



May 6, 2026

The Honorable Jason Smith
Chairman
U.S. House Committee on Ways and Means
Washington, DC 20515

The Honorable Richard Neal
Ranking Member
U.S. House Committee on Ways and Means
Washington, DC 20515

Re: Statement for the Record - The President's 2026 Trade Policy Agenda

Dear Chairman Smith and Ranking Member Neal:

Public Citizen, a nonprofit consumer advocacy organization with more than one million members and supporters, welcomes the opportunity to submit this statement for the record to the Ways and Means Committee hearing on the [President's 2026 Trade Policy Agenda](#).

For many years, U.S. trade policy rewarded companies for moving production to countries with lower wages, weaker labor protections, and weaker environmental rules. Those policies helped drive factory closures, diminish workers' bargaining power, and increase inequality, while also contributing to environmental harm and migration pressures abroad. President Trump rose to power in part by promising to fix these problems.

The president's trade agenda, released on March 2, 2026, makes several bold claims, focusing on the need to rebuild American industry. While in itself a laudable goal, the lack of substance in the policy indicates that this administration lacks a coherent plan to achieve any of its stated aims, including re-shoring manufacturing or advancing the interests of American workers. Additionally, Ambassador Jamieson Greer's testimony before this Committee on April 22, 2026, cherry-picked facts to present an incomplete and false picture of the Trump administration's disastrous trade policy. For example:

- The administration has refused to acknowledge the [80,000 manufacturing jobs lost](#) during Trump's second term. Instead, Ambassador Greer pointed to a single quarter's data (Q1 2026) to argue that Trump has "now reversed the trend of manufacturing job losses." This ignores the thousands of Americans pushed out of work in Trump's second term to date.ⁱ
- Ambassador Greer claimed "our agricultural community is one of the largest beneficiaries" of America First policies, yet in 2025, global agricultural exports fell by \$4.8 billion, some 6% from the previous year, and 23% less than in 2022.ⁱⁱ Soybean exports — the backbone

of many farm economies — were among the hardest hit, falling over 30% in 2025, a decline directly related to a retaliatory trade war with China.ⁱⁱⁱ

- Ambassador Greer claimed that real manufacturing worker pay has increased by \$2,400 in one year under President Trump. This statement is not supported by facts. Greer misquoted his [own press release](#), incorrectly attributing figures from the mining sector, not manufacturing. The most recent [Real Earnings release](#) from the Bureau of Labor Statistics shows real average hourly earnings for *all* workers fell 0.6 percent in the last year (March 2025-March 2026) and production workers in manufacturing saw virtually no change in that time.^{iv}

Simply put, working people are not benefiting from the administration’s chaotic approach to trade. Tariffs can be a useful tool when targeted to support critical industries, defend against unfair trade practices, and when linked to a broader plan to support domestic production and workers. However, this administration’s policy focuses on sweeping, unstrategic tariff threats, secretive pressure campaigns against other countries, and trade demands that place the interests of the biggest corporations over that of the public.

1. Agreements on Reciprocal Trade

The 2026 Trade Policy Agenda identifies the Agreements on Reciprocal Trade (ART) as the centerpiece of this administration’s trade strategy. In his [opening statement](#), Ambassador Greer boasted about concluding nine ARTs together with nine framework deals. However, the ARTs were based on illegally imposed tariffs, making it unsurprising that [countries](#) have already called into question the [legality](#) of these deals, which may not survive the test of time.

In addition, the terms of these deals make it clear that they constitute comprehensive and legally binding trade agreements. Yet, the deals were negotiated in complete secrecy, outside any formal delegation of congressional authority and without public participation. The USTR failed to publish negotiating drafts, undertake stakeholder consultations, or produce analyses of the elements and terms of the deals.

The unacceptable process under which the ARTs have been and continue to be negotiated is matched by concerning substantive rules. Several provisions in the ARTs target crucial public interest policies in the signatory countries that have been inappropriately labeled as “non-tariff barriers” in the administration’s 2025 and 2026 National Trade Estimate reports. These reports largely regurgitate a list of public-interest laws from around the globe that big corporations want removed, ranging from crucial digital economy regulations to climate and public health policies. The USTR must recognize that countries have a sovereign right to adopt measures in furtherance of public purposes, as done in the Biden administration’s NTE Report of 2024.

