

Trade and Elections

OREGON FAIR TRADE CAMPAIGN

OR-FTC

Here's a shocker: voters care about jobs. They want to hold onto their own jobs and they want solid, family-wage jobs created for their children, grandchildren and neighbors.

The war in Iraq may have been the defining issue of the 2006 midterm elections overall, but in many individual races the economy—and, more specifically, trade policy—was the key voting issue.

According to the *Democratic Strategist*, thirty-seven “free trade” incumbents lost their seats to “fair trade” challengers in 2006.¹ The *Wall Street Journal* reported that two dozen tightly-contested races turned at least partially on Democratic candidates’ trade platforms.²

Moreover, the *Democratic Strategist* asserts that “most of the Democratic candidates that made a strong fair trade message a campaign priority won, while most of those that did not—including many high-profile candidates supported by the national party—lost.”³

Candidates around the country highlighted their positions on trade in television ads, press statements, stump speeches and debates.⁴ Not surprisingly, many of the candidates that focused on trade attracted a large amount of labor support for their campaigns in terms of volunteer hours, donations and votes.

But it's not just union voters attracted to these messages. According to *USA Today*, “Trade especially helped Democrats woo voters in traditionally Republican rural areas.”⁵

A look at some recent polling data helps explain why trade is such a winning issue:

- Only 10% of Americans believe that Bush administration policies are doing a good job of keeping manufacturing jobs in the United States.⁶
- 64% of Americans do not believe that the global economy benefits their children.⁷
- 65% of Americans believe that increased trade actually hurts American workers.⁸
- 81% of registered voters favor candidates proposing trade policies that enforce labor and environmental regulations, and provide tax credits for companies that create jobs in the United States.⁹



A 2006 television ad featuring Fair Trade by Bruce Braley, the first Democrat elected to Iowa's 1st Congressional District in over 30 years.

That last bullet point is particularly important. Voters are not anti-trade. To the contrary, certain trade messages resonate with voters.

These *fair trade* messages involve acknowledging the job loss created by the old, NAFTA-model for international trade and proposing trade pacts that are governed by strong, enforceable labor and environmental standards that will help create a level playing field for American workers.

In a state like Oregon, which has experienced trade-related job loss in virtually every corner, yet is also very conscious of the potential benefits that come from trade, these fair trade messages are particularly important.

While trade was not a top-tier issue in Oregon's 2006 elections, there is significant potential for it to become a major voting matter in a number of races in the 2008 season.

Trade is an issue proven to work particularly well for challengers to “free trade” incumbents. In 2008, when “change” is the election theme candidates try to drive home, fair trade messaging will enable candidates to differentiate themselves from proponents of the failed trade policies of the past—helping campaigns to both turn out their base and win over swing voters.

For more information, please contact:

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— *The Democratic Strategist*
January 8, 2007

Trade’s Success in the ’06 Elections:

- At least 25 separate campaign ads run by Democrats throughout the country featured messaging on trade policy and offshoring during the 2006 midterm elections.¹⁰ In the end, Fair Trade challengers beat Free Trade incumbents in 37 separate races.¹¹
- Bruce Braley (D-Iowa) ran television ads voicing support for “rolling back unfair trade deals like NAFTA and CAFTA.”¹² He became the first Democrat elected to represent Iowa’s 1st Congressional District in over 30 years.
- In his bid for the Senate, Sherrod Brown (D-Ohio) incorporated strong messaging attacking current trade and economic policies into his campaign, and defeated the Republican incumbent by 12 percentage points. In the 2004 Presidential race, by contrast, John Kerry lost Ohio.¹³
- Chris Murphy (D-Connecticut) overcame negative campaign ads by using trade as an election issue to beat 12-term incumbent Nancy Johnson, an unabashed Free Trader with a zero percent Fair Trade voting record.¹⁴
- According to *USA Today*, “Trade especially helped Democrats woo voters in traditionally Republican rural areas. ... Among the self-described ‘fair traders’ who rode the issue to victory: new Democratic House members Heath Shuler in North Carolina, Bruce Braley in Iowa, Nancy Boyda in Kansas and Joe Donnelly in Indiana.”¹⁵



A campaign ad attacking the trade record of Rep. John Hostettler (R-Indiana), the incumbent who lost by the largest margin in the 2006 Congressional elections.



