

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

Mr. Keith Michael Fiels
Executive Director
American Library Association
1301 Pennsylvania Avenue, N.W.
Suite 403
Washington, DC 20004-1701

AUG - 8 2005

Dear Mr. Fiels:

I am writing in order to address the concerns raised with my staff by the American Library Association regarding the potential impact of the World Trade Organization (WTO) General Agreement on Trade in Services (GATS) on America's public libraries, including that U.S. GATS commitments may adversely affect governmental support for core public library services. I do not believe our commitments will produce these adverse results.

Given the pervasiveness of government support for public libraries around the world, we believe it is highly unlikely that any of our trading partners would ever challenge our ability to support public libraries in the United States. If there ever were such a challenge, I expect USTR would argue that U.S. GATS commitments do not impact governmental support for core library services provided free of charge to the general public. In addition, the GATS contains no provisions limiting the ability of federal, state, or local governments to provide funding to public libraries.

As the WTO negotiations progress, we will continue to discuss with other Members whether to develop subsidies disciplines for trade in services. Participants in these discussions, however, are not considering imposing constraints on government support for core public services. Many governments financially support such services, often to a far greater degree than the United States. Support for core public services has little, if any, bearing on international trade.

I realize your concerns regarding the GATS were elevated due to the removal of certain clarifying language from the most recent U.S. submission in the negotiations. We took this action primarily in response to concerns voiced by other WTO members. They were concerned that our proposed language could imply that, absent such language, GATS would be interpreted to cover services supplied in the exercise of governmental authority. In other words, our trading partners have always interpreted GATS to exclude such services; therefore, additional language on this point was merely confusing and redundant. Please be assured that the removal of the language in question does not mean that we have deviated from our longstanding policy of ensuring that trade agreements do not adversely affect governmental support for libraries' core services.

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Thank you for raising your concerns. My staff is always available to respond to questions concerning the status of our negotiations. Please keep in touch.

Sincerely,


Rob Portman