

Pelosi ties Colombia deal to new growth bill

By Doug Palmer
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WASHINGTON - The Bush administration and Congress need to agree on new legislation to create jobs and boost domestic economic growth before lawmakers can approve a free-trade agreement with Colombia, House of Representatives Speaker Nancy Pelosi said on Wednesday.

"As I said to the president, until we pass a legislative package for jobs and economic growth here at home, it will be extremely difficult to approve any trade legislation," Pelosi said in a letter that House Republican Leader John Boehner said exposed her intention to block a vote on the Colombia deal.

A White House spokesman dismissed Pelosi's letter as more "about politics" than economics.

"The Colombia agreement is economic growth legislation -- it opens markets for products made by American workers, farmers and ranchers. Any other economic legislation should be considered on its own merits," White House spokesman Tony Fratto said.

President George W. Bush has accused Pelosi of effectively killing the Colombia agreement earlier this month by pushing through a vote in the House to delay action on the pact.

Pelosi has responded by insisting Congress and the Bush administration first take action to stop U.S. job losses and to address rising food and energy prices.

Republicans have questioned whether Pelosi is really serious about passing the Colombia free-trade agreement, which is strongly opposed by U.S. labor groups -- a key base of support for Democrats.

Boehner urged her in a letter last week to "detail exactly what issues you want to see action on in order to bring the Colombia Fair Trade Agreement to the House floor for a fair, straight up-or-down vote."

Pelosi responded to Boehner on Wednesday but said the best way to proceed would be "through face-to-face discussions rather than by laying out a list of options."

"I have already had several conversations with (Treasury) Secretary (Henry) Paulson on this subject, and look forward to continuing those discussions soon," Pelosi said.

The Bush administration and Congress worked together earlier this year on an economic stimulus package that will soon begin delivering billions of dollars in tax rebates to 130 million Americans, Pelosi said.

The economy has continued to deteriorate and it is time now to reconsider "earlier initiatives that were set aside," Pelosi said, without specifying exactly which ones.

"We must also review trade policies that have contributed to the loss of domestic jobs in light of changed economic circumstances at home," she said.

Boehner accused Pelosi of disguising her attempt to block a vote on the Colombia agreement, which the U.S. International Trade Commission has estimated will slightly boost U.S. exports by eliminating Colombia's tariffs on U.S. goods.

"By not spelling out the agenda items she is requesting in order to move the trade pact forward to a vote and by ignoring the clear job creation benefits of free trade with Colombia, it is increasingly evident that the Democratic leadership does not want to see a vote on this important free trade agreement," Boehner said in a statement.

(Writing by Doug Palmer; Editing by David Wiessler and Bill Trott)