2. An Agenda for Big Tech

Trump's Trade Agenda, the provisions of ART texts to date, and the 2026 NTE Report make it clear that this administration will continue to target crucial digital economy regulations of foreign countries on behalf of Big Tech companies. We note, in particular, that the administration has [sought to target](#):

- Data protection and privacy regulations that seek to limit the ability of corporations to export data without implementing adequate privacy safeguards;^v
- Digital competition regulations that seek to promote a level playing field in the digital ecosystem and protect consumers from unethical practices of dominant enterprises;^{vi}
- AI regulations, like those in the EU, which impose safety and accountability obligations to AI systems, as well as regulatory measures to enhance transparency of AI systems by allowing regulators to access [source code](#) and algorithms prior to market access;^{vii}
- [Digital taxation measures](#) that seek to ensure Big Tech companies pay their fair share;
- Online safety regulations that seek to prevent the spread of illegal content such as election misinformation, non-consensual intimate images, online violence, and hate speech;
- Regulations that seek to protect traditional industries or local culture, such as Australia's regulations requiring Big Tech companies to compensate news producers for reusing their content, or local content and language norms for online streaming services, as seen in Canada and Europe.

Targeting foreign digital regulations makes consumers of digital services the world over less safe, reduces the ability for smaller enterprises to compete in the digital economy, and concentrates power in the hands of Big Tech companies.

We caution the administration against conflating the profitability of Big Tech companies with the overall health of the U.S. economy or citizens' economic well-being. Actions such as opposing foreign taxation of Big Tech companies, opposing regulatory action against anti-competitive and anti-privacy practices of Big Tech companies and so on, may appear to benefit the U.S. by boosting profits of Big Tech, but will ultimately reduce trust in U.S. technology companies and spur the development of local alternatives.

In addition, pursuing a deregulatory agenda abroad also harms U.S. consumers and small businesses. The last few years have seen increased debate over domestic regulation of technology in the U.S., particularly as the known and potential harms of digital platforms, AI systems, and unregulated data flows have become more apparent. Several domestic laws and policies — aimed at promoting a level playing field in the digital ecosystem, protecting user data, ensuring the safety of children online, and protecting vulnerable communities against harms caused by AI systems — are similar to the foreign laws targeted by the ARTs. It is, therefore, short-sighted and a clear abandonment of the national interest to attack the types of robust digital governance measures that should be adopted domestically.

Further, extreme free flow of data clauses in trade agreements are inconsistent with congressional and state-level actions to protect Americans' data.^{viii} Similarly, domestic online safety laws as well as AI regulations — including those imposing transparency and accountability requirements on AI companies in fields such as [insurance](#), [employment](#), and [healthcare](#), or laws that seek to protect the public from harm caused by [chatbots](#), [intimate deepfakes](#), and [election deepfakes](#) — could be threatened by broadly worded anti-discrimination, source code secrecy, platform immunity and other provisions in digital trade chapters of trade agreements.

Rather than seeking to deregulate the digital ecosystem through undemocratic and unaccountable trade processes, digital trade chapters in trade agreements should, if included at all, focus solely on issues concerning the digitization of trade (e.g., improving customs facilitation). Trade negotiations are not a suitable venue for making binding decisions on how to regulate various aspects of the digital ecosystem, particularly when this could have significant implications on the ability of Congress or states to regulate risks posed by emerging technologies, and ensure a safer and more competitive digital economy.

Digital chapters in trade agreements should also include labor-related provisions that reduce dependence on forced or other forms of coercive labor in technology supply chains and do away with laws that enable technology companies to escape domestic liability for violations of labor, environmental, and other public interest laws.

3. An Agenda for Big Pharma

A clear objective of this administration's trade policy agenda, though not explicitly mentioned in the report, is to return the U.S. to a maximalist approach to intellectual property protections, even at the expense of public health. The use of ARTs and reciprocal tariffs to target foreign countries' pharmaceutical pricing practices is a blatant attempt to push Big Pharma's profit maximization agenda.^{ix} Forcing other countries to pay more for medicines will not result in lower prices in the United States.^x Americans pay high prices due to monopolistic pricing and weak domestic controls.

