

# Partisan Disagreements Jeopardize New Trade Deals

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[WASHINGTON](#), July 7 — Two months after the Bush administration and Democrats on Capitol Hill agreed to expedite several trade pacts, they are squabbling again. Their disputes are jeopardizing Congressional approval of the administration's already shrunken trade agenda.

At issue is a bipartisan accord, reached in early May, in which the administration agreed to Democratic demands to add provisions establishing labor and environmental standards in trading partner countries. In return, the Democrats agreed to pass trade deals with [Peru](#) and [Panama](#), and possibly [South Korea](#) and [Colombia](#).

Now the administration is charging that the Democrats have increased their demands by insisting that the partner countries put the protections into effect before Congress acts on the deals. The administration also is concerned that the Democrats' plan to visit Peru and Panama this summer amounts to meddling.

In a letter to House Speaker [Nancy Pelosi](#) and other Democrats sent late Friday, Susan Schwab, the United States trade representative, said the administration was "deeply concerned" that Democrats were considering "unprecedented new preconditions on our trading partners."

Ms. Schwab also charged that "unilaterally requiring another sovereign country to change its domestic laws" as the Democrats want "would be a fundamental break with U.S. law, policy and practice."

Democrats charged, in response, that the administration was overreacting and said they intended to approve two deals on Panama and Peru this year.

“I’m trying to get this thing passed, with a bigger vote than we would have had before,” said Representative [Charles B. Rangel](#), the New York Democrat who is chairman of the House Ways and Means Committee. He said that getting Peru to act on labor and environmental issues before Congress acts was “not a big deal.”

The dispute over Peru is admittedly narrow, both sides agree. But how it gets resolved, if it does, could become a model for future trade agreements, even under future presidents. Trade experts around the world are watching how the administration and the Democrats handle the matter.

With protectionist sentiment fairly high in Congress, it has become harder in recent years to get any trade deals passed.

Democrats are torn between important constituencies on trade. Labor activists, environmental groups and other left-leaning organizations say that trade deals are costing American jobs, while Wall Street, high technology industries and other business groups see them as beneficial.

Global trade talks that started in 2001 are close to being declared dead because of myriad disputes involving the United States, Europe and the developing world. But the administration recently negotiated deals with Panama, Peru, South Korea and Colombia that it wants to get passed this year.

At the end of June, however, the Democrats shot down the prospects for at least some of these deals. Ms. Pelosi, Mr. Rangel and other Democrats warned the administration that the Korea and Colombia deals were flawed and that Mr. Bush should not count on Congressional renewal of his authority to negotiate future trade pacts.

What rankled the administration, however, was that Mr. Rangel announced that he would travel in August to Peru and Panama to secure the labor and environmental provisions. He plans to go with Representative Sander M. Levin, a Michigan Democrat who is

chairman of the Ways and Means trade subcommittee, and other lawmakers.

Mr. Levin said the administration, contrary to its claims, had asked for changes in foreign countries' laws before approval of trade deals, for example by requiring them to protect patents of American-made pharmaceuticals.

"We want this agreement," Mr. Levin said. "What we're saying is, let's go down and see if we can't help make that happen." He and Mr. Rangel said that both Alan García, Peru's president, and [Alejandro Toledo](#), a former president, had assured the Democrats that Peru would make the changes.

The other two faltering trade agreements, with South Korea and Colombia, appear less likely to be approved this year. Ms. Schwab reached an accord with Korea last month, but Democrats said it did not sufficiently open up Korean markets to American automobiles.

The Colombia trade deal, they said, cannot be approved until there is "concrete evidence" that Colombia is cracking down on violence by paramilitary groups against labor organizers and peasants.