helps large corporations like Boeing, General Electric, and Caterpillar, and their extensive supply chains that include small businesses, remain competitive in the global marketplace. Approximately 85 countries have similar Export-Import Banks; without one, it could put the U.S. at a global competitive disadvantage.

Link & Brink: The US needs the Ex-Im Bank in order to be competitive

Brendan P. Bechtel 2018. (chairman and CEO of Bechtel Corporation, an engineering, procurement, construction and project management company.) 8 May 2018 “Without EXIM Bank, US companies fight with a hand tied behind their backs” http://thehill.com/opinion/finance/386730-us-companies-fighting-with-a-hand-tied-behind-their-backs-without-exim-bank

However you measure it, U.S. companies operating abroad face a brutally competitive world. International buyers recognize the value and quality of U.S. products, but first they evaluate our competitiveness on capital, financing and procurement costs. We must be competitive in all these respects. U.S. companies need every tool available to compete and win against aggressive foreign competitors who enjoy generous support from their governments. Consider this: Today, the U.S. is the only Group of 20 (G20) member state without a functioning export credit agency (ECA).

Brink: US companies are at a huge disadvantage without the Ex-Im Bank

J.D. Harrison 2015. (Executive Director for Strategic Communications at the U.S. Chamber of Commerce, where he leads a team that specializes in marketing, advertising, digital content, social media and overall communications strategy; previously covered small business, entrepreneurship and public policy for The Washington Post.) 29 August 2015 “Her Small Business was Ready to Hire 100 More People. Then, Ex-Im Expired” http://www.scpr.org/news/2015/07/07/52909/how-export-import-bank-shutdown-could-affect-socal/ (brackets added)

What makes matters even more challenging, she explained, is that her company’s competitors in countries like China, India, France and Germany all have the support of government-run export credit agencies. In fact, [every major trading nation](https://www.uschamber.com/above-the-fold/congress-ex-im-mistake-one-chart) around the world has just such a bank; every major trading nation, that is, except for the United States. “We never thought the day would come that a first-world nation like the U.S. would not have an export credit agency,” [Kusum Kavia, president of Combustion Associates Inc., which designs and manufactures power plants all over the world] Kavia said. “Here you have China, whose export credit agency has been very bullish, and Korea with their two export credit agencies; it puts us at a real disadvantage.”

Brink: US businesses would be at a competitive disadvantage without the Ex-Im bank

Dr. David Ely 2017. (Associate Dean for Academic Affairs in the Fowler College of Business. He is also Professor of Finance and teaches courses in financial institutions and business economics; PhD in Economics; quoted by Phillip Molnar, an award winning reporter for the San Diego Union-Tribune.) 21 April 2017 “Are Trump's plans to revive Export-Import Bank a good thing?” http://www.sandiegouniontribune.com/business/economy/sd-fi-export-import-bank-20170419-htmlstory.html

In an ideal world, firms would compete for customers in global markets without the involvement of government agencies. However, many national governments have created entities like the U.S. Export-Import Bank to facilitate the financing of exports to foreign buyers on attractive terms. Without the support of the Export-Import Bank, U.S. firms pursuing customers in global markets would find themselves at a competitive disadvantage to their foreign competitors.

Brink: Without Ex-Im, US exporters are at a major disadvantage

Jim Puzzanghera 2015. (writes about business and economic issues from the Los Angeles Times’ Washington, D.C., bureau. He joined The Times in 2006 and won the paper’s Editor’s Award in 2009 for coverage of the financial crisis. A Northwestern University graduate, he previously worked for the San Jose Mercury News.) 26 June 2015 “Export-Import Bank's cloudy future raises worries of job losses” http://www.latimes.com/business/la-fi-export-import-bank-20150626-story.html#page=1 (brackets added)

And there's a broader issue of U.S. competitiveness. At least 59 other nations — including China, Germany and France — have similar agencies assisting their exporters. Export-Import Bank President Fred Hochberg has said the U.S would be putting its exporters at a major disadvantage, allowing competitors such as Airbus in France to grab more business.

Impact: Tens of millions of dollars in exports and tens of thousands of jobs in the US manufacturing sector will be at risk

Jim Puzzanghera 2015. (business and economic reporter for the Los Angeles Times; Northwestern University graduate.) 26 June 2015 “Export-Import Bank's cloudy future raises worries of job losses” http://www.latimes.com/business/la-fi-export-import-bank-20150626-story.html#page=1

"If Ex-Im is not reauthorized a year from now," said Linda Dempsey, the group's vice president for international economic affairs, "we believe that there are tens of millions of dollars in exports and tens of thousands of jobs in the manufacturing sector that are going to be put at risk."

Impact: US jobs depend on exports

Prof. Alan Gin 2017. (Associate Professor of Economics at the University of San Diego; Master's of Arts and Ph.D. in Economics, from University of California at Santa Barbara. He was quoted by Phillip Molnar, an award winning reporter for the San Diego Union-Tribune.) 21 April 2017 “Are Trump's plans to revive Export-Import Bank a good thing?” http://www.sandiegouniontribune.com/business/economy/sd-fi-export-import-bank-20170419-htmlstory.html

Conservatives argue that the Export-Import Bank interferes with the market mechanism, which is the case. However, in doing so, it helps promote the purchase of goods manufactured in the United States and, in turn, employment in those industries. It is particularly important in helping people and companies in foreign countries buy big-ticket items such as airplanes, farm equipment, and industrial equipment.

Impact example: Ex-Im has helped Alaskan companies export over $171 million in goods

Rachel Petro 2015. (president and CEO of the Alaska Chamber. The Alaska Chamber’s mission is to improve Alaska’s business climate.) 28 October 2015 “Alaska, U.S. small businesses deserve better on Ex-Im Bank” https://www.al.com/opinion/index.ssf/2014/12/export-import\_bank\_reauthoriza.html

Since June, Congressional gridlock has sidelined the federal Export-Import Bank. This small agency helps Alaskan companies sell their goods overseas by offering loans and insurance products when no private sector alternative is available. Over the past few years, Ex-Im has helped Alaskan companies export over $171 million in goods. It has helped small businesses break into the export market, allowing them to reach new customers and hire new employees. It has helped larger businesses sell more products, which in turn means more businesses for their subcontractors and suppliers. It has allowed companies such as Salamatof Seafoods of Kenai sell their salmon and other seafood overseas. It has allowed Lynden Air Cargo of Anchorage to thrive. And it has allowed Gunderboom sell its Alaskan-made Subsurface Oil Control System around the globe. In short, Ex-Im has helped create jobs and boosted our economy. Over 65 percent of the Alaska Chamber’s members are small businesses and deserve a chance to compete globally.

Impact: Foreign competitors will take business from the US companies

Victoria Guida 2015. (financial services reporter covering banking regulations and monetary policy for POLITICO Pro;graduated from Univ of Missouri with a double major in journalism and political science.) 30 July 2015 “Businesses fume at Congress over death of Ex-Im Bank” https://www.politico.com/story/2015/07/businesses-fume-as-congress-lets-ex-im-stay-dead-120798

Gary Mendell, president of trade financier Meridian Finance Group, said export credit agencies in other countries are already taking advantage of Ex-Im’s expiration to lure away business from U.S. companies. “They’re gleeful about it, and I don’t blame them,” Mendell said. “Those foreign competitors are going to customers in other countries and saying, ‘Hey, you don’t know if your U.S. supplier is even going to be able to ship to you and give you the payment terms they’re promising in their quote, because look what’s happening with Ex-Im Bank.’”

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