

# Frank, Paul Letter Regarding GATS Gambling Commitment

Washington, DC - House Financial Services Committee Chairman Barney Frank, and Rep. Ron Paul, sent a letter on March 14, 2008, to U.S. Trade Representative Susan Schwab requesting the details of a trade agreement between the United States and the European Union, Japan and Canada to compensate nations for withdrawing from the GATS gambling commitment.

The full text of the letter as follows:

March 14, 2008

The Honorable Susan C. Schwab  
United States Trade Representative  
600 17th Street, N.W.  
Washington, DC 20508

Dear Ambassador Schwab:

We are writing to request details of the trade agreement between the United States and the European Union, Japan and Canada that was negotiated in December to compensate these nations for withdrawing our GATS gambling commitments under Article 21. Press reports have indicated that new trade opportunities will be provided in the postal and courier, research and development, storage and warehouse, and testing and analysis sectors, but no dollar amount has been attached to these new concessions, and very few specifics have been provided.

Furthermore, as indicated in the attached article, it is our understanding that your agency has cited “national security” in refusing to release details about this agreement in response to a FOIA request. We find this unacceptable. If, in fact, there are some additional trade concessions that were made that do have national security implications, we request a secure briefing on those issues. However, if this is merely an attempt to avoid revealing the cost of these trade concessions, either because they would be viewed as too costly by the United States or not costly enough by the negotiating countries, this FOIA denial on the grounds of “national security” would appear to be a misuse of the FOIA process. It is my understanding that, prior to this settlement, some trade experts estimated that the trade concessions could cost the United States many billions of dollars in compensation.

We need to know how much the United States government has conceded in furtherance of this ill-advised policy, in addition to the losses we have already sustained at the WTO, and we expect a prompt response to this request.

Sincerely,

Barney Frank

Ron Paul