

Trump pledges to revive Export-Import Bank



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In a reversal from prior statements, President Donald Trump pledged to restore the United States Export-Import Bank on Thursday, February 9, 2017, according to two Democratic senators.

According to Senator Joe Manchin (D-W.Va.) and Senator Heidi Heitkamp (D-N.D.), President Trump clearly indicated that he was “committed” to ensuring the Bank was restored to full capacity. Senator Manchin [stated](#) that President Trump said “I’ve changed my mind completely on that. I’ve seen how it functions and what it can do and we can’t compete if we don’t have a functioning Ex-Im Bank.”

The Bank, which provides loan guarantees and credit to U.S. businesses exporting abroad, is presently unable to finance projects of more than \$10 million because its board lacks a quorum.

Members of the Bank’s board must be confirmed by the U.S. Senate, and opposition by conservative lawmakers has resulted in three vacancies on the Bank’s five-seat board. Although the Bank’s supporters [believe](#) it is essential to ensuring U.S. firms are able to compete on equal footing with foreign competitors that benefit from government subsidies, a number of Republicans, including House Speaker Paul Ryan (R., Wis.), oppose the Bank on a number of grounds, [including](#) its impact on the budget, distortion of the free market, and perceived subsidization of the special interests of major corporations. Due to this opposition, the Bank’s charter expired in July 2015, only to be reauthorized by President Barack Obama in December 2015. However, GOP leaders have been able to limit the scope of the Bank’s operation by refusing to permit confirmation votes to fill the vacant board seats.

In August 2015, then Presidential candidate Trump [stated](#) during an interview with Bloomberg’s *With All Due Respect* that he would “be against” the Bank, because he thought it was “unnecessary,” “not really free enterprise,” and “sort of a featherbedding for politicians and others, and a few companies...that can do very well without it.” Then in May 2016, he [indicated](#) during a radio appearance that he might be reconsidering his position. Trump’s position reportedly changed because of an explanation of the bank’s mission he received from Boeing Co.’s CEO, Dennis Muilenburg. Boeing has been the Bank’s largest client in recent years.

Media reports [indicate](#) that President Trump instructed his chief of staff, Reince Priebus, to work with Senator Heitkamp on the selection of nominees for board seats. All eyes will be focused on the White House and the Senate as we wait to see whether the Bank will, in fact, be brought to full strength once again.