

EXPORT REFORM TO CREATE AND PROTECT AMERICAN JOBS

SPIE, the International Society for Optics and Photonics supports an overhaul of U.S. export controls to save American jobs. Current guidelines are vague, inconsistent and systems managed by the Departments of Defense, State, Commerce and Justice overlap. SPIE supports the Administration's **Export Control Reform Initiative (ECR)**:

- Single control list,
- Single primary enforcement agency,
- Single information technology system, and
- Single licensing agency.

We also encourage Congress to direct the Administration to **limit export restrictions to components and capabilities that provide a significant national security advantage compared to equivalent foreign products.**

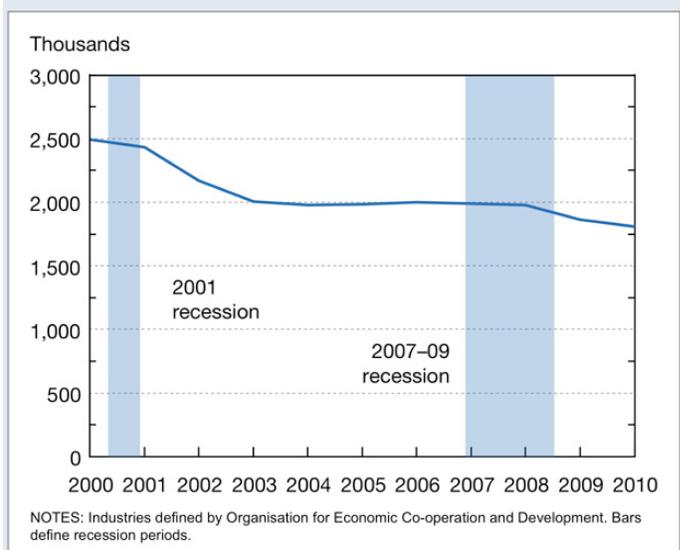
An aggressive and comprehensive overhaul of U.S. export regulation is long overdue; SPIE strongly encourages the Administration and Congress to work together to find solutions.

Overly restrictive regulation on dual-use technologies, and the inconsistent interpretation/enforcement of regulations have created business, research, and workforce barriers that are limiting U.S. leadership in science and technology. Government export rules have driven high-tech jobs abroad and have made U.S. companies uncompetitive in the global marketplace. We are losing business to foreign companies that use "ITAR-free" as a marketing slogan.

Why this matters: Unnecessary export controls destroy our ability to compete in the most critical sectors of the global economy.

- While the overall number of jobs supported by U.S. exports has grown by **1.2 million** since 2009, our high-technology manufacturing employment is in decline.
- 9.7 million jobs depend upon overseas sales of American goods and services.
- While overall U.S. exports jumped to a record \$2.1 trillion in 2011 — up 34 percent from 2009 — high technology trade is collapsing. Outmoded and/or unnecessary export restrictions contribute to this collapse.

U.S. high-technology manufacturing employment: 2000–10



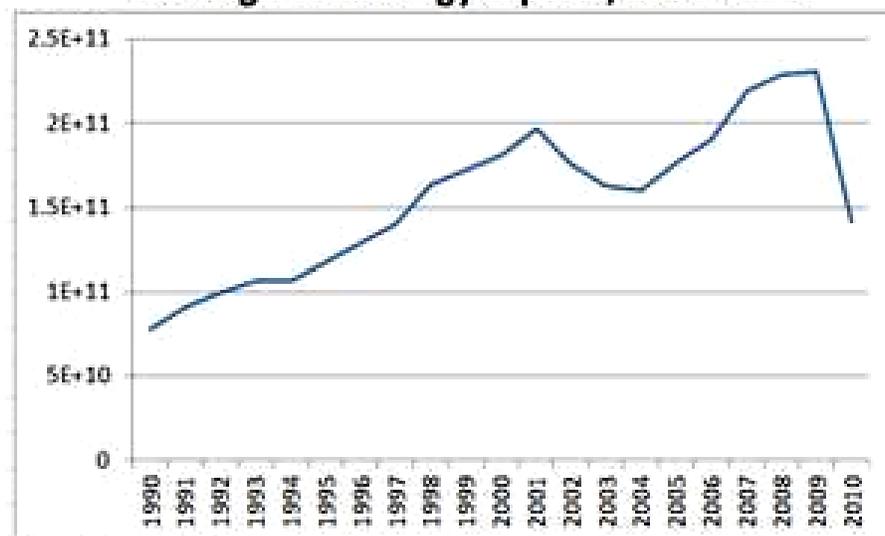
Source: National Science Board,
Science and Engineering
Indicators 2012

A critical component of the Export Control Reform Initiative is moving militarily less significant parts and components from the U.S. Munitions List (USML) to the more flexible Commerce Control List (CCL). This will be a major step in implementing a common sense approach to export controls that will strengthen U.S. national security by allowing the export control system to focus on controlling the most sensitive technologies.

“In short, the time for change is long overdue if the application of controls on key items and technologies is to have any meaning. We need a system that dispenses with the 95 percent of ‘easy’ cases and lets us concentrate our resources on the remaining 5 percent. By doing so, we will be better able to monitor and enforce controls on technology transfers with real security implications while helping to speed the provision of equipment to allies and partners who fight alongside us in coalition operations.”

Secretary Of Defense Robert M. Gates, April 20, 2010

U.S. High-technology Exports, 1990 - 2010



Source: World Bank

SPIE is the largest international not-for-profit society in optics, photonics and imaging. Together with our 18,000 individual members and 600 corporate members, the Society seeks to build a better world with light through scientific education and innovation. www.spie.org.