

EDITORIAL: Promoting Un-Free trade

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President Obama was elected with massive support from labor unions. Now the Obama White House is paying unions back by burying free trade.

This weekend's fifth Summit of the Americas in Trinidad and Tobago provided Mr. Obama with an opportunity to convince struggling countries in Latin America that the United States wants to help them navigate the financial crisis through increased trade. Instead, the White House is building new walls to stop greater trade from flowing. At every opportunity, the president replays the worn, old record about the need to impose U.S.-style overregulation on poor nations in the form of red tape, especially regarding his environmental and labor pet causes.

The anti-trade bias of the Obama administration is not a surprise given the debt Mr. Obama owes organized labor. According to the Center for Responsive Politics, labor unions spent more than \$52 million promoting Mr. Obama's candidacy and attacking his Republican opponent, Sen. John McCain, in the last presidential election. Overall in the 2008 election cycle, unions spent more than \$73 million directly on campaigns; 92 percent of this pot went to Democrats. An additional \$80 million in independent expenditures was spent by unions "on independent broadcast advertising, mail and internal advocacy to help elect or defeat federal candidates." Now Mr. Obama is paying the piper.

Increased trade with Latin America would benefit U.S. consumers by providing low-price goods, and access to the U.S. market plays a significant role in bringing developing countries out of poverty. Mexico is a good example. According to the United States Trade Representative, Mexican exports to the United States have more than quadrupled from \$60 billion to \$280 billion per year since the inception of the North American Free Trade Agreement (NAFTA) in 1994. Business with Canada and the United States now accounts for more than 80 percent of Mexican trade. As a result of this greater access to rich foreign markets, Mexico's gross domestic product has increased an average of 2.7 percent annually. This success should be a model for trade relations with our other neighbors south of the border.

The Obama administration is missing an opportunity to build stronger relationships in this important and growing region. Over the past five years, Latin America experienced the fastest overall economic growth rate in the world. While the White House looks the other way, Beijing is ratcheting up its efforts to expand Chinese influence in the region. China now is the second-largest regional trading partner after the United States, and it is providing aid and attractive loan packages to Latin American nations to help them manage their current economic problems. That's how the Chinese are winning friends and influencing people in our own backyard.

As a candidate, Mr. Obama promised to unilaterally rewrite NAFTA and opposed the Central American Free Trade Agreement and free-trade accords with Colombia and Panama because

labor unions oppose greater access to these markets and their workers. While the president seems intent on giving a boost to the communist Castro dictatorship by opening up relations with Cuba, he resists similar entreaties to assist our allies in Bogota who are fighting a civil war against Marxist-narco revolutionaries. That says a lot about his priorities.

At a campaign stop last summer in Flint, Mich., Mr. Obama warned, "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." Mr. Obama apparently doesn't count his largest contributors as special interests. A robust trade policy is being undermined because Mr. Obama is beholden to the interests of big labor. That's definitely not in the country's best interest.