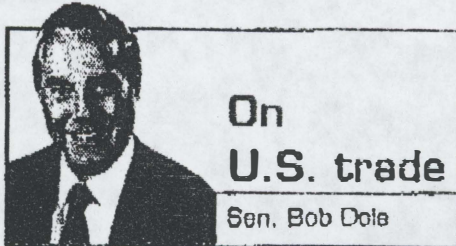


COMMENT

Government should reorganize to prepare for battle in trade war

Too much of the ongoing debate in America over trade issues ends up in mere finger-pointing rather than substance. That's too bad, considering the huge stake Kansas has in international trade. It's time for reform.



The finger-pointing usually begins by blaming the Japanese. No doubt about it, they deserve some of the blame, but faced with facts showing that not all of the problems are made in Japan, we turn quickly to blaming each other.

Business lays the blame at labor's doorstep, and vice versa. Democrats say it is all the fault of George Bush, and Republicans respond by lambasting the Democrat-controlled Congress.

Who, in fact, is to blame? The answer is "all of the above." Japan and other trading partners are clinging stubbornly to unfair trading practices. Both business and labor, at times, have been too greedy and too short-sighted. The President hasn't always done the right thing, or done it aggressively enough. And Congress — on this issue, as well as others — sometimes does too much, and does it wrong.

Having acknowledged all of that, though, isn't it about time we put aside all the ally-bashing, finger-pointing and bad-mouthing, and get down to the serious business of righting our trade imbalance?

With tenacity, adequate resources and a coherent strategy, we won the Cold War. It's about time we got ourselves organized with similar determination to win the "hot war" of international trade.

I would suggest three things we should do to get started.

First, trade should be at the very top of the organizational structure of our government. We've been debating trade reorganization for years. Let's stop debating and start reorganizing in a way that will give us a lean, mean governmental structure to attack our trade problems.

At a minimum, we should upgrade the office of the U.S. Trade Representative (USTR) — renaming it the Department of

International Trade, and bringing it under its control some of the foreign trade elements now in the Commerce Department.

In addition, acknowledging that trade is central to our national security, we should make the new Secretary of International Trade a member of the National Security Council.

Second, we should dramatically beef up our intelligence and information-gathering capabilities on trade issues.

The end of the Cold War and the coming of a "New World Order" have led to a number of suggestions for changes in the structure of our intelligence community, but none is more urgently needed than giving a higher priority to collection and analysis of intelligence on trade issues.

Specifically, within the CIA, we should create a new directorate of economic and trade intelligence headed by a second deputy director of Central Intelligence. The new directorate should be formed partly by consolidating economic and trade-related analysts from elsewhere in the intelligence community, and partly by increasing hiring of such specialists.

The new deputy director would supplement the one deputy we now have — who by tradition and training, focuses on political and administrative tasks. The second deputy, while heading the analytic directorate, should have the authority to tap our worldwide intelligence-collecting apparatus for trade-related information.

Third, we should make a parallel organizational change at the National Security Council. The NSC has the critical task of deciding when and how to put national security-related decisions on the President's desk — a "door-keeping" function whose importance is recognized by every business executive.

We need a second deputy national security advisor to give economic and trade issues the advocate they deserve in our national security considerations. That official must be staffed by top-flight economic and trade specialists who — like political counterparts in the existing NSC structure — can tap all relevant departments and agencies of the executive branch.

These changes are certainly no panacea for our trade problems. But they are a start — a way to get ourselves organized to have a fighting chance to win the "hot war" of trade.