

U.S. Trade and Development Agency

Eliminate the U.S. Trade and Development Agency

RECOMMENDATION

Congress should eliminate the U.S. Trade and Development Agency (USTDA).

RATIONALE

The USTDA is intended to help companies create U.S. jobs through the export of U.S. goods and services for priority development projects in emerging economies. The USTDA links U.S. businesses to export opportunities by funding project planning activities, pilot projects, and reverse trade missions while creating sustainable infrastructure and economic growth in partner countries.¹

These activities more properly belong to the private sector. The best way to promote trade and development is to reduce trade barriers. Another way is to reduce the federal budget deficit and thereby federal borrowing from abroad, freeing more foreign dollars to be spent on U.S. exports instead of federal treasury bonds. A dollar borrowed from abroad by the government is a dollar not available to buy U.S. exports or invest in the private sector of the U.S. economy.

ADDITIONAL READING

- Patrick Louis Knudsen, “\$150 Billion in Spending Cuts to Offset Defense Sequestration,” Heritage Foundation *Background* No. 2744, November 15, 2012.
- Brian M. Riedl, “How to Cut \$343 Billion from the Federal Budget,” Heritage Foundation *Background* No. 2483, October 28, 2010.
- Bryan Riley and Anthony B. Kim, “Freedom to Trade: A Policy Guide for Lawmakers,” Heritage Foundation *Background* No. 3064, October 20, 2015.

ENDNOTES

1. U.S. Trade and Development Agency, "Our Mission," <http://www.ustda.gov/about/mission> (accessed May 11, 2017).