

# As Senate's '08 presidential hopefuls absent, Peru free trade deal approved

By Ian Swanson  
The Hill  
December 05, 2007

The Senate approved a free trade agreement with Peru Tuesday that could have highlighted differences on trade among the Senate's Democrats running for president — if any of them had been able to attend the vote.

All of the chamber's Democratic presidential hopefuls were busy Tuesday afternoon taking part in a debate sponsored by National Public Radio, and as a result missed the vote on a controversial issue that former Sen. John Edwards (D-N.C.) has been trying to use against his main competitors for the Democratic nomination.

Their presence would not have made a difference in the outcome. As expected, the Peru deal was easily approved, 77-18.

The deal had divided the leading contenders for the Democratic nomination. Sens. Hillary Rodham Clinton (N.Y.) and Barack Obama (Ill.) had previously announced support for the Peru agreement, despite criticism from Edwards that the deal would contribute to U.S. job losses. All three are in a tight race in the first-in-the-nation caucus in Iowa, where some polls show a statistical dead heat.

Two other Democrats, Sens. Chris Dodd (Conn.) and Joseph Biden (Del.), had announced opposition to the Peru agreement.

GOP Sen. John McCain (Ariz.), another presidential candidate, also missed the vote. However, trade has been less divisive among Republicans running for president.

Trade has been a hot-button issue on the campaign trail among Democrats, with several candidates suggesting free-trade policies would slow or come to a halt if they occupied the Oval Office. Edwards has taken the toughest line, and he criticized Obama in November for offering support for the deal. At the time, Edwards also criticized Clinton for not taking a position on the deal. She later came out in favor of the agreement.

Clinton has taken a different stance on the issue from her husband, who as president loudly advocated free trade. She has called for a "time out" in trade negotiations, and in a weekend interview with the Financial Times, she suggested multilateral trade deals, including the ongoing Doha round of World Trade Organization (WTO) talks, might need to be rethought. Clinton has also talked about a review of the North American Free Trade Agreement (NAFTA), which Peru opponents said was effectively being extended through the Peru deal.

In contrast, President Bill Clinton shepherded through Congress historic trade votes that included NAFTA, the U.S. entry into the WTO, and permanent normal trade relations with China. All three of those votes have had a greater impact on U.S. exports and imports than the deal with Peru, a relatively small economy, can hope to approach.

Trade lobbyists have expressed few worries over the critical comments from Democrats, saying it is normal for Democratic candidates playing to primary voters to move to the left on economic policies such as trade. They said they expected the Democratic nominee to move to the center once the nominating contest concludes.

“I think you have to put it in context,” said Frank Samolis, a trade lobbyist for Patton Boggs. After the primary season, he said, Democrats “tend to move toward the center” on trade policy.

Brian Pomper, a former Democratic chief trade counsel on the Senate Finance Committee, said voters worried about globalization are focused more on China and India than Peru. He also doubted the different positions taken by the Democrats would have much impact on the race for the nomination.

“The conventional wisdom is that it’s rare that [specific] trade agreements matter to voters when they cast their votes,” said Pomper, a partner in the Parven Pomper Schuyler lobbying and political consulting firm. At the same time, Pomper noted that some believe the 2006 election was an exception, and that trade made a difference in several House races that year.

All of the Senate candidates running for the Democratic nomination have supported trade agreements in the past. Edwards, the biggest free-trade critic, voted in favor of deals with Chile, Singapore, Australia and Morocco when he was in the Senate. All four were supported by the Bush administration.

Edwards also voted in favor of granting China permanent normal trade relations in 2000. That vote ensured that China could enter the WTO and enjoy the benefits the U.S. granted to other WTO members. In an August interview with The Des Moines Register, Edwards said he voted aye in the China vote because it brought China into the community of nations whose trade behavior is governed by international rules.

In 2002, Edward, Clinton, Dodd and Biden all voted against a final conference report that provided President Bush with fast-track authority. Fast track, called trade promotion authority under the bill, allows the administration to negotiate trade deals that cannot be amended by Congress.

Clinton also voted in favor of the trade deals with Chile, Singapore, Australia and Morocco, which moved forward as a result of fast track. She also voted in 2006 for an agreement with the Middle Eastern nation of Oman. Obama was not in the Senate during most of those votes, but he did vote in favor of the Oman deal.

However, Obama and Clinton in 2005 both opposed the Central American Free Trade Agreement (CAFTA), which was the most controversial of all of the trade agreements presented to Congress by the Bush administration.

Pomper said these past votes show all of the candidates look at trade agreements on an individual basis. If a Democrat is elected president, he predicted, trade policy would differ from President Bush's policy, but it would not mean America would disengage economically from the world, as some seem to fear.

The passage of the Peru trade deal was no surprise given that Democrats reached a compromise in May with the Bush administration and congressional Republicans. That agreement provided tougher environmental and labor rules for the Peru deal, as well as weaker protections for patented drugs. The same terms apply to three other pending agreements with Colombia, Panama and South Korea.

In November, the House approved the deal in a 285-132 vote. More Democrats voted against the deal than in favor of it, despite support from Speaker Nancy Pelosi (D-Calif.), Majority Leader Steny Hoyer (D-Md.) and Ways and Means Committee Chairman Charles Rangel (D-N.Y.).

The administration would like Congress to vote next on Colombia, which is the only one of the pending deals the administration appears ready to move. However, labor groups have drawn a line in the sand on the Colombia deal because of violence in that country against labor organizers. The agreement is strongly opposed by the AFL-CIO, which did not lobby against the Peru agreement.