Sen. Clinton undecided on U.S.-Peru free trade pact

By Doug Palmer Reuters October 30, 2007

WASHINGTON - Democratic presidential front-runner Hillary Clinton has not decided whether to vote for a free trade agreement with Peru, a spokesman for the New York senator said on Tuesday.

"Senator Clinton is still reviewing the agreement," Clinton spokesman Philippe Reines said in an e-mail.

Congress is nearing final action on the agreement, which the Bush administration concluded nearly two years ago.

The House of Representatives Ways and Means Committee will vote on Wednesday on the Peru agreement, setting the stage for votes in the House and the Senate in coming weeks.

U.S. business groups have hoped a big vote in favor of the Peru agreement would help clear the way for more controversial trade deals with Panama, Colombia and South Korea.

As her party's front-runner, Clinton's decision could influence how many other Democrats view the Peru pact.

Clinton has called for the South Korean agreement to be renegotiated because of its auto provisions, which many Democrats believe are tilted in favor of Seoul.

She has also called for all U.S. trade agreements to be reviewed every five years.

Late last week, one of Clinton's rivals for the Democratic nomination, former North Carolina Sen. John Edwards, announced he opposed the Peru trade deal and other pending trade pacts.

"In short, this agreement does not meet my standard of putting American workers and communities first, ahead of the interests of the big multinational corporations, which for too long have rigged our trade policies for themselves and against American families," Edwards said.

But another Democratic presidential contender, Illinois Sen. Barack Obama, has said he plans to support the Peru deal because House Speaker Nancy Pelosi, Ways and Means Committee Chairman Charles Rangel and Rep. Sander Levin, a Michigan Democrat,

were able to persuade Bush administration and Peru to strengthen the pact's labor and environmental provisions.

"Unlike NAFTA and CAFTA, the Peru Trade Agreement includes real, enforceable labor and environmental protections," Obama spokesman Jen Psaki said.

"Speaker Pelosi and Congressmen Rangel and Levin deserve credit for fighting hard for these provisions, and Barack Obama supports their efforts to make sure that our trade policies help American workers, not just big corporations," Psaki said.

The AFL-CIO labor federation, which has a history of opposing trade agreements, has taken a neutral position on the Peru and Panama deals. But it remains strongly opposed to the pacts with South Korea and Colombia, which it calls the most dangerous country in the world for trade unionists.