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Democrats seek review of trade agreement

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MANCHESTER — Several New Hampshire Democrats yesterday questioned whether Gov. Craig Benson overstepped his authority by allowing federal trade officials to include New Hampshire state government in trade agreements with Central American and African countries.

Democrats asked state Attorney General Kelly Ayotte to review the Nov. 18 action by Benson, who gave U.S. Trade Representative Robert Zoellick the ability to negotiate access to the state government procurement market in several trade deals.

Benson said he'd be happy for Ayotte to review the matter. The Republican said the agreements would lower trade barriers.

“This is the bureaucracy the Democrats want to continue to provide — to make it harder and harder for businesses to sell things overseas,” Benson said. “We have an opportunity to export products that are wanted around the world.”

Benson's authorization covers trade agreements with Morocco, Australia, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, South Africa, Botswana, Lesotho, Namibia and Swaziland.

Several Democratic state representatives yesterday signed the letter to Ayotte. The letter asks her to review whether Benson had the authority to name New Hampshire as a signatory to the Central American Free Trade Agreement and other trade agreements.

The power to do so, the letter said, rests with the Legislature.

“Although New Hampshire is listed as being bound to the government procurement regulations of (the Central American Free Trade Agreement) and other trade agreements, no legislative action was taken on this issue and no public debate was held or scheduled to discuss the effects of this treaty on the state of New Hampshire,” the letter reads.

Among those signing the letter were Democratic state Sens. Lou D'Allesandro, Sylvia Larsen and Joe Foster, and Reps. Peter Burling, Jim Craig, Chris Pappas, John DeJoie, Gloria Seldin, Jackie Pitts, Edgar Mears and Charles Weed.

According to the AFL-CIO, the trade agreement would prevent state government from adopting procurement policies to encourage environmentally friendly purchases, limit business deals to in-state companies and ban materials made in sweatshops.

Twenty-one states have bound their procurement policies to CAFTA, while seven states have backed away from initial commitments. President Bush has signed CAFTA but Congress has not voted on the agreement.

Also yesterday, Benson credited President Bush's tax cuts with reviving the economy.

The state unemployment rate has dropped to 3.8 percent, he said. Nationally, 1.7 million jobs were created last year, and 75 percent of them exceed the median hourly wage, Benson said.

Home ownership and the number of small businesses is at an all-time high, Benson said.

"The President of the United States has gotten us to believe in investing in America again," Benson said.

But the campaign of Democratic candidate John Kerry said small business is hurting under the Bush administration. Loans and access to capital are down; health-care and energy costs are up, said Kathleen Strand, spokesman for the Kerry-Edwards campaign in New Hampshire.

More than one third of the small businesses in American will get less than \$100 from the Bush tax cut, she said. "That's not anything to celebrate."