

# Next House Leader Says He Would Let Trade Bank Expire

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Photo



Representative Kevin McCarthy said the bank responsible for supporting American exports should be phased out. Credit Fred Watkins/Fox News, via Associated Press

WASHINGTON — Representative Kevin McCarthy, the next House majority leader, said Sunday that he would allow the Export-Import Bank of the United States to expire when its authority was up for

reauthorization in the fall.

In his first national television interview since being elected Thursday to be the No. 2 Republican in the House, Mr. McCarthy, of California, said Congress had decided in a previous vote that the bank, responsible for supporting American exports, should be phased out.

“One of the biggest problems of government is they go and take hard-earned money so others do things that the private sector can do,” he [said on “Fox News Sunday.”](#) “That’s what the Ex-Im Bank does.”

Mr. McCarthy is a member of the House Committee on Financial Services, [which is scheduled to hold a hearing](#) on the bank on Wednesday.

The House [overwhelmingly supported extending the bank’s charter](#) in 2012 despite pressure from conservative groups, including the Club for Growth and Heritage Action for America, which argued that the bank’s support for major businesses like Boeing amounted to corporate welfare and could put taxpayers on the hook for billions of dollars.

But business groups like the U.S. Chamber of Commerce rallied lawmakers behind the bank, arguing that exports and, by extension, the economy would suffer without it to level the playing field the way other countries support their own exporters.

Mr. McCarthy [voted to reauthorize the bank](#) at the time.

Since the 1930s, the bank has offered financial support for foreign buyers of American products and services exported to international markets. Its reauthorization was once routine for Congress.

Representative Eric Cantor of Virginia — who will step down as majority leader next month after losing his primary to a Tea Party-backed candidate — negotiated the three-year reauthorization with Representative Steny H. Hoyer of Maryland, the Democratic whip.

Discussing other issues he will confront in his new leadership role, Mr. McCarthy also called for first establishing a broader approach to [the growing power of the Islamic State in Iraq and Syria](#) and other armed groups as insurgents continue taking cities across Iraq.

“If you don’t have an overall strategy, how do we push back this momentum of this terrorism that’s growing throughout the entire region?” he asked. “To me, the key part was: Lay out a strategy, then we could see the outcome of what we need to do to make it happen.”

Mr. McCarthy did not exclude any United States option in Iraq, noting in particular that airstrikes might be “a very good, big, key part of it.”

“I’d put everything on the table,” he said. “But most people, when you talk to them, don’t think boots on the ground would work right now, that you don’t need it.”

Mr. McCarthy seemed to close the door on the potential for a comprehensive immigration overhaul, saying that he would not consider one without first addressing border security.

“Until you secure the borders, you cannot have a conversation about anything else,” he said.

David Brat, who defeated Mr. Cantor in his primary, [battered the majority leader](#) for supporting what critics call amnesty for illegal immigrants, leading some to question whether support for comprehensive immigration changes was dangerous for Republicans heading into the midterm elections.

With the Highway Trust Fund that supports infrastructure projects [going broke](#), Mr. McCarthy also said he

opposed raising the gasoline tax.

“I believe one of the options that we put forward two years ago was an idea for a new funding source,” he said on the Fox program. “Open up federal lands for exploration, federal government, put that into resources to help build the bridges and roads that we need.”