

What Are the Positions of Presidential Candidates on Trade?

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As a candidate for president in 2007-2008, then-Illinois senator, Barrack Obama talked a good game. In December 2007 at the *Des Moines Register* debate, he pledged "there's no doubt that NAFTA needs to be amended. " At a June 2008 speech in Flint, MI, he said, "If we continue to let our trade policy be dictated by special interests, then American workers will continue to be undermined, and public support for robust trade will continue to erode. "

But as president, Obama's flip-flops on trade rank up there with the best moves of an Olympic gymnast. He pushed hard for passage of the trade agreements with Korea, Colombia and Panama, all based fail NAFTA template. He has instructed his team at the U.S. Trade Representative's office to spearhead the proposed Trans-Pacific Partnership, a trade agreement involving nine Pacific region nations, including Vietnam and Brunei, two undemocratic countries with serious and well-documented human and labor rights problems.

So how about the Republicans? Former Massachusetts governor Mitt Romney has the most detailed position on trade of all the GOP candidates. Romney supports the free trade agreements with Korea, Colombia and Panama that were passed by Congress and signed by Obama. He also calls for passage of the Trans-Pacific Partnership, in addition to new FTAs with nations such as Brazil and India.

However, Romney would get tough with China by imposing "targeted tariffs" or economic sanctions for unfair trade practices or misappropriated American technology. He would also designate China as a currency manipulator and instruct the Commerce Department to impose countervailing duties. Romney would also pursue the "formation of a 'Reagan Economic Zone.' This zone would codify the principles of free trade at the international level and place the issues now hindering trade in services and intellectual property, crucial to American prosperity and that of other developed nations, at the center of the discussion."

Not much can be said for Newt Gingrich on the subject of trade and jobs. The oncepowerful House speaker wants to make "mutual trade" -- neither free trade nor protectionism -- the country's goal," whatever that means. Back in 2006, Gingrich felt that protectionism helps China and India challenge U.S. supremacy. Writing on his website, he said, "In the US, there exists a coalition of union leaders who prefer protection over competition. This liberal coalition complains about companies' outsourcing jobs while insisting on corporate taxes that encourage companies to go overseas. They prefer that government impose on business obsolete, absurd work rules, even though these raise costs, lower productivity, and make America less competitive in the world market. The challenge to American economic supremacy from 1.3 billion Chinese and more than 1.1 billion Indians is vastly greater than anything we have previously seen. India's embrace of capitalism and China's bizarre combination of Marxist-Leninist government and free market initiatives will create a future where onefourth of the world's markets will be controlled by these countries. Those who advocate economic isolationism and protectionism are advocating a policy that could help China and India surpass the US in economic power in our children's or grandchildren's lifetime."

Texas Governor Rick Perry's plan for "Energizing American Jobs and Security" on his campaign website makes no mention of trade issues. However, in his 2010 book Fed up!, Perry says "I see an America where the innovation and hard work of the American people creates still more opportunities, jobs, and wealth. I see a nation that is not cowering to the prospect of a united Europe or an ever-growing China and India, but rather welcomes those markets and many others as opportunities for the entrepreneurial and industrious spirit of the American people. I see a world where free trade opens up more doors and where people embrace trade's benefit to both America and the rest of the world."

Congresswoman Michele Bachmann pledges to cut spending and the size of government, reduce taxes, and repeal onerous legislation, such as ObamaCare and the Dodd-Frank Act. The first of the 11 points of her "American Jobs, Right Now" blueprint is to repatriate the foreign earnings of American corporations to create immediate jobs, but the other ten points make no mention of trade issues. However, she voted for the Peru FTA in 2007, her first year in the House, and she backed the Korea, Colombia and Panama FTAs this year.

Former Pennsylvania Senator <u>Rick Santorum</u> pledges to negotiate five Free Trade Agreements and submit them to Congress in the first year of his presidency. During his tenure in Congress, Santorum voted for Permanent Normal Trade Relations with China and all of the free trade agreements of the George W. Bush era including CAFTA, Chile, Oman and Singapore. All of these votes resulted in Senator Santorum compiling a perfect 100% rating from the CATO Institute, the libertarian think tank co-founded by Charles Koch, one of the Koch brothers that own the conglomerate Koch Industries, Inc.

U.S. Rep. Ron Paul is another candidate whose economic planks are standard Republican positions. To understand Paul's views it is best to look at his quotes and votes. During his two stints in Congress, Paul voted against NAFTA and free trade agreements with

Australia, CAFTA, Chile, Peru and Singapore. In addition, Paul voted to withdraw from the WTO and to not renew the "fast track" authority for the president to negotiate FTAs because he feels it cedes power from Congress to the executive branch.

In his 2008 presidential campaign, Paul explained his opposition to FTAs as threats to American sovereignty, saying "I opposed both the North American Free Trade Agreement and the World Trade Organization, both of which were heavily favored by the political establishment. Many supporters of the free trade market supported these agreements. Nearly six decades ago when the International Trade Organization was up for debate, conservatives and libertarians agreed that supranational trade bureaucracies with the power to infringe upon American sovereignty were undesirable."

Jon Huntsman is selling himself as an unabashed free trader. The former Utah governor boasts of leading trade missions overseas that helped grow his state's exports, and he touts his appointment as deputy U.S. trade representative under President George W. Bush as giving him experience in helping to negotiate trade agreements across the globe. Like Romney, Huntsman would push for completion of the Trans-Pacific Partnership, and he would initiate FTAs with Japan, India, Taiwan and other nations. Huntsman also supports the Doha Development Round of World Trade Organization (WTO) negotiations.

In contrast, <u>Buddy Roemer</u> has taken a hard line against Free Trade Agreements and China. In a September 1, 2011 speech in front of the Chinese Embassy in Washington, DC, the former Louisiana congressman and governor unveiled his jobs plan where he slammed open trade with China as the "biggest disaster for the American economy." He claims to be "the only presidential candidate who is speaking the truth about global free trade." To level the playing field on trade, Roemer called for an elimination of the foreign tax credit for taxes paid to a foreign country. In addition, he proposed the elimination of tax deductions for business expenses and costs of goods sold for companies that buy goods or services outside the United States. Only businesses that employ American workers and buy American products would be allowed these tax deductions. He also called for importers to pay the government an adjustment fee "equal to the unfair advantage they gain from importing goods from foreign countries to the United States."

It's a shame that the Republican candidate with the best position on trade has garnered less than 1% support in the polls so that he isn't being included in the debates with the other Republican candidates. This is the same position that Congressman Duncan Hunter occupied in the 2008 election when he was the only candidate on the right side of the trade issue and supported American manufacturing. He wasn't included in the 2008 debates so millions of people missed out on hearing his message.

When are Americans going to wake up to what is really causing the lack of jobs in the United States? The <u>real culprits</u> are free trade agreements with Mexico, China, and other countries, as well as the outsourcing of manufacturing offshore.. They have led to the loss of nearly six million manufacturing jobs since the year 2000. Since manufacturing jobs create an average of three to four other jobs, we've really lost 18 to 24 million jobs. We

need to review our unilateral free trade agreements with China and other countries that only seem to benefit other countries at the cost of jobs and even whole industries in the United States. We need to let all the candidates for president know that we don't want any more free trade agreements. We need to let them know that we want them to support the American manufacturing industry and stop giving our wealth and jobs to foreign countries.