

TUA NEWS RELEASE

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KILL EXPORT-IMPORT BANK -- MOTHER LODE OF CRONY CAPITALISM!

CHICAGO – The president of one of the nation’s largest taxpayer organizations today urged members of the House Financial Services Committee not to renew the charter of the Export-Import Bank, calling it “The mother lode of crony capitalism.” The charter of the 80-year-old agency expires on September 30.

“The Export-Import Bank borrows taxpayer dollars from the U.S. Treasury and uses the money to help American companies sell abroad,” said Jim Tobin, President of Taxpayers United of America (TUA). “It offers low-cost loans to foreign buyers or guarantees against potential losses made by exporters.”

“Companies that benefit from crony capitalism such as Boeing Co., General Electric Co., and organizations such as the U.S. Chamber of Commerce and the National Association of Manufacturers, have started an all-out lobbying effort on behalf of the bank, according to the Wall Street Journal. All members of the U.S. Congress will receive an index card showing what companies in their districts benefit from the bank, and the number of people employed.”

“According to the Journal, business owners will be brought in for fly-ins to go from office-to-office on Capitol Hill to aid in the lobbying effort.”

“Veronique de Rugy, a senior research fellow at the Mercatus Center at George Mason University, makes a moral case against the Export-Import Bank. In her article on NRO, she states that the fundamental case against the Export-Import Bank is simple and unavoidable: It is not the role of the federal government to subsidize private businesses, period.”

“She points out that a major function of the Export-Import Bank, practically speaking, is to coax foreign companies to buy Boeing airplanes.”

“The Export-Import Bank, whose largest beneficiary is aircraft maker Boeing, is universally recognized as inefficient, unnecessary, and distorting to price signals. It’s time to let this crony-capitalism monster, which uses taxpayer funds from the Treasury, to expire on September 30.”