Instead of attacking policies that we ourselves should be emulating, the administration should take steps to maintain the availability and access to medicines by supporting stronger, more diversified supply chains, including through targeted approaches to bolster domestic capacity.

4. USMCA and North American Trade

The 2026 trade agenda states that the ongoing review of the U.S.-Mexico-Canada Free Trade Agreement (USMCA) is a priority. Yet information provided to date provides no assurances that the administration will secure the serious, substantive improvements needed to fix the agreement to support working people across North America.

Public Citizen has [joined nearly 700](#) civil society organizations in calling for the following changes to the USMCA:

- The Rapid Response Mechanism (RRM) must be significantly strengthened and broadened to encompass all sectors of the economy, including agriculture.
- Environmental rules must be enforceable in real time and with meaningful penalties. Environmental enforcement should include facility-specific tools modeled on the labor Rapid Response Mechanism to end social dumping or incentivize offshoring to avoid domestic safeguards.
- Rules of origin and related provisions should be strictly revised to enhance real production in North America rather than allowing third countries backdoor access.
- The agreement’s extreme digital trade rules should be revised or removed, as they limit Congress's and states' power to regulate large technology firms and protect consumers. Congress should reject rules that lock in Big Tech-friendly provisions concerning cross-border transfers of data, source code secrecy, broad platform liability protections, or that undermine antitrust or domestic taxation policies.
- The USMCA’s intellectual property (IP) provisions that require patent term extensions, market exclusivity, patent linkage, and TRIPS-plus enforcement mechanisms should be removed to improve access to affordable, lifesaving medicines. The USMCA should affirm governments’ right to use compulsory licensing to address public health needs and to negotiate lower prescription medicine prices.
- Certain Investor State Dispute Settlement (ISDS) provisions remain in the USMCA and should be fully removed.^{xi} While the USMCA made significant progress by eliminating ISDS between the U.S. and Canada and restricting its application between the U.S. and Mexico, ISDS rights are preserved for companies with covered government contracts in Mexico in certain sectors.

5. Critical Minerals Trade

As the United States seeks to build out a critical minerals supply chain, Congress should reject any trade agenda that treats resource-rich countries merely as a raw-materials store for U.S. industry.

Recent administration efforts, such as in the so-called “strategic partnership agreement” with the Democratic Republic of Congo, prioritize investor access and geopolitical advantage.^{xii} Similarly, the ART with Indonesia commits Indonesia to remove key industrial policy tools that allow for value addition in its minerals supply chain, to facilitate U.S. coal imports, and to purchase \$15 billion in fossil fuels.^{xiii}

Both instances follow a similar pattern: the United States bullies a country to sign onto an ART that allows U.S. corporate interests to access and control mineral wealth, *without* implementing enforceable labor and environmental safeguards, or acknowledging indigenous rights. Thus,

workers, communities, and producing countries bear the social and environmental costs while profits are exported to the U.S.

Congress should not accept a critical minerals policy built on secrecy, coercion, and corporate privilege. Any minerals agreement should be subject to full congressional review and approval, shaped through meaningful public participation, and conditioned on binding labor, environmental, human, and indigenous rights standards backed by strong enforcement mechanisms.

6. Climate and the Environment

The America First Trade Policy wholly ignores “climate change” in the 2025 and 2026 agendas, even as other nations accept reality and advance forward-thinking measures such as the EU’s Carbon Border Adjustment Mechanism. Such policies address genuine cross-border risks, and U.S. trade policy should adopt and defend the space for such public-interest rules.

Despite some lip service to environmental protection in the ARTs, these agreements lock in a fossil fuel infrastructure that hastens climate harm.^{xiv} The 2026 NTE report also attacks a host of climate-friendly policies the world over, including:

- *Policies to boost the clean energy transition*, such as the EU’s Carbon Border Adjustment Mechanism (CBAM), the Renewable Energy Directive, the Deforestation-Free Supply Chain Regulation, the Eco Design for Sustainable Products Regulation, and the Sustainable Aviation Fuel Regulation
- *Green certification and local content policies*, such as the UAE’s green certification program and India’s domestic content requirements for renewable energy government procurement contracts.
- *Policies to tackle plastic pollution*, including Canada’s Zero Plastic Waste Agenda; United Arab Emirates ban on some single-use styrofoam products; Dominican Republic’s regulations prohibiting import of non-biodegradable straws and cutlery; Oman’s regulation on single-use plastic bags; and Cote d’Ivoire’s regulations on import of plastic bags.

