March 28, 2024

The Honorable Katherine Tai Office of the United States Trade Representative 600 17th Street NW Washington, DC 20508

Dear Ambassador Tai,

We write to you as advocates of trade policy that works in the interest of American consumers and workers. For years, Big Tech monopolists have worked to leverage their influence in Washington to undermine national and international efforts to rein in their anti-competitive behavior. On March 13, *Politico* reported that the Office of the U.S. Trade Representative (USTR) is set to modernize its statutorily-required annual National Trade Estimate (NTE) report of illegal trade barriers around the world by removing various pro-competition and pro-consumer policies that have been listed in some previous NTEs.<sup>2</sup>

We applaud you for any such revisions. The NTE had become a platform for large corporations and their lobbying associations to elevate special interest peeves about other countries' competition and other policies into official U.S. policy. We appreciate your work to make U.S. trade policy consistent with the Biden administration's competition and other pro-workers and pro-consumer goals and policies.

The rise of corporate concentration, most notably in the tech sector, has undermined American economic dynamism. As efforts to rein in Big Tech companies' anti-competitive behavior have intensified, their lobbyists have resorted to quietly pushing monopoly-friendly language in trade agreements.<sup>3</sup> The reported move to remove competition policies from being listed as illegal trade barriers the NTE would build upon the Biden administration's sound decision last year to remove U.S. support from several anomalous Trump-era digital trade proposals at the World Trade Organization (WTO) that had been promoted by Big Tech interests.<sup>4</sup> As you've noted,

<sup>&</sup>lt;sup>1</sup> The American Prospect, "Big Tech Lobbyists Explain How They Took Over Washington," David Dayen, April 18, 2023 <a href="https://prospect.org/power/2023-04-18-big-tech-lobbyists-took-over-washington/">https://prospect.org/power/2023-04-18-big-tech-lobbyists-took-over-washington/</a>

<sup>&</sup>lt;sup>2</sup> Politico, "USTR to scale back digital trade concerns in annual report," Doug Palmer and Ari Hawkins, March 13, 2024,

 $<sup>\</sup>underline{\text{https://subscriber.politicopro.com/article/2024/03/ustr-to-scale-back-digital-trade-concerns-in-annual-repor}\\ \underline{\text{t-00146722}}$ 

<sup>&</sup>lt;sup>3</sup> Washington Post, "Advocates urge U.S. not to offer 'Big-Tech-favored terms' in trade talks," Cristiano Lima-Strong, March 15, 2023,

https://www.washingtonpost.com/politics/2023/03/15/advocates-urge-us-not-offer-big-tech-favored-terms-trade-talks/

<sup>&</sup>lt;sup>4</sup>Reuters, "US drops digital trade demands at WTO to allow room for stronger tech regulation," David Lawder, October 25, 2024.

 $<sup>\</sup>frac{https://www.reuters.com/world/us/us-drops-digital-trade-demands-wto-allow-room-stronger-tech-regulation-2023-10-25/$ 

major advances in technology in recent years make the need for governments to reconsider monopoly-friendly digital trade language all the more pressing.<sup>5</sup>

We welcome a future in which trade policy is reoriented away from the interests of monopolists and toward the interests of workers, smaller businesses and consumers. Reforming the NTE can play a role in this reorientation by putting consumers, workers, and competition first in an era of rapid technological transformation.

## Sincerely,

American Economic Liberties Project American Family Voices Blue Future Center for Digital Democracy Citizens Trade Campaign **Demand Progress Education Fund** Institute for Local Self-Reliance Lake Research Partners Main Street Alliance Maryknoll Office for Global Concerns Open Markets Institute Our Revolution Other 98% Presente.org Progress America Progressive Change Institute Public Citizen Rethink Trade **Revolving Door Project** RootsAction.org Surveillance Technology Oversight Project Tech Oversight Project Trade Justice Education Fund

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<sup>&</sup>lt;sup>5</sup> Politico, "Tai says digital trade move avoided "policy suicide," Doug Palmer, December 7, 2023, <a href="https://subscriber.politicopro.com/article/2023/12/tai-says-digital-trade-move-avoided-policy-suicide-00130635">https://subscriber.politicopro.com/article/2023/12/tai-says-digital-trade-move-avoided-policy-suicide-00130635</a>