

US Senate vote clears path for anti-China trade bill

Patrick Martin
24 June 2015

With a 60-37 vote Tuesday to end debate and force a vote on “fast-track” authority for President Obama, the US Senate has revived trade legislation sought by the White House and backed by most congressional Republicans.

Final passage of the bill by the Senate is expected on Wednesday, with the outcome of that vote considered a foregone conclusion. The House of Representatives approved the legislation on June 18 by a narrow 218-208 margin.

The Senate vote came only 10 days after the House temporarily blocked action on the legislation when liberal Democrats and conservative Republicans joined forces to defeat a key element of the trade bill, Trade Adjustment Assistance for displaced workers.

What followed was a period of intense collaboration and coordination between the Obama White House and the two top Republican leaders in Congress, Senate Majority Leader Mitch McConnell and House Speaker John Boehner, to find a different legislative path to accomplish the goal of enacting Trade Promotion Authority, the formal name for “fast-track” negotiating authority.

Under “fast-track,” Congress agrees to an up-or-down vote on any trade agreement brought to it by the president, without amendments or procedural delays such as filibusters. The current bill would provide “fast-track” authority for five years, including the remainder of Obama’s term and the first three years of his successor in the White House.

The Obama administration is in the final stages of negotiating the Trans-Pacific Partnership (TPP), a 12-nation agreement that would be the first placed before Congress under the “fast-track” provision. A second trade deal with the European Union, the Transatlantic Trade and Investment Partnership (TTIP),

is at an earlier stage of negotiations.

Japan, Vietnam, Malaysia, Singapore, Brunei, Australia and New Zealand are parties to TPP, along with the US, Canada, Mexico, Peru and Chile. The TPP is not centered on “free trade,” although it is routinely given that label in the media. There are relatively few tariff barriers among the 12 countries, and some of them, such as the Japanese quotas on imported rice, will be little affected.

The real purpose of the agreement is to cement a US-Japan bloc directed against China, which is not included in the deal. The US and Japan account for the bulk of the economic activity in the 12-nation group.

While Canada and Mexico are already tied to the US through the North American Free Trade Agreement (NAFTA), China is the largest trading partner of many of the other TPP member countries. These countries would be pushed by the new trade rules to reorient their economies along lines dictated by Washington and Tokyo, not Beijing.

Obama spelled out the anti-China message in his Saturday Internet/radio address, which he devoted to urging revival of the trade bill. He claimed that his goal was “writing the rules of global trade to benefit American workers and American businesses,” while declaring, “I think we should write those rules before China does.”

The seeming failure of “fast-track” ten days ago produced consternation in many of the governments now negotiating the TPP agreement. Officials in Japan warned that continued ministerial-level talks on the details of the TPP might be called off, while Australia’s top trade official, Andrew Robb, said the deal had become “quite problematic.”

There were also howls of anger from corporate lobbyists, ranging from the US Chamber of Commerce

and the National Association of Manufacturers to representatives of big exporting companies like Caterpillar, Microsoft, Apple and the pharmaceutical giants. A spokesman for the National Retail Federation denounced anyone who might “think it is in our country’s best interest to sit back and let foreign governments dictate our role in a global marketplace.”

Spokesmen for the military-intelligence apparatus, including Secretary of Defense Ashton Carter, also weighed in, warning that failure of the TPP would cut across the US “pivot to Asia,” which aims to confront China economically, diplomatically and, ultimately, militarily.

This pressure from corporate America and the Pentagon far outweighed lobbying by AFL-CIO officials and liberal pressure groups, which found their protectionist arguments trumped by the anti-China campaign of the White House.

The outcome of the trade bill conflict is that Obama is now in a de facto coalition with the Republicans, who control a majority of both the House and Senate. Only 28 Democrats supported the “fast-track” legislation in the House, joined by 190 Republicans. Only 13 Democrats supported the bill in the Senate, joined by 47 Republicans.

The legislative maneuvers to revive the bill after its temporary defeat June 12 were worked out in intensive discussions between Obama, McConnell and Boehner, while the Democratic minority leaders, Harry Reid in the Senate and Nancy Pelosi in the House, were frozen out.

Watch David North’s remarks commemorating 25 years of the *World Socialist Web Site* and donate today.

The *Washington Post* described the deal-making between the White House and the congressional Republicans in blunt terms, noting that the Senate was voting on the trade legislation “in a move plotted by Senate Majority Leader Mitch McConnell (Ky.), House Speaker John A. Boehner (Ohio) and Obama, designed to force liberal Democrats into a box from which they will have no good option.”

Boehner hailed the Senate action and pledged quick House passage of the last piece of the trade package, a revived version of Trade Adjustment Assistance, which will be incorporated into unrelated legislation renewing trade preferences with impoverished African countries. He said that the full package of bills would be ready for

Obama’s signature before Congress recesses for the Fourth of July holiday.

Both McConnell and Boehner hinted that further collaboration between the Republican Congress and the Democratic White House was likely, beginning with passage of a transportation bill to avert a crisis in the Highway Trust Fund that would disrupt road construction projects in many states.

Senator John Cornyn, part of the Republican leadership, said that passage of the trade bill “will reap benefits far beyond just this particular piece of legislation and help us get back to a better functioning Senate.”

The areas of likely agreement include the military budget, more aggressive prosecution of the war against ISIS in Iraq and Syria, and stepped-up authority for the NSA and other agencies engaged in domestic spying.



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact