

# **Bush urges passage of Latin American trade pacts**

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WASHINGTON - President Bush on Saturday urged Congress to pass trade pacts with Peru, Colombia and Panama, and promised to strengthen job re-training programs and other measures to help workers displaced as a result of trade-related job losses.

"I know many Americans feel uneasy about new competition and worry that trade will cost jobs," Bush said in his weekly radio address.

He said the federal government is providing substantial funding for trade adjustment assistance that aids displaced workers, while also trying to improve federal job-training programs and provide "strong support" for community colleges.

Bush said that increased trade will help the economy grow overall and said each of the trade pacts offers specific benefits for the United States.

Congress hasn't passed any trade agreements since Democrats took control of both chambers after last year's mid-term elections. The Bush administration and top Democrats, however, did work out a deal designed to aid passage of the Latin American pacts.

The agreement requires the administration to strengthen labor and environmental provisions in trade deals that are submitted to Congress. As a result, the Bush administration had to renegotiate the Peru trade agreement, adding new labor and environmental standards. The measure is expected to clear Congress with the support of pro-trade Democrats.

Bush, in a speech in Miami on Friday, said he feared a rising tide of protectionism and a growing perception among Americans that trade deals are bad for U.S. workers.

Congressional Democrats say the public's antagonism toward trade deals is largely Bush's fault, citing the administration's reluctance to press for tougher labor and environmental standards when Republicans held control of the House and Senate.

"The Peru agreement represents a start on shaping a new trade policy that makes sure that the benefits of expanded trade will be more widely shared and its downsides addressed for those who have been left behind or left out," said Rep. Sander Levin, D-Mich., the chairman of the trade subcommittee of the House Ways and Means Committee. "It is only the beginning of a necessary, active grappling with the challenges and opportunities of globalization."

Bush, in his Saturday address, said that most Peruvian exports to the United States now enter the country duty-free, while U.S. goods sent to Peru face tariffs. The proposed agreement would immediately eliminate most of Peru's tariffs and barriers to U.S. agricultural products, he said.

The agreements with Colombia and Panama would also eliminate tariffs on industrial and consumer goods while substantially opening markets to U.S.-grown crops, he said.

Bush said the administration would also work to pass a trade agreement negotiated with South Korea.

The Peru and Panama trade deals are expected to pass with some bipartisan support, but the Colombia pact is seen as more controversial due to concerns about the country's human-rights record. The South Korea agreement also faces unease surrounding barriers to imports of U.S. beef and autos.

Many Democrats and a number of Republican lawmakers remain wary of the trade pacts, and polls show support for expanding trade has faded among GOP voters.

A recent Wall Street Journal/NBC News survey found that 59% of Republicans polled agreed with the statement that free trade has been bad for the United States and said they would agree with a Republican candidate who called for tougher regulations on foreign imports, the Journal reported. By comparison, 32% said trade deals have been good for the country.

In his Saturday address, Bush said increased trade would help the economy grow and reap other benefits as well.

"By passing these trade agreements, we will also serve America's security and moral interests," Bush said. "We will strengthen our ties with our friends. We will help counter the false populism promoted by hostile nations. And we will help young democracies show their people that freedom, openness, and the rule of law are the surest path to a better life."

*William L. Watts is a reporter for MarketWatch.*