A television ad highlighting the Fair Trade record of Sherrod Brown (D-Ohio), who won his Senate race by 12 points.

Where Oregon’s Incumbents Stand on Trade:

Congressional “Fair Trade” Voting Records

	Smith (R)	Wu (D-1)	Walden (R-2)	Blumenauer (D-3)	DeFazio (D-4)	Hooley (D-5)
Oman FTA	Wrong	Right	Wrong	Right	Right	Right
CAFTA **	Wrong	Right	Wrong	Right	Right	Right
Chile FTA	Wrong	Wrong	Wrong	Wrong	Right	Right
Singapore FTA	Wrong	Right	Wrong	Wrong	Right	Wrong
Morocco FTA	Wrong	Right	Wrong	Wrong	Right	Wrong
Australia FTA	Wrong	Wrong	Wrong	Wrong	Right	Wrong
Fast Track **	Wrong	Right	Wrong	Right	Right	Right
Overall Voting Record:	0%	78%	0%	56%	100%	67%

** *The CAFTA and Fast Track votes, which were particularly controversial in Oregon, were weighted doubly when determining incumbents’ overall Fair Trade voting records.*



Oregonians protest the offshoring of jobs in May 2007.

The “Free Trade” Legacy in Oregon:

- Since the mid-1990s, approximately 68,000 Oregonians have lost jobs due to offshoring and increased foreign imports, according to an analysis of U.S. Labor Department data conducted by the Oregon Fair Trade Campaign in late 2006.¹⁶
- The U.S. trade deficit with China has more than tripled since China entered the WTO in 2001. A May 2007 study by the Economic Policy Institute finds that Oregon has lost a net 25,700 jobs due to this trade imbalance.¹⁷
- A September 2006 study by the Economic Policy Institute finds that Oregon has lost 2.16 jobs due to imports for every one created due to exports as a result of NAFTA. The study also found that jobs lost paid higher average wages than the jobs that were created.¹⁸
- According to a think tank run by former Bush administration Commerce Secretary Donald Evans, “the pressures of global engagement spread economy-wide to alter the earnings of even those not directly exposed to international competition.”¹⁹
- All but the top 5th of Oregon households have seen their average incomes remain stagnant or decline between 1979 and 2004.²⁰ From 2001 to 2005 (the last year for which data is available), the average market-based income for the bottom 90% of all American households has fallen by 4.2%, a loss of \$1,293 per household.²¹
- Rural Oregon communities have voiced opposition to free trade agreements that cost Oregonians jobs. In May 2007, the Hermiston City Council unanimously passed Resolution No. 1810, calling on Congress to reject renewing Fast Track trade promotion authority and “international trade agreements that facilitate the offshoring of Oregon jobs.”²² The same month, the Malheur County Commissioners signed a joint letter saying that NAFTA and the WTO had resulted in “massive job loss” in Oregon that “created ripple effects throughout the economy.”²³
- To hear first-person from Oregonians whose jobs have been lost due to NAFTA, please visit: <http://www.citizenstrade.org/oregon-stories.php>

Notes:

