

Congress To Vote On 3 Trade Agreements

Jim Abrams, Associated Press

WASHINGTON (AP) — Acting in rare harmony, Congress is preparing to approve three free trade agreements that advocates say will boost exports, give the economy a needed shot in the arm and help put Americans back to work.

The trade agreements with South Korea, Colombia and Panama are being trumpeted as economic victories by President Barack Obama and most congressional Republicans. Democrats, traditionally wary of free trade, are more ambivalent, but all three pacts are expected to pass easily when they come up in the House and Senate on Wednesday.

The Senate on Tuesday passed another trade-related bill that would raise tariffs on Chinese goods if China does not adjust its undervalued currency, which makes Chinese exports cheaper and contributes to the \$273 billion U.S. trade imbalance. That legislation, however, is opposed by House GOP leaders fearful of starting a trade war with China and is unlikely to advance.

The deal with South Korea alone is the largest since the North American Free Trade Agreement with Mexico and Canada in 1995. The White House says together the three agreements will increase U.S. exports by \$13 billion and create tens of thousands of jobs.

The three agreements "will give our ranchers, farmers, workers and businesses a competitive edge in three lucrative, fast-growing markets," said Senate Finance Committee Chairman Max Baucus, D-Mont. "They are what our economy needs right now."

There are also passionate detractors among labor groups, human rights groups and Democrats who say free trade agreements have a history of driving U.S. factories overseas to countries with poor labor rights and environmental records. Of the three, the strongest opposition is against the Colombia accord because of that country's problems with violence against labor leaders. A Senate Finance Committee meeting Tuesday to move the trade agreements to the Senate floor was interrupted several times by protesters.

"What do you get when you exercise your rights in Colombia today?" Rep. George Miller, D-Calif., asked in a statement. "You get death threats and death squad activities against you and your family."

The three deals were initially signed during the George W. Bush presidency but have been stalled, first by the then-Democratic majorities in Congress and later by Obama's insistence that elements of the pacts be renegotiated. In the past year the administration has succeeded in winning concessions from South Korea to open up its markets further to U.S. vehicles and concluded an agreement to bring

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transparency to banking practices in Panama, known as a tax haven.

It has also prodded Colombia into putting together a Labor Action Plan designed to protect labor rights and crack down on violence against labor leaders.

But, to the frustration of Republicans and business groups complaining that American businesses were losing out because of the administration's slow pace, the White House also delayed sending the three agreements to Congress until it received assurances that Congress would extend expired provisions of a program that helps workers displaced by foreign competition with retraining and financial assistance.

The Senate last month passed those extensions of the Trade Adjustment Assistance program and the House plans to vote on it Wednesday along with the free trade agreements.

"For almost four years we have stood still and done nothing, while other countries raced ahead and seized America's market share around the world," said Sen. Orrin Hatch of Utah, top Republican on the Finance Committee.

The votes come a little more than a week after Obama submitted the agreements to Congress, and the quick turnaround reflects the importance with which House GOP leaders regard them as economic stimulators. The goal is to finish the voting by Wednesday, a day before South Korean President Lee Myung-bak is to address a joint meeting of Congress.

The United States has free trade relations with 17 nations. The last free trade agreement was completed in 2007 with Peru. It could still take several months to work out the final formalities before the current agreements go into force. The Korean parliament is expected to sign off on its agreement this month.

The administration says the agreement with Korea, America's seventh-largest trading partner, will increase U.S. exports by more than \$10 billion and support 70,000 American jobs. It would make 95 percent of American consumer and industrial goods duty free within five years.

The agreement, the White House said in a statement, will give American businesses, farmers, workers, ranchers, manufacturers, investors and service providers "unprecedented access to Korea's nearly \$1 trillion economy."

Supporters say that the Colombia deal, in addition to opening up markets that have been restricted because of high tariffs, would be a gesture of political support for President Juan Manuel Santos, who has been a strong ally of the United States.

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