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Centrist Democrats oppose Central American trade pact

By JIM PUZZANGHERA

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WASHINGTON - The leaders of a group of centrist Democratic lawmakers announced their opposition Wednesday to a free-trade agreement with Central America.

Rep. Ellen Tauscher, D-Calif., chair of the 41-member New Democrat Coalition in the House of Representatives, released a letter to President Bush asking him to renegotiate the Central American Free Trade Agreement, known as CAFTA. They said that the pact does not provide adequate protection for worker rights in the region and that the Bush administration needs to do more to help U.S. workers who have lost their jobs because of increased global trade.

"Free trade cannot consist of simply reducing trade barriers. As we pursue trade liberalization we have a responsibility to address the impact that trade deals will have on workers both here and abroad," Tauscher said. "Today we are saying to the president, 'Stop.' Don't send a faulty CAFTA trade agreement to Congress."

Tauscher and her New Democrat Coalition co-chairs - Reps. Adam Smith of Washington, Ron Kind of Wisconsin and Artur Davis of Alabama - said Bush needed to use the clout of the United States to force the Central American countries to improve worker rights. They also slammed Bush for failing to provide enough money in his budgets to re-train U.S. workers whose jobs have gone overseas, and for failing to reach out to pro-business Democrats for input as CAFTA was being negotiated.

"We want to support trade," Smith said. "But we want to support trade that works for the people we represent broadly, for the workers who are struggling in the New Economy and for the workers internationally who are trying to rise out of poverty and into a middle class."

The trade deal between the United States and six Central American countries - Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua - is a top priority of the export-heavy high-tech industry. CAFTA would lower tariffs on tech products that range from 5 percent to 30 percent, saving U.S. exporters an estimated \$75 million annually.

U.S. high-tech exports to the six countries totaled nearly \$2.5 billion in 2003. High-tech executives hope CAFTA pave the way for a broader free-trade agreement through South America.

But without the support of centrist Democrats, who tend to be pro-business and have provided crucial votes for previous trade deals, CAFTA's fate in the House is uncertain.

Although Bush and the House GOP leadership are strongly in favor of CAFTA, some Republicans from regions with textile factories or sugar farms already oppose it out of fears of greater competition from countries with low-wage workers. Republicans have been hoping to lure enough Democrats to make up the difference.

The centrist New Democrats are usually the main source of such votes. Tauscher said that she will not actively urge her group's members to oppose CAFTA, but that the opposition of the group's leaders undoubtedly would influence Democrats who are undecided.

No date for a vote has been set in the House.

Neena Moorjani, press secretary for the U.S. Trade Representative's office, said Bush administration officials have held numerous meetings with New Democrats and have known passage of CAFTA "would be

a tough fight."

House Republican officials blasted Democrats for not being more supportive of CAFTA during a news conference Wednesday before dozens of high-tech industry representatives to unveil the GOP's high-tech legislative agenda for the year, which include passage of the pact.

"We cannot do this by ourselves and you shouldn't expect us to," House Majority Whip Roy Blunt, R-Missouri, said of CAFTA. "We'll put the 90 percent or so of our members on the line ... just like we always do, and then if this doesn't happen, it doesn't happen because of the Democrats who tell you they'll be there and never are."

Blunt told the lobbyists and tech officials - many wearing buttons urging passage of CAFTA - to withhold support from Democrats who proclaim they are pro-trade during campaigns but then vote against important trade deals.

The loss of centrist Democratic votes will force Republicans to try to offer deals to GOP lawmakers from states that produce sugar to allay their concerns over CAFTA and secure their votes, predicted Ralph Hellmann, the top lobbyist for the Information Technology Industry Council, a coalition of 31 top IT companies such as Intel and Hewlett-Packard.

The presidents of the six Central American nations will try to give CAFTA a boost next week, traveling together to 12 U.S. cities Monday and Tuesday on a tour coordinated by the White House and the U.S. Chamber of Commerce. The presidents then will join Bush for a meeting at the White House to promote the pact next Wednesday.