

# **Made in the USA Reports**

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## Announcing the Ramparts Project



### Reinforcing American-Made, Pre-empting All Redefinitions by The States

The ramparts red glare is from the Star Spangled Banner that was written by Francis Scott Key as he watched Ft. McHenry (above) defending against British aggression. A rampart is a defensive wall. The project will defend and protect American manufacturers. The RAMPARTS project of the Made in the USA Foundation is to reinforce the national definition for "Made in the USA" to help manufacturers and consumers understand what that term means. The goal of the RAMPARTS project is to get corrective federal legislation passed in 2015.

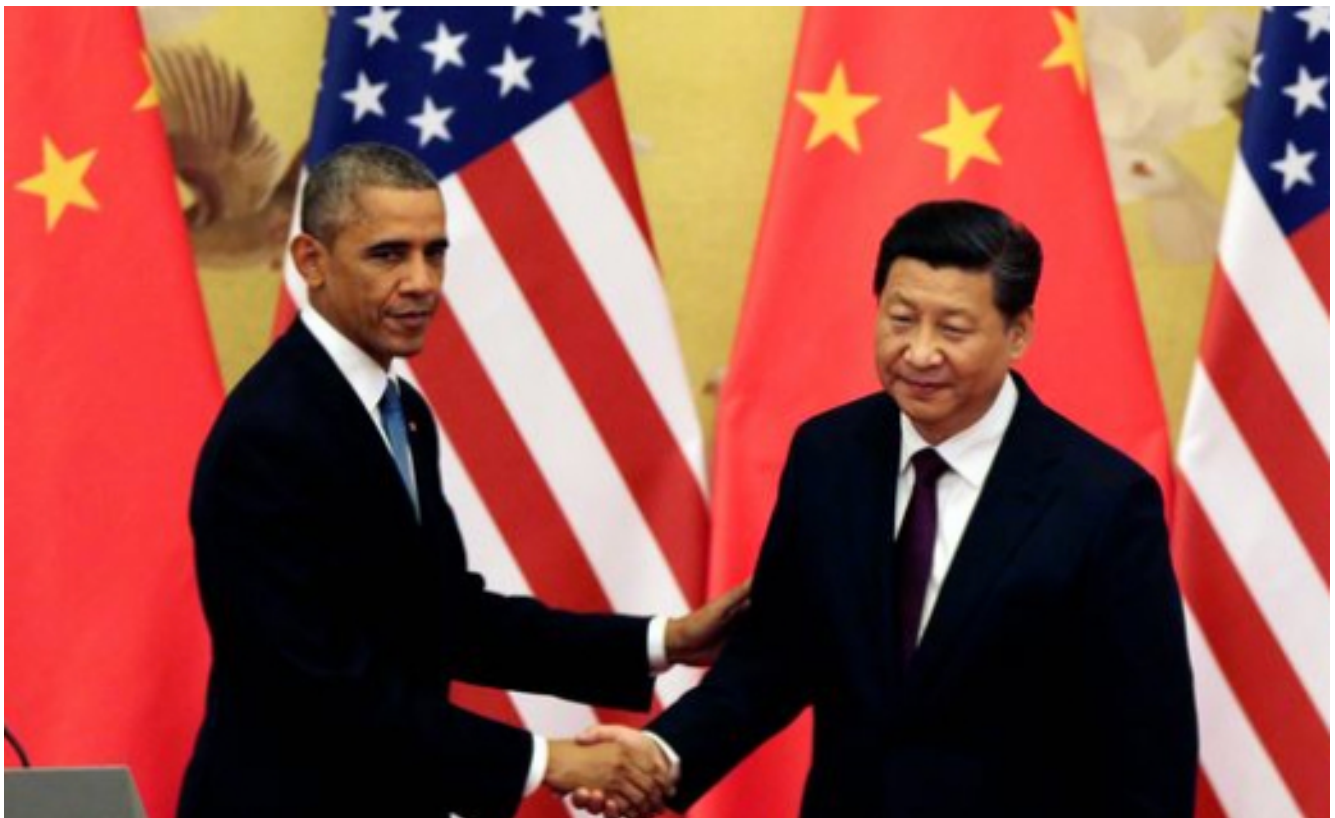
California has the only state law that defines "Made in the USA." The law is more than 60 years old and requires 100% Made in the USA, an unrealistic number in today's global economy. The Federal Trade Commission requires a lesser amount and this legislation would create a uniform standard in all 50 States. Lifetime Products, a manufacturer of sporting goods, Maglite, a major flashlight manufacturer and Redwing Shoes are supporting this effort.

