

Democrats Use Trade Anxiety As Campaign Tool

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Wall Street Journal

September 13, 2010

<http://online.wsj.com/article/SB10001424052748704621204575487652698261476.html>

Democrats seeking to regain footing among middle-class voters are putting trade anxiety at the forefront of new campaign messages, challenging free-trade deals backed by the White House and linking Republicans to corporate outsourcing.

The new strategy comes as President Barack Obama is walking a fine line on the trade issue. Mr. Obama is pushing to sign a revised trade deal with South Korea by mid-November—a week after Election Day. At the same time, the White House is rallying unions and other core Democrats with calls to curb companies' abilities to shift jobs overseas.

In southern Virginia, embattled Democratic Rep. Tom Perriello has put his opposition to the Korea deal and outsourcing at the center of his re-election pitch. In his manufacturing-heavy district in Illinois, Democratic Rep. Phil Hare attacks Washington for easing trade ties with China.

Both men, like several colleagues across the country, have begun airing television ads attacking their GOP challengers for supporting outsourcing.

Mr. Perriello's new ad depicts a dark-suited U.S. businessman standing in front of an Asian factory, thanking the Republican challenger, state Sen. Robert Hurt, for "protecting the tax loophole that gives a company like ours a kickback for sending jobs overseas."

Mr. Hare's spot shows a picture of his GOP challenger, Bobby Schilling, alongside the image of an Asian woman wearing a head set—an apparent reference to an Asian call center.

A spokeswoman for Mr. Hurt, Amanda Henneberg, called the Perriello ad "entirely false."

A spokesman for Mr. Schilling, Terry Schilling, pointed out that many people in the southern Illinois district work at Caterpillar or John Deere—companies that profit from international trade. "These trade deals have been keeping people working in the United States," said Mr. Schilling.

Democratic candidates in Ohio, Wisconsin, Nevada, Indiana, New York and California have launched similar ads in recent days. Others are decrying the 1994 North American Free Trade Agreement and expressing opposition to a Korea deal.

Opposing free-trade deals is a common election-year tactic for Democrats, who rely on labor unions for financial support and grassroots activism. With polls showing the party losing crucial working-class voters in dozens of House districts and broad disapproval of the Democrats' economic agenda in Washington, strategists now see trade as their most effective weapon in minimizing election losses.

But the White House says passing trade agreements with Korea, Colombia and Panama—which have languished in Congress since Democrats took control—would help expand the economy and realize the president's goal of doubling U.S. exports within five years.

The president has pledged to unveil a revised version of the Korea free trade agreement at the Group of 20 meeting in Seoul in mid-November. It would then have to be approved by Congress.

"We don't expect every member of Congress or candidate will agree with us on every proposal," said White House spokeswoman Jennifer Psaki.

Support for acting on the three stalled trade deals is a rare point on which the White House and Republican leaders agree, though they differ on the details.

"These agreements would level the playing field for American workers, farmers and businesses and pave the way for creating hundreds of thousands of new jobs," House Republican leader John Boehner of Ohio said in a speech last month.

In addition to attacking free-trade agreements, a number of Democratic candidates are drawing a link between outsourcing jobs and a no-new-taxes pledge circulated by the conservative group Americans for Tax Reform and signed by most GOP candidates. The pledge, Democrats say, forbids signers from voting to end a tax break for companies' overseas profits—a provision that Democrats have long sought to eliminate.

GOP officials and the president of Americans for Tax Reform say the charge is false. The pledge says tax credits can be eliminated as long as another tax is decreased to keep the end result neutral.

"It's odd that the Democrats would do this," said Grover Norquist, president of Americans for Tax Reform. "I guess they don't have any better argument."

Rep. Chris Van Hollen, chairman of the Democrats' House campaign committee, said highlighting the ATR pledge "does create a very clear contrast on a very important issue, which is jobs and taxpayer subsidies."

Mr. Obama has avoided mentioning the Korea FTA on the campaign trail for weeks. A spokeswoman for U.S. Trade Representative Ron Kirk, who is handling the Korea talks, declined to discuss them in detail.

Separately, the White House has yet to resolve a trucking dispute with Mexico in which the country imposed tariffs on the U.S. after the president signed a measure favored by Democrats canceling a pilot program that allowed Mexican trucks to carry cargo on U.S. roads.

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