¹ “The Fair Trade Sweep,” Chris Slevin and Todd Tucker, *The Democratic Strategist*, 1/8/07. <http://www.thedemocraticstrategist.org/0701/slevintucker.php>; ² “Democratic Gains Raise Roadblocks to Free-Trade Push,” Greg Hitt and Neil King, Jr., *Wall Street Journal*, 11/11/06; ³ “The Fair Trade Sweep,” Chris Slevin and Todd Tucker, *The Democratic Strategist*, 1/8/07; ⁴ <http://www.citizen.org/trade/articles.cfm?ID=15892>; ⁵ “With Dems in control: gridlock or change?,” Sue Kirchoff, *USA Today*, 11/9/06. http://www.usatoday.com/money/perfi/general/2006-11-09-house-shift-usat_x.htm; ⁶ *NBC News/Wall Street Journal Poll*, May 2005. <http://www.pollingreport.com/trade.htm>; ⁷ *USA Today/Gallup Poll*, April 2006. <http://www.pollingreport.com/trade.htm>; ⁸ *NBC News/Wall Street Journal Poll*, March 2007. <http://www.pollingreport.com/trade.htm>; ⁹ Greenberg Quinlan Rosner, June 2006. <http://www.gqrr.com/index.php?ID=1701>; ¹⁰ <http://www.citizen.org/trade/articles.cfm?ID=15892>; ¹¹ “The Fair Trade Sweep,” Chris Slevin and Todd Tucker, *The Democratic Strategist*, 1/8/07; ¹² “Election may spell doom for Bush’s trade agenda,” Philip Brasher, *The Des Moines Register*, 10/22/06; ¹³ “A New Populism Spurs Democrats on the Economy,” Robert Toner, *The New York Times*, 07/16/07; ¹⁴ “Election 2006: No to Staying the Course on Trade,” Public Citizen, 11/2006. <http://www.citizen.org/documents/Election2006.pdf>; ¹⁵ “With Dems in control: gridlock or change?,” Sue Kirchoff, *USA Today*, 11/9/06. http://www.usatoday.com/money/perfi/general/2006-11-09-house-shift-usat_x.htm; ¹⁶ “Faces of Free Trade and Job Loss,” Michael Geoghegan and Kari Koch, Oregon Fair Trade Campaign, 10/10/06. http://www.citizenstrade.org/pdf2/Faces_of_Free_Trade.pdf; ¹⁷ “Costly Trade With China,” Robert E. Scott, Economic Policy Institute, 5/2/07. <http://www.epi.org/content.cfm/bp188>; ¹⁸ “Revisiting NAFTA,” Robert E. Scott, et al, Economic Policy Institute, 9/28/06. <http://www.epi.org/content.cfm/bp173#pt1>; ¹⁹ “Succeeding in the Global Economy,” Grant D. Aldonas, et al, Financial Services Forum, 6/26/07. <http://www.financialservicesforum.org/atf/cf/{95F7C378-E3F0-4073-AB67-ED043F25DBB7}/REPORT%20-%20Succeeding%20in%20the%20Global%20Economy.pdf>; ²⁰ “Who’s Getting Ahead: Opportunity in a growing economy,” Oregon Center for Public Policy, 9/06. <http://www.ocpp.org/2006/rpt20060902WhosGettingAhead.pdf>; ²¹ Congressional Budget Office, 2006 Spreadsheet, <http://www.cbo.gov/ftpdocs/cfm?index=7718&type=2> “Who’s Grabbing All the New Pie,” Lawrence Mishel, Economic Policy Institute, 8/1/07. http://www.epi.org/content.cfm/webfeatures_snapshots_20070801; ²² <http://www.citizenstrade.org/images2/ResolutionNo1810.pdf>; ²³ <http://www.citizenstrade.org/images2/Malheur%20County%20Resolution.pdf>

Thank you to Briana Carp for her excellent work on this report.

About ORFTC

The Oregon Fair Trade Campaign is a statewide coalition of labor, environmental and human rights organizations fighting for trade policies that:

- prioritize quality jobs in communities across the state;
- create markets for Oregon products by raising living standards in neighboring countries;
- enforce consistent standards for labor and the environment across borders; and
- allow local producers to compete on a level playing field.

For more info, please visit:
www.citizenstrade.org/orftc.php

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“Free Trade” — An Increasingly Key Election Issue

In Their Own Words...

Here's what the 2006 Congressional election winners said about the role of “free trade” as an election issue:

“In each of our campaigns the issue of trade and the impact of the Administration's trade policy on working families, the environment, independent farmers, and businesses in our districts were critically important. Vital to our electoral successes was our ability to take a vocal stand against the Administration's misguided trade agenda, and offer our voters real, meaningful alternatives to the job killing agreements, such as CAFTA, that the majority of our opponents supported.”

— Letter from 36 newly-elected Members of Congress
January 17, 2007

<http://www.citizen.org/documents/freshdemsltr011707.pdf>

What's Inside

- *How was trade used as a campaign issue in 2006, and what were the results?*
- *What do public opinion polls tell us about voters' views on trade?*
- *What are the pundits saying?*
- *How have past trade policies impacted Oregon?*
- *What are the incumbents' positions on trade?*