SUMMARY

Help create more American job and spur African Economic Growth by supporting HR 4221 "The Increasing American Jobs through Greater Exports to Africa of 2012"

to spur African Economic Growth

This bill will help create American jobs by increasing the number of U.S. exports to Africa by at least 200 percent in real dollar value within ten years of enactment of the law.

Why Africa?

Africa has an expanding middle class hungry for American products and is also in need of investment in its rapidly expanding infrastructure. African leaders and consumers typically prefer American companies and products for reasons of product quality or labor/environmental standards, but often cannot resist flexible or cheap Chinese financing. China has aggressively descended on the continent to ensure its businesses have first access to markets and commodities needed to feed its growing economy. The United States has underestimated China's posture while failing to develop a coherent strategy to compete, hurting both American business interests and political influence.

"*We work like slaves … And like slaves we are not paid. The Chinese bring nothing good to Guinea*." Guinean worker building a hospital for a Chinese company (New York Times, March 25, 2009[1])

Between 2008 and 2010 China provided more loans to the developing world than the World Bank -- loans totaling more than $110 billion. In the next decade China is poised to invest internationally as much as $2 trillion. In 2009, China surpassed the United States as the African continent's largest trading partner. Such aggressive Chinese investment in Africa and abroad puts American business and workers at a disadvantage as key markets that are instead filled by Chinese companies using low interest government loans. African consumers lose access to high quality American products and American workers lose important export markets.

Increasing Exports to Africa

The tools available to the United States to competitively compete with China in Africa are scattered, difficult to access, and not effectively coordinated. This bill would harmonize the U.S. Government's focus on increasing exports to Africa by making the following improvements:

- Develop a comprehensive strategy to create American jobs by increasing exports of US goods and services to Africa by at least 200 percent in real dollar value over the next ten years.
- Create a Special White House Africa Strategy coordinator to ensure government agencies are maximizing resources to help U.S. companies expand into African markets.
- Coordinate the Export-Import Bank, State Department, the National Export Council, the U.S. Trade Representative, Department of Commerce, Small Business Administration, Overseas Private Investment Corporation, Development Agencies, Multilateral Development Banks, the Trade Policy Staff Committee and Trade Promotion Coordinating Committee efforts to more effectively promote U.S. business exports to Africa.
- Place the U.S. African Diaspora community in a position to better strengthen U.S.-Africa relations, positioning them as a catalyst for trade with Africa. African Diaspora will help improving the competitiveness of United States businesses in Africa, playing a vital role in enhancing such competitiveness;
- Explore ways that African Diaspora remittances can help governments in Africa tackle economic, development, and infrastructure financing needs;
- Promoting economic integration within the region;

- Ensuring that U.S. has policy has made a meaningful contributions to the transformation of Africa allowing it to progress toward fully integrate into the twenty-first century world economy not only as a supplier of primary products but also as full participant in international supply and distribution chains;
- Encouraging a greater understanding among United States business and financial communities of Africa and the opportunities it holds for American exports;
- Establish and or maintain Export Import Bank and Department of Commerce trade staff full time on the African continent to help U.S. businesses.
- Formalize training received by U.S. and Foreign Commercial Service officers and Department of State and U.S. Agency for International Development economic officer on key programs and procedures of the Export-Import Bank, the Overseas Private Investment Corporation, the Small Business Administration, and the U.S. Trade and Development Agency.
- Raise limits on Export Import Bank loans available to U.S. businesses to directly combat Chinese concessional loans (this does not involve new money since Ex-Im is a profitable self-financing agency).
- Further Overseas Private Investment Corporation's efforts to foster U.S. business access to African markets (requires no new funds as OPIC is a profitable self-financing agency).