# Obama's "Historic Agreement" with China is Neither Historic, nor an Agreement

By Joel D. Joseph, Chairman, Made in the USA Foundation

China is producing about one-third of the world's greenhouse gases, twice the level of the United States. If we are truly serious about reducing greenhouse emissions and air pollution, we must get tough with China (as well as with Russia and India) who produce high levels of carbon pollutants. The recent vague and supposed historic agreement entered into between President Obama and China's President Xi Jinping does not require China to do anything specific, only to promise to do something about pollution reduction in 16 years.

The agreement is not historic. It is, in fact, a continuation of the United States' lame policy of trying to play nice with China. This governmental inertia goes on while China continues to steal jobs from the United States and pollute our air.



## **The Agreement is Not Binding on the Parties**

The “agreement” entered into between President Obama and China is not binding on the parties. Agreements, by their very definition, must be binding or they are not worth the paper on which they are written. Further, it is not a treaty because it will not be presented to the U.S. Senate for approval. Treaties must be approved by a two-thirds vote of the Senate. That means that there is no binding international law that can require the United States, or China, to reduce these toxic emissions. The agreement has lofty goals for a document that no one can enforce.

China has agreed to reduce emissions if the United States does so first. The “agreement” states that the United States will reduce carbon pollution 26-28 percent less in 2025 than it did in 2005. Even the United States does not have to do anything for eleven years. China’s unenforceable pledge is to stop pollution from *increasing* by 2030. So the agreement allows China to continue to increase carbon emissions for 16 years and *then, and only then* start to reduce them.

## **Global Environmental Standards**

Pollution in China is actually an unfair trade practice. Economists call air pollution an “externality.” An externality is a cost imposed on others by manufacturers who avoid paying the true costs of production. China is imposing these costs on people in China and in the United States who are forced to breathe polluted air.

We need to take the initiative and propose and implement Global Environmental Standards unilaterally. We can start with the U.S. Clean Air Act as a template. The Clean Air Act requires that all power plants in the United States must meet the same strict standards. It requires that all steel plants must meet clean air standards and that all cement plants must meet minimum standards as well.

We can implement these Global Environmental Standards unilaterally. For example, we can ban the importation of steel made in plants that do not meet our environmental standards. The California Department of Transportation (CalTrans) purchased (stupidly, I must add) steel from China to build the new San Francisco-Oakland Bay Bridge. Jim Merrill, formerly a top manager with MacTec Engineering and Consulting Inc., oversaw the San Francisco Bay Bridge quality control work in China from 2006 through 2008. In 2008 he warned Caltrans officials that parts produced by Zhenhua Port Machinery Co. contained “hundreds of cracks,” prohibited by the

contract and by welding codes. Not only was this steel welded improperly it was made with steel whose production emitted much more pollution while it was made than steel from American factories.

According to the recent report, “An Assessment of Environmental Regulation of the Steel Industry in China,” “China’s steel industry now accounts for 50 percent of the world’s production of carbon dioxide from steelmaking— approximately equal to all the other steel mills in the world combined.” An economist serving in China’s Ministry of Commerce told *New York Times* that, with respect to steel, “the shortfall of environmental protection is one of the main reasons why China’s exports are cheaper.”

If we are really serious about the environment and global warming, we have the power and the tools to do something about it. The United States is the biggest market for China (and India’s) products and can compel them to clean up their factories or be barred from selling in the United States. We have laws on the books that ban the importation of products made by child labor, and can similarly prohibit the importation of goods that are made in polluting factories.