



THANKS AND CONGRATULATIONS FOR HIDDO HOUBEN

ON HIS DEPARTURE FROM THE EU DELEGATION

-- SPEAKING NOTES --

Presentation to Global Business Dialogue
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Good afternoon everyone. It is an honor to be asked to contribute – briefly I promise! -- to today's discussion.

As a Board member, I'd like to add my thanks to our hosts here at McDermott Will & Emery, and more generally to all of you for your contributions to GBD's success. The organization has much wind in its sails.

Hiddo in Washington

Hiddo Houben has had a great stint in Washington. He continues a pattern, one I first remember noticing with Hugo Paemen in the 1990s, of the European Commission sending people here who come to understand us better than we understand ourselves. The government officials actually touching the steering wheel, where U.S. trade policy is concerned, are few in number. Hiddo is one of an equally small group who knows what makes *those* folks tick. He *gets* them -- well enough to stay, much of the time, a step ahead. It's just slightly creepy. But certainly in Hiddo's case, more to be admired than feared. I shall miss him.

I clearly remember our first wonky conversation. It took place on the Miller & Chevalier roof deck, looking pretty much straight down on the White House. Hiddo was new in town. It was a buzz for me just to be in a 1:1 conversation with him. And we started, as these conversations often do, with the dysfunctions and limitations of the overall environment for trade policy – the sourness of public dialogue on trade, the confines resulting from partisan gridlock, the far-left/far-right fetish for “policy space,” the general subordination of economic diplomacy in Washington DC's relentless triage.

Many conversations begin and end there. Not so with Hiddo. We had completed our little foray into pathology, but for Hiddo it was just a detour, and he was nowhere near done with me. “Okay then, so what *can* be done? Where are the pockets of opportunity? What can we at least *start*?” Here, I realized, was someone opportunistic, someone who understood that the tenure of any government official is a wasting asset carrying with it an obligation to try, try and keep trying regardless of how adverse the circumstances may be or seem to be. (The trade policy equivalent of my childhood hero Pete Rose, who, in the 1970s,

was known for sprinting to first base even when he had drawn a walk, and for working the count in every at-bat even if his team was down by many runs at the end of a game.)

I wish Hiddo had served here during better days, where U.S. trade policy is concerned. I believe that the United States has underperformed in this policy sphere during his posting, and that the ceiling – the opportunity set – has been lower than it should have been. Good ideas have withered on the vine. Promising initiatives have gone begging. On the other hand, if someone had to serve here during this bleak period, turning lemons into lemonade, I'm glad it was someone as creative and energized as Hiddo.

Trade Issues

As for the substantive issues, you all would do well to carry with you, as I certainly will, the wise words we have heard from Hiddo this afternoon and previously.

Regulatory coherence – an important T-TIP theme – is a good example. Very few people capture, as elegantly as Hiddo, the difficult but crucial interplay between identifying best practices, on the one hand, and making actual binding commitments, on the other. Enlightened negotiators can find the right combination. Hiddo will be shining a light.

On America's defensive "sore spots" in the T-TIP negotiation – maritime and sub-federal procurement at least – I must confess to rooting for Hiddo and his colleagues. Much of what we do in these areas is unwise and is loved largely because it is it is misunderstood. Now there is a chance we can be paid, through trade concessions, to make modest reforms that would be sensible even without such payment. Godspeed.

Hiddo has I think hit the right notes as well on multilateral negotiations and the associated politics; on trade-and-development, where it might be nice to see the EU and the United States copy the most generous elements of each other's preference schemes; and on energy trade, which is by no means purely an economic phenomenon.

Even on the most thoroughly raked-over of trade issues, agricultural and industrial market access, Hiddo has brought fresh insight. He believes we can trade more freely. I do too.

Looking Forward

Americans and Europeans have to understand each other – and maybe in some broad psycho-political sense also *forgive* each other – in order to take their economic relationship to the new heights envisioned by those who have mid-wifed the T-TIP initiative.

There are other requirements as well. On our side, the United States needs to return, really return, from a damaging time-out during which we have lost the habit of seeing new trade-liberalizing agreements as the main and rightful driver of our trade regime's evolution. Our public dialogue about trade – including during the primary segments of our elections! – needs to improve as well. In these and related ways we can equip ourselves not just to talk about a T-TIP, but to achieve one and benefit from having done so.

I think these changes will come, in time. Both then and in the meanwhile, we will need interlocutors who *get* us. We will need Hiddos.

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Thanks for your attention