Policies that aim to preserve biodiversity, prevent pollution, and protect the environment should not be attacked as trade barriers. To this end, we urge the administration not just to support the adoption of a Climate Peace Clause — a binding commitment by governments to refrain from using dispute settlement mechanisms in the WTO or other trade and investment agreements to challenge each other’s climate policies — but to implement such terms in its domestic trade policies, including future NTE reports.

7. The Path Forward

The United States still lacks a strong industrial policy to rebuild domestic production and reduce dangerous supply chain weaknesses. Contrary to the Trump administration’s claims, a worker-centered trade policy cannot and should not rest on tariffs alone. A truly modern industrial strategy

would commit to building durable new productive capacity, creating stable and resilient high-road supply chains, and implement the public investment, procurement rules, sector strategies, and worker protections needed to sustain industrial revival over time. In fact, the Trump administration has moved in the opposite direction by systematically dismantling the Inflation Reduction Act and public investment, including in [critical scientific research](#).^{xv}

Resilient domestic production requires targeted investment, stronger labor and environmental standards, diversified sourcing, and trade rules that support domestic capacity rather than simply reacting to trade imbalances after the fact. By contrast, this administration's trade agenda remains legally precarious, democratically deficient, and economically punishing for American families.

The administration's refusal to provide justification memos, rationale, or otherwise act with transparency further undermines its claims that the current tariff strategy is a serious step towards rebuilding American industry. We note, for instance, that the administration (both the White House and Office of the U.S. Trade Representative) has failed to release the full "Report to the President on the America First Trade Policy," despite the public interest in disclosure of the reasons behind the implementation of "reciprocal tariffs" by this administration in April 2025. A Freedom of Information Act request seeking disclosure of this crucial report has also been left unanswered. Congress must demand full transparency into the administration's tariff strategy, particularly given multiple reports indicating the possibility of insider trading, preferential exemptions, and other unethical practices.

Congress should reclaim its Article 1 Constitutional trade authority and hold the Trump administration accountable for its illegal tariffs and the secretive deals with other countries. All ARTs must be submitted for congressional approval.

Congress should also conduct oversight to ensure that investigations conducted by the USTR (including under Section 301) are not used as a political tool.^{xvi} The misuse of these powers threatens the legitimacy of genuine investigations conducted by the USTR and could invite unwanted reciprocal action by foreign countries.

Meaningful Congressional oversight should extend to:

- terminating President Trump's emergency tariffs;
- mandating full transparency in ART, critical minerals agreements, and other negotiations;
- scrutinizing the tariff refund processes, to prevent mismanagement and abuse; and
- investigating the administration's tariff setting processes as well as the rationale for providing various exemptions. To date, the USTR and Trump have provided no clear guidance on tariff exemptions, their process, criteria, or oversight. Numerous reports indicate that certain companies, or their products, received tariff exemptions following political contributions, lobbying, and personal outreach with the Trump administration.^{xvii}

The question before Congress in 2026 is not whether to go back to the old trade model or simply accept Trump’s shifting tariff policy. Trade policy should support industrial rebuilding, protect governments’ power to regulate in the public interest, center enforceable labor and environmental standards, reject new giveaways for Big Tech and Big Pharma, dismantle corporate courts, and improve transparency. U.S. trade policy should defend the space for those public-interest rules, not trade them away.

To that end, Congress must reject President Trump’s 2026 trade agenda. The country needs a worker-centered trade policy tied to industrial strategy, strong enforcement, public health, climate responsibility, fair competition, and democratic control over the rules that shape the economy.

ⁱ Adding insult to injury, those displaced workers no longer have access to federal retraining safety nets like the Trade Adjustment Assistance program, which Congress has failed to reauthorize since 2022.

ⁱⁱ Info accessible from [International Trade Administration](#), U.S. Exports by Partner for NAICS code 111 – Agricultural Products in 2025.

ⁱⁱⁱ Info accessible from [International Trade Administration](#), U.S. Exports by Partner for HS code 1201: Soybeans.

