

Centrist Dems tied to Clintons press influence in trade debate

By Ian Swanson
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Centrist Democrats of the New Democrat Network who want their party to move forward on trade are trying to influence a fiery inter-party debate before a new president takes office in 2009.

New Democrat Network (NDN) President Simon Rosenberg said his group's goal is to build a new bipartisan consensus on trade, a hallmark of President Bill Clinton's administration that Rosenberg argues the Bush White House unraveled. "We hope to forge one before the next president comes to office," Rosenberg said.

The effort by the group with extensive ties to Clinton's administration comes just as Sen. Hillary Rodham Clinton (D-N.Y.) consolidates her position as the presidential front-runner. It also comes as House Democratic leaders work with a caucus divided on trade and face pressure from members representing manufacturing states who do not favor a series of trade deals negotiated by the Bush administration.

NDN would be well-positioned to influence trade policy if Hillary Clinton becomes the next president. Rosenberg is a veteran of Bill Clinton's 1992 campaign war room and later worked for the Democratic National Committee and Democratic Leadership Council before starting NDN. Robert Shapiro, who heads NDN's globalization initiative, was an undersecretary of commerce for economic affairs during Clinton's second term. He also served as principal economic adviser in Clinton's first campaign.

NDN isn't alone. The Center for American Progress, headed by Bill Clinton's former chief of staff John Podesta, also is working on a coherent globalization and trade strategy. Podesta recently moderated an event with Robert Rubin, Clinton's Treasury secretary, whose advocacy for free trade has sparked criticism in some Democratic quarters.

Rosenberg said NDN favors free trade as an important pillar in U.S. economic and foreign policy, although NDN thinks more must be done to ensure all Americans are benefiting. He said that Americans have lost trust in the government's ability to set economic policy and that NDN wants to help create a strategy that will work for all Americans.

"What is that strategy that's going to allow us to maintain what's good about globalization but also deals with the stuff that's made it hard for people to get ahead?" Rosenberg said.

Last week, NDN hosted an address by Senate Finance Committee Chairman Max Baucus (D-Mont.), who warned Democrats against repeating the protectionist calls of the past. Baucus also repeated his advocacy for new trade talks with Malaysia, Taiwan, Indonesia, India and Japan, a position many House Democrats would oppose.

This drew heat from some trade skeptics. Columnist David Sirota, who writes frequently on trade issues and repeatedly has criticized Baucus, criticized NDN on The Huffington Post last week for giving Baucus a platform “to extend NAFTA even further.”

NAFTA is the North American Free Trade Agreement, shepherded through Congress by Bill Clinton. House Democrats critical of trade frequently criticize deals negotiated by the Bush administration with Peru and Panama as extending NAFTA.

Rep. Mike Michaud (D-Maine), who co-founded the House Working Group on Trade, says he sees NDN as supporting “the same old thing” when it comes to trade. “It would be a positive development if they were to realize the NAFTA model doesn’t work,” Public Citizen’s Lori Wallach said, referring to NDN. Public Citizen has worked closely with House members in the Working Group on Trade.

Michaud thinks Democrats could endanger themselves by embracing trade. “If we don’t get it right on trade in this Congress, we might not have a Democratic president,” Michaud said. He said Clinton’s campaign has asked if he’d endorse her, but he remains undecided. “I said I wanted to talk to her about trade issues. I haven’t heard back,” he said.

It is unclear how trade policy would be handled by a Hillary Clinton administration. While Bill Clinton won tough trade votes on NAFTA and opening the U.S. market to China by forging a bipartisan majority, Hillary Clinton opposes a pending trade deal with South Korea, partly because of opposition from U.S. automakers, and she voted against the Central American Free Trade Agreement that critics labeled a mini-NAFTA.

Working Group members and key Democratic constituencies are pushing for a broader overhaul of trade policy, and worry groups like NDN don’t want to go as far. “It’s about pretty dramatically re-changing the rules,” Thea Lee of the AFL-CIO said. “One thing that isn’t going to sell with us is barreling ahead with trade liberalization with an improved trade adjustment assistance and unemployment insurance.” Democrats expect to vote on a bill expanding trade adjustment assistance for workers displaced by trade this month.

Rosenberg said he has sympathy for those arguing that liberalization isn’t working out well for Americans. “We agree that that’s the case. The question is, what are we going to do about it?” he said.

NDN is unveiling a series of papers on healthcare, energy policy and education designed to tackle globalization. “We’re trying to offer a series of ideas about what can we do to

make globalization work for all Americans. I don't think we're there today," Rosenberg said.