Bush Losing 'Fast Track' Trade Power

JIM ABRAMS ASSOCIATED PRESS JULY 2, 2007

President Bush loses his power Saturday to seal "fast track" trade agreements without intervention from Congress, where Democrats blame recent deals for sending U.S. jobs abroad.

Since 1975, only one other president, Bill Clinton, has been stripped of that trade promotion authority, designed to speed the reduction of trade barriers and open new markets with other countries. Bush won't get it back again, and the next president might not either.

House Democratic leaders, including Speaker Nancy Pelosi of California and Rep. Charles Rangel of New York, whose Ways and Means Committee handles trade policy, said in a written statement Friday that their legislative priorities "do not include the renewal of fast track authority."

"Before that debate can even begin, we must expand the benefits of globalization to all Americans," they said.

In the Senate, Finance Committee Chairman Max Baucus, D-Mont., said he had other pressing trade issues, such as extending relief to trade-hit American workers. "I have always said that it is more important to get trade promotion authority done right than to get it done fast."

Rather than promoting new free trade accords, the government should concentrate on rewriting old deals such as the North American Free Trade Agreement, going after countries such as China that manipulate their currencies, strengthening product safety and pushing anti-sweatshop legislation, said Sen. Sherrod Brown, D-Ohio.

Nonetheless, Secretary of State Condoleezza Rice urged Congress on Friday to renew Bush's trade promotion authority. Without it, she said, "America will lose an important diplomatic tool that has proven essential to bringing foreign leaders to the negotiating table and advancing our nation's broader foreign policy interests."

Rangel got a similar pitch in a letter from U.S. Trade Representative Susan Schwab.

"More than 100 bilateral trade negotiations are currently under way among our trading partners," she wrote. "It is important that the United States not sit on the sidelines as other countries lock in new preferential trading arrangements with our competitors."

Democrats say they support expanded trade as long as it's fair to American workers and doesn't exploit developing countries. They complain that Bush pushed too many trade deals at the expense of worker rights and environmental protections.

Fast track authority, which dates back to the Ford administration in 1975, gives the president the right to negotiate trade agreements that Congress can

accept or reject, but cannot amend. Every president since then has enjoyed it, although the law lapsed between 1994 and 2002, when Democrats suspicious of trade agreements joined with Republicans hostile to the Clinton administration in opposing its renewal.

The revival of the law in 2002 came only after Republicans agreed to Democratic demands to expand a program assisting U.S. workers hurt by foreign trade.

The expiration of fast track won't affect four outstanding bilateral trade pacts that Congress must consider before they take effect. Negotiations with Peru and Colombia are finished, the United States and Panama signed a deal Thursday, and the free trade accord with South Korea is to be signed in Washington on Saturday, just before Bush's authority expires.

U.S. and South Korean negotiators cleared their final hurdle Friday when the Koreans acceded to new U.S. guidelines demanded by Democratic lawmakers calling for stricter labor and environmental standards.

Democrats reached a broad agreement with the Bush administration last month that worker rights and the environment will be core parts of future free trade agreements. That improved prospects for congressional action on several of the accords, although there are still sticking points, such as violence against labor leaders in Colombia and South Korea's restrictions on U.S. auto imports.

The top Republican on the Ways and Means panel, Rep. Jim McCrery of Louisiana, noted that since Bush took office in 2001, the United States has implemented 10 free trade agreements with countries such as Australia, Bahrain, and Chile, and that the U.S. trade deficit with those countries has fallen by \$7.3 billion.

He and other Republicans warned that without fast track, countries leery of congressional tinkering won't come to the negotiating table. "We risk losing market share around the world," said Rep. Wally Herger, R-Calif.

But Sen. Byron Dorgan, D-N.D., argued that "trade agreements have given us the largest trade deficits in human history." Last year the U.S. trade deficit reached \$836 billion.