^{iv} [Average Hourly Earnings of Production and Nonsupervisory Employees, Manufacturing](#)

^v The 2026 NTE report lists 27 jurisdictions allegedly imposing unfair restrictions on cross-border data transfers. A majority of the laws being targeted are data protection or privacy regulations that seek to ensure personal data is protected from unethical commercial exploitation.

^{vi} The 2026 NTE report targets antitrust regulation in 10 jurisdictions, with the ARTs including sweeping “anti-discrimination” provisions that could be used against diverse digital economy regulations on the false basis that such laws or regulatory actions target or discriminate against U.S. entities.

^{vii} The 2026 NTE Report lists the EU’s AI Act as a trade barrier (similar to last year) and also includes AI-related policies from five other jurisdictions as trade barriers, largely to oppose attempts to develop local AI ecosystems.

^{viii} At the federal level, the U.S. restricts foreign data transfers under the Protecting Americans’ Data from Foreign Adversaries Act of 2024, Cybersecurity requirements for U.S Cloud Computing Contractors, and Executive Order 14117 – Preventing Access to Americans’ Bulk Sensitive Personal Data, and United States Government Related Data by Countries of Concern. At the state level, cross-border data transfers are restricted by laws such as Montana’s Genetic Information Privacy Act, and the 2023 Amendment to California’s Confidentiality of Medical Information Act. Refer Rethink Trade, The Digital Trade Data Heist, February 2025.

^{ix} For example, the Trade Policy Agenda TPA states that Argentina committed to an ART that would “address long-standing intellectual property (IP) issues identified in previous Special 301 Reports ... to repeal restrictive patentability criteria.” Patentability criteria are exactly the policy tools that governments use to prevent pharmaceutical evergreening and preserve access to affordable generics.

^x See for example, the U.S.-UK Pharmaceutical Pricing Arrangement, which commits the UK to raising its spending on prescription drugs, an outrageous giveaway to Big Pharma, while doing nothing to lower prices in the U.S.

^{xi} This mechanism has empowered foreign investors to sue governments in secretive, private arbitration panels, undermining democratic governance and critical public-interest regulation.

^{xii} The DRC deal, for example, gives U.S. firms preferential access to mineral assets and a right of first offer over select mining sites while bullying its way into Congolese mineral governance by establishing a Joint Steering Committee stocked with U.S. Cabinet and IDFC representatives. U.S. State Department, [Strategic Partnership Agreement Between the Government of the United States of America and the Government of the Democratic Republic of the Congo](#)

^{xiii} Indonesia also made significant concessions across digital policy, agriculture, health standards, and critical minerals, in exchange for a 19% “reciprocal” tariff rate. [The White House, Trump Administration Finalizes Trade Deal with Indonesia, February 19, 2026](#)

^{xiv} For example, the ART with Indonesia requires the country to facilitate the importation of U.S. coal, including highly polluting metallurgical coal, and to purchase \$15 billion in Liquefied Petroleum Gas and other fossil fuels. [Agreement Between The United States Of America And The Republic Of Indonesia On Reciprocal Trade](#)

^{xv} In fact, it should be a matter of serious concern that China has [surpassed the U.S. in research spending](#).

^{xvi} For example, President Trump announced 50% punitive tariffs on Brazil via a social media post on July 9, 2025 in an attempt to interfere in Brazil's domestic judicial processes on behalf of his long-time friend and ally, Jair Bolsonaro, while also seeking to help out his Big Tech buddies including Elon Musk, who were facing regulatory action in Brazil. Public Citizen, [Written Testimony of Public Citizen to the U.S. Trade Representative Hearing on its Section 301 Investigation of Acts, Policies, and Practices of Brazil, September 2, 2025](#)

^{xvii} For example, the CBP reduced enforcement, rescinding a Withhold Release Order, following million-dollar donations to Trump-aligned committees. In another eyebrow raising example, the U.S. lowered tariffs on Swiss imports from 39% to 15% after Swiss billionaires gifted Trump a Rolex desk clock and a gold bar engraved with the numbers 45 and 47 valued at \$130,000. New York Times, <https://www.nytimes.com/2025/03/19/business/economy/trump-sugar-forced-labor-ban-lifted.html>; The Guardian, [Swiss gold and Rolex gifts to Trump arouse 'disgust' in Europe](#), November 21, 2025