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Moderate Democrats On The Hot Seat As Vote On Oman Agreement Nears

By MARTIN VAUGHAN, *National Journal*

The House vote on the U.S.-Oman free trade agreement slated for Thursday puts moderate Democrats who style themselves as pro-trade on the hot seat, as they face conflicting pressures from their party base from the business interests who have relied on them to support past trade deals.

After their overwhelming opposition to the Central America Free Trade Agreement, a number of Democrats are seeking to re-establish their pro-free trade credentials, lobbyists and House aides said.

Leaders of the New Democrat Coalition including Reps. Ellen Tauscher of California, Adam Smith of Washington, Artur Davis of Alabama and Ron Kind of Wisconsin have been getting lots of attention from White House officials and business lobbyists, and from labor unions opposed to the deal. The New Democrats are expected to discuss the Oman deal at a meeting today.

The Sultan of Oman last week made it easier for Democrats who are on the fence to support the deal when he issued a decree announcing the implementation – several months earlier than planned – of labor reforms affecting collective bargaining rights and right to strike.

“Since the royal decree, the context on the ground has changed,” said one business lobbyist working to pass the U.S.-Oman agreement. “The Omani royal decree went some length to give [Democrats] cover to vote for the bill.”

A spokesman for Rep. John Tanner, D-Tenn., a leader of the moderate-to-conservative Blue Dog Coalition, said Tanner is re-evaluating his position on the deal in light of the developments.

Tanner voted against the agreement during the House Ways and Means Committee markup, saying he was fed up with the Bush administration ignoring Democratic pleas for input in negotiating trade agreements.

Most Ways and Means Democrats, however, are expected to vote against the deal. A July 11 staff analysis of the Omani royal decree from panel Democrats notes that the decree does not put into effect the changes on collective bargaining and right to strike, but states that a ministerial decision will do so in the future.

The decree “fails to address meaningfully” other shortcomings on the treatment of foreign workers and forced labor, according to the analysis.

Labor and textile opponents of the deal have also been sowing opposition among Republicans, charging the agreement will become a back door for China to ship more textiles and apparel to the United States, and linking U.S. obligations on investment and services to the red-hot port security issue.

“Many Republicans would rather eat glass than have to take another one of these trade votes,” said Lori Wallach of Public Citizen’s Global Trade Watch.

All of that makes conservative Democrats even more important in the effort to pass the Oman deal.

“There are a fair number of Democrats that really want to support trade. CAFTA put them in a tight spot,” said a Democratic aide. “If the New Democrat co-chairs come out and support it, members will look at that and say, if they can support it, why can’t we?”

The vote might be the first test of whether overtures to Democrats since CAFTA by former Trade Representative Portman and his successor Susan Schwab have had an impact.

But Democratic support for Oman might turn to the disadvantage of the White House in its efforts to pass a U.S.-Peru trade pact by year’s end.

Some pro-business Democrats are weighing their support for Oman against other trade votes looming out there, and may decide that if they have one yes vote to spend, it will be on Oman, sources said.

“You could see people rationalizing a no vote on Peru by saying, ‘I voted for Oman,’” the aide said.

But that rationalization will not convince companies that look at trade votes in gauging whether to support members for re-election, said Bill Morley, who is lobbying for passage of the U.S.-Peru trade agreement for the American Chamber of Commerce in Peru.

“The business community doesn’t feel that, OK, you give us one out of two, you’re OK,” he said.

House Ways and Means Chairman Thomas is eyeing this Thursday for a possible mock markup of the draft U.S.-Peru agreement. But few expect that that agreement will be taken up by the full House before August, and some are predicting that the process of congressional approval may be completed in a lame-duck session.