

Overview

The Export-Import Bank (“Ex-Im”) was formed over 80 years ago. For most of its history, it has enjoyed broad bi-partisan support from both the executive and legislative branches. From Presidents Franklin Roosevelt and Ronald Reagan to Bill Clinton and George W. Bush – and now Barack Obama – the Bank has been seen by Presidents as a key tool in their efforts to promote American trade abroad. Congress has generally offered the same bi-partisan support, oftentimes reauthorizing it without incident or much debate.

Recently, however, this has changed and the Ex-Im has been opposed by a small, yet powerful, group of lawmakers. This has brought Ex-Im to the forefront of trade and other debates in Washington.

The Ex-Im

The [Export-Import Bank](#) is an independent government entity assigned with financing the export of good and services from the United States. The Bank provides loans, loan guarantees and insurance that helps large, medium and small companies export goods and services abroad by providing a line of credit that may not be there otherwise. The Bank steps in where private sector commercial lenders can’t, or won’t, provide these services, either because the credit risk is too high, or because of unstable political situations in different countries. In most cases, the Bank works in tandem with private sector lenders to supplement various deals for foreign buyers. These buyers can be private sector companies or foreign governments.

It’s important to note that over 60 countries have similar agencies to Ex-Im – called Export Credit Agencies (ECAs) – and the United States is often in competition with them as deals are crafted.

Key Facts

The Export-Import Bank (“Ex-Im”) is an independent government entity assigned with financing the export of good and services from the United States.

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Authorization for Ex-Im expired on July 1, 2015.

Essential Links

[The Export-Import Bank of the United States.](#)

[Export-Import Bank: Overview and Reauthorization Issues.](#)

Shayerah Ilias Akhtar,
Congressional Research
Service. March 25, 2015.

[Inside the Secret Push to Save the Export-Import Bank.](#) Kevin Cirilli, *The Hill*, October 12, 2015.

[The Obama Administration’s National Export Initiative.](#)
International Trade
Administration.

Ex-Im by the numbers

- In 2014, Ex-Im helped [finance](#) \$27.5 billion in exports. They say that \$10.7 billion of those exports come from U.S. small businesses. Large companies, like Boeing, GE, and Caterpillar, also rely on Ex-Im financing as they look to export high-dollar equipment (like planes, construction equipment and turbines, to name but a few) to countries where without back-up financing from Ex-Im, deals may not happen.
- One of the key functions of Ex-Im is to create and keep jobs in the United States. According to Ex-Im, they have helped support [1.3 million private-sector jobs](#) since 2009, with 164,000 in 2014, because of their financing practices.
- Ex-Im has reported to Congress that it is a [self-sustaining entity](#) and it generated a \$675 million surplus due to fees it charges foreign borrowers.

What critics say about Ex-Im

The majority of [criticism](#) railed against Ex-Im comes from those who adhere to a strict view of free market capitalism. They call Ex-Im “crony capitalism” and site it as an extreme form of corporate welfare. Also, they argue it messes with the free market in that it picks “winners and losers” with its financing, giving some companies an unfair advantage over others.

Current state of play for Ex-Im

Ex-Im’s reauthorization expired on July 1, 2015. At present, the Bank cannot make new loans but can service its existing portfolio.

In October, the House passed a bi-partisan reauthorization as part of the Highway Bill. The Senate passed a version of the Highway bill back in July but it did not include Ex-Im reauthorization. Now, the House and Senate must meet in conference to reconcile both bills, and supporters of Ex-Im are working to ensure its inclusion in any final legislation.

More Resources

[New Dems Applaud Passage of Ex-Im Reauthorization](#). Oct. 27, 2015.

[Main Street Praises Reauthorization of Export-Import Bank](#). Nov. 5, 2015.

[Conservatives Conquer the Export-Import Bank](#). *The Atlantic*. July 1, 2015

About